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Wednesday, 1 November 2000

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

BUSINESS

Government Business

Motion (by Senator Ian Campbell) agreed to:

That the provisions of paragraphs (5) to (7) of standing order 111 not apply to the National Crime Authority Amendment Bill 2000 (No. 2), allowing it to be considered during this period of sittings.

FINANCIAL SECTOR LEGISLATION AMENDMENT BILL (No. 1) 2000

In Committee

Consideration resumed from 31 October.

The TEMPORARY CHAIRMAN (Senator McKiernan)—The committee is considering the Financial Sector Legislation Amendment Bill (No. 1) 2000, as amended, and opposition amendment No. 1 on sheet 1938, moved by Senator Conroy yesterday.

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (9.32 a.m.)—I was making some points about the proposal for a fit and proper test being placed in the legislation and addressing the amendment moved by Senator Conroy when we adjourned last night. The point I made was that I do not think there is any fundamental policy disagreement between the opposition and the government in relation to this issue at all. It is simply a matter of finding the best way of moving forward with a fit and proper test.

Senator Conroy quoted in his address to the committee the fact that APRA were proceeding down this path, so he clearly understands the fact that they are involved in the Basle core principles of effective banking supervision process and are developing this. There is an expectation on behalf of the government that APRA will conclude the process they are undertaking and will, through a number of alternative mechanisms, which, as I understand it, are potentially a further strengthening of guidelines, potentially move for an amendment to legislation at a future time. We do not have accurate information on that at the moment, but they could well have a legislative option or a delegated legislative option. They could use regulations to do it. But there is no disagreement at all about the view that a fit and proper test is a desirable path to go down.

The question that the Senate and this committee now have to resolve is: do we do it based on the amendment that has been prepared and is being debated before us now? We do see some problems with the amendment. We are sure that it will not meet the requirements that APRA, through their process, will be aiming at. They are going for a thorough upgrading and implementation of a fit and proper test through potentially three different mechanisms. One of the problems with the amendment we have before us is that, for example, it does not create any rights of individual appeal. To bring in a test and then not have somewhere else in the legislation a right of appeal for those persons who may be subject to that test would clearly be against best principles. One other issue I should address is that the amendment does not extend to senior executives and other persons who are often captured in fit and proper provisions in overseas legislation.

In other words, the legislative amendment that we are addressing today is not up to world’s best practice. We are assured by APRA that the APRA process is working within the Basel core principles of effective banking supervision process, and we want to ensure that APRA’s fit and proper test is ahead of world’s best practice or is at least at world’s best practice. I am sure the opposition would seek to support that. This legislative amendment would be below best international practice if that were to be the form of the test.

I appeal to all honourable senators, in moving forward on the fit and proper test path, to leave it in what we all agree are the capable hands of the Australian Prudential Regulation Authority. The ministers’ offices have authorised me to say that this process has been on foot for some time. As Senator Conroy has made clear in his statement, they are very keen to pursue this. When that process has come to the stage where they have
reached finality of it—and I do not think that will take very long—we can certainly ensure that APRA will provide to the relevant shadow spokespeople, the opposition or the Democrats, or both, a full briefing and access to any drafts of legislative amendments, guidelines or delegated legislation. I think that is the best process to proceed with. I think an amendment that does not cover all of the necessary approaches to developing a fit and proper test would be, at best, a half-way house that would potentially cut across the process that APRA are very diligently pursuing at the moment. I would therefore urge the ALP to consider withdrawing the amendment or appeal to the Democrats to suggest that we should have faith in the experts and those charged with the responsibility for this area of regulation, rather than those of us here, to develop their fit and proper test processes. We certainly cannot consider ourselves experts in this area.

Senator RIDGEWAY (New South Wales) (9.37 a.m.)—The Australian Democrats will be supporting the amendment, for many of the reasons that were spelt out yesterday evening by Senator Conroy. I note the comments of Senator Campbell, and the difficulty of course is trying to consider something in the absence of a possible future briefing. The only thing that we can do at the moment is to work on what is before us, and that is the amendment being put forward by the opposition. The point that needs to be made in all this is that, whilst there is the promise down the track of trying to deal with an appropriate fit and proper test, at this stage we would be seeking to look at the merit of the amendment put forward.

I need to make a few comments on the issue. From our perspective, the point that needs to be made is that banks are essentially entrusted with large sums of money that are held by the community, and the strict legal relationship between a banker and a customer is a contractual one rather than one of a trustee and beneficiary as in the case of superannuation funds. So we would be supporting the amendment in the absence of appropriate arrangements being put in place, acknowledging that this essentially attempts to bring it into line with what already exists in the Superannuation Industry (Supervision) Act. For that reason, and in the absence of any briefing from the government, we will be supporting the opposition’s amendment.

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (9.39 a.m.)—Firstly, this is not filling any void. A set of guidelines is already used. In fact, my advice is that the acceptance of this amendment could potentially undermine the existing regime. APRA are actually in the process of improving the regime. As I have said, this test is without any doubt below world’s best practice. It fails to meet the Basel core principles, so it would be a diminution of the regime that APRA are trying to put in place. What we would effectively be saying by doing this is that we do not trust what APRA are doing, that we do not trust the regulator and that we know better. I personally will be voting against it on the basis that I would regard that as an incredibly arrogant point of view. I do not believe that I know better than APRA in relation to this.

The guidelines are already in place and they are going through a productive process. The impact of this passing the Senate in this form will be that the government will not allow that to take place. We will not allow the existing guidelines on fit and proper tests to be undermined. Far be it from me to predict what will happen in the House of Representatives, but I can suggest that the government will not accept this. It is certainly a weakening of the existing standards, it is cutting across APRA’s diligent processes and the effect will be a further delay to putting in place increasing protections, particularly for the consumers of the financial products that are at the core of this bill.

Senator CONROY (Victoria) (9.41 a.m.)—Could I make a couple of points and then seek some clarification from the parliamentary secretary. I am disappointed that you are bagging the amendment as not best practice, because the amendment is the exact, word for word copy of your own SI(S) Act amendment. If you are so happy with the amendment for the SI(S) Act, how can it be such a poor amendment for the Banking Act?
I would be interested in you taking us through why, in terms of the SI(S) Act, it is an actual world’s best practice but, in terms of banking, it is not. I am interested in your point on appeal. Could you point to the legislation to show us where the right of appeal for superannuation trustees is? I would happily accept a further amendment to lift the same words again out of the SI(S) Act and put them into this Banking Act. So I would happily keep that level if you could show us where that measure is within the SI(S) Act.

In terms of your point about a process that exists at the moment, I have now questioned APRA on three separate occasions about the fit and proper persons test and, unfortunately, APRA really have not been able to clarify any procedures other than to continue to repeat that they currently apply an informal process. Senator Ridgeway has made the point that, in the absence of an alternative on the table, we should support this amendment. If, as you are saying, APRA believe a higher standard should be applied, I am sure we would welcome that and I am sure we would welcome an amendment to strengthen the fit and proper persons test whenever it is that APRA get around to it. But there have been 4½ years of your government. APRA suddenly decided they needed a range of changes in the SI(S) Act and we are just keen to ensure that the quality is maintained across the industry in financial services. If it is an amendment that is good enough for SIS trustees, it should be good enough for bank directors and owners. The current, informal process I do not consider to be satisfactory. I await the parliamentary secretary’s response on a couple of those points.

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (9.43 a.m.)—They are actually core issues, so this is what we should get right to. The real nub of it is that the superannuation structure where you effectively have a trustee who is the key party—the fit and proper test applies under that legislation—is a very different structure to that of a bank. We want the fit and proper test to move down through a range of other officers who should have that test applied to them. The amendment to the SI(S) Act that you have extracted and copied into the Banking Act effectively takes a level of supervision, a level of application of a fit and proper test, that appropriately applies within that legislation and to those people and then moves it into the banking sector.

The whole process being undertaken by APRA, which I described earlier, is to ensure that the fit and proper test currently being applied is upgraded to ensure that it complies with world’s best practice, which most people in the sector would agree is embodied in the Basel core principles affecting banking supervision. How do you pronounce that? Is it ‘Barsel’ or ‘Basil’, as in Fawlty Towers? The key point I would seek to make in response to the honourable senator’s question is that we know there is a significant difference in the structure of the organisations you are seeking to regulate, within a bank or within a superannuation superstructure, and the process APRA is currently going through is to ensure that the standards that apply under the fit and proper test are in line with the Basel core principles, which do not need to apply under SIS because they are fundamentally different organisations. Secondly, I can assure the honourable senator that, under the SIS amendment, there are appeal rights in this legislation—I am advised of that—whereas the opposition’s amendment does not transfer those across into the Banking Act, so there is a fundamental failure there. That is all I need to say at this stage in response to the senator’s questions.

The TEMPORARY CHAIRMAN (Senator McKiernan)—I am not an expert on pronunciation, but I think the correct pronunciation is ‘Barle’.

Senator CONROY (Victoria) (9.46 a.m.)—I will defer to your call on it, but I am with Senator Campbell, actually. Senator, could you supply me with the reference for that appeal mechanism in SIS? I am happy for the advisers to keep flicking through the pages and then pass the information on. I am perplexed by the question of it being a poor test because of the structure of the organisation. The whole thrust of the financial sector reform that we have been undertaking and that we are undertaking in CLERP 6 is to try
to put a standard in place irrespective of structure and product. The thrust of financial sector reform is to simplify it so there is one test that applies across the board. The fact that the structure in a bank is different from that in a superannuation fund should make no difference to what the test is. The core issue here is the quality of the test. If the quality of the test is good enough for SIS—and I believe it is a rigorous test; that is why we are supporting it—then the same rigour and quality can be applied to banking executives and banking shareholdings. It is a bit of a furphy to argue that, simply because a bank has a different structure, this should be ruled out. I accept there is an appeal process in SIS—hopefully, you have some information for us on that now. I am happy to lift the appeals process out of your SIS legislation and put it as a further amendment—or, hopefully, you will. It is a furphy to argue that banks have a different structure. The core principle here is the quality of the test. I took your argument to mean that there are not enough people captured by this. I am sure we would welcome having this extended when that APRA work is completed, and we look forward to you bringing that forward.

In the meantime, the current situation is unsatisfactory. On three occasions, APRA was unable to define for a parliamentary committee the process they undertake and what the test is, other than to repeat that there is an informal test. Unfortunately, there are some controversial applications in the pipeline at the moment and people have a legitimate concern about how this test is going to be applied, who is applying it and how it is going to be signed off. Ron Walker is always a controversial character, particularly if you are from Melbourne, so we are concerned to ensure that proper process is followed, not some undefined airy-fairy informal process that APRA—chief executives and others—has been unable to explain to Senate estimates committees and other parliamentary committees at any stage. The structure argument is a furphy. If there is an appeal process I am happy to incorporate it. If you think this is limited because it does not go far enough in terms of whom it will examine, I will accept a further amendment or undertake to support the legislation when APRA has completed its process.

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (9.50 a.m.)—The first question Senator Conroy raises concerns the appeals process, and I refer him to item 5 of schedule 3. That makes the disqualification under the fit and proper test in the SIS Act, I presume, a reviewable decision. There is no difference between the opposition and the government in policy and approach in relation to building on the fit and proper guidelines. Our advice is that APRA are pursuing this. They want to bring the fit and proper test up to the Basel standards. It is pronounced ‘Basil’, I am told. ‘Barle’ is the French. There is another pronunciation for the Germans, but the Aussies have decided to pronounce it ‘Basil’. If that is what the Aussies want; that is what they get—‘Basil, Basil, Basil; oi, oi, oi.’ The other thing I temporarily forgot to mention is important and should appeal to the Democrats, and that is that APRA, in the development of their test, intend to seek industry views.

We were first given notice of this amendment by the Labor Party less than 24 hours from when the debate began. We have not had a chance to discuss it with the Democrats, I understand, or with the Labor Party. We sought amendments, as Senator Conroy knows, in the chamber. I said to Senator Conroy, ‘This debate’s coming on. Have you got any amendments?’ He said, ‘Yes, we’ll get them to you.’ We got them a few hours later—I thank the Labor Party for that cooperation—and that was the first time that we were aware of this amendment. It has not had any industry consultation whatsoever. We had, I think, a very vigorous debate about consultation on the bill as a whole in the second reading stage, yet this quite crucial issue of bringing in a legislative fit and proper person test, which landed on the laps of a few senators a day or so ago, is going to cut across APRA’s existing process which is going to involve industry consultation. In fact, Senator Conroy and Senator Sherry, if I recall correctly, commended APRA for their role in consultation but cast aspersions on the
consultative nature of my colleagues the Minister for Financial Services and Regulation and the Assistant Treasurer and the lengths to which they go to consult on these matters. I think if you want a process that allows industry to look at the fit and proper test and what APRA come up with through their process, it is appropriate you do that.

I do not like to hark back to history but, when I set about the process of reforming the Corporations Law, we went through a process of, I think, four rounds of consultation right around Australia on every single change we made to that law, allowing continuous feedback. We engaged the opposition in that process and we engaged the Australian Democrats in that process so, when that legislation finally came to this place, there was a very clear understanding of all the changes that took place. This change landed in this place in the last 36 hours and, all of a sudden, the Labor Party and the Democrats say, 'Oh, that's a good idea. We don't need to discuss that with industry. They don't need to be consulted. We can ignore the views of APRA. We know best.' It is not a sensible way to go about bringing in a new piece of legislation which will affect an entire industry. It shows a total lack of faith in the government. You cannot say, 'We don't trust the government.' What you are actually saying is: 'We do not trust APRA to develop this process and consult with industry.' I have said in good faith that the government will ensure we will not just leave it to APRA; we want to ensure that the Democrats and Labor, as part of that consultation, can be briefed on the outcome of APRA's process.

I can do no more than that. I just make it clear that it is inappropriate for industry not to have their views sought on these changes. It is inappropriate to bring in this sort of amendment with incredibly short notice and it is bad policy. I have put the arguments. I do not intend to continue the debate; I am just saying that the government will not accept it. It will simply delay the implementation of this regime. I do not think there is anything further that I can add.

Senator RIDGEWAY (New South Wales) (9.55 a.m.)—I think it might be Basel—and I think it is in Switzerland, by the way! But, separate to that, I note the comments by Senator Ian Campbell. The only thing that I would say is that I understand the issues in relation to the industry and their views needing to be sought. The point from our perspective—and it is something that was spelt out in the second reading debate—is very much about the question of the public interest being dealt with, particularly in looking at the fit and proper test as it relates to people that will be responsible for large sums of the public's money. And it essentially comes down to that rather than it being a question of the appropriateness of there being a test at all. So, without suggesting how this might be facilitated, I think that as part of the process there is time for the government to speak to the opposition. If they are able to work that out in terms of the issues being raised by the government and if there is an agreement on policy issues, then surely there is a way to resolve it. From our perspective, we would support something that is currently on the table in the absence of any other thing being put forward, acknowledging what Senator Ian Campbell is saying on behalf of the government. But I think, quite frankly, it comes down to the government and the opposition needing to work out the details of what the amendment ought to look like. We would support an outcome where there is concurrence between the two groups.

Senator MURPHY (Tasmania) (9.56 a.m.)—With regard to this matter of a fit and a proper test and whether banks are doing the right thing et cetera, last evening I raised a matter in here with regard to the Commonwealth Bank and its treatment of some customers, and I think it is a very good example of why APRA should have some powers to ensure that banks do the right thing. On this occasion, I have to say, it seems that banks might have some heart—albeit only as small as a pea—at this point in time. But it would appear that they may well do. Last night I raised an issue in respect of the treatment of customers of the Colonial Trust Bank and the Colonial State Bank, particularly aged and war veteran pensioners, who were not receiving the same treatment as existing Commonwealth Bank customers. I made that
contribution and, before I got back to my office, the Commonwealth Bank actually rang my office, rather annoyed at the comments I had made. They had promised me over seven days ago that I would have a letter in response to the matters I raised with them in writing. I have today received a letter from the Commonwealth Bank, and I would like to read the letter to the Senate. It says:

Dear Senator Murphy,

I am writing in response to your correspondence to the Managing Director, Mr David Murray, of 27 September 2000 regarding the Commonwealth Bank’s special rebates offered to aged or war veteran pensioners. Mr Murray has asked that I respond on his behalf.

I am pleased to inform you that former Colonial Bank and Trust Bank aged pensioner and war veteran customers who continue to bank with Commonwealth Bank will be eligible for this rebate so long as they were a customer of Colonial or Trust Bank before 31 October 1997. This mirrors our approach to pre-merger Commonwealth Bank customers.

The decision to extend this concession has been taken by the Commonwealth Bank to demonstrate our commitment to provide customers with the benefits of a broader product range and enhanced services as a result of the merger with Colonial. Eligible Colonial and Trust Bank customers will receive this concession when the necessary integration of products and information is complete. This will occur during 2001. In the meantime, the existing Colonial arrangements remain unchanged. I trust this addresses your concerns.

Of course, I am very appreciative of the fact that the Commonwealth Bank has had at least some heart in respect of particular customers. But I would encourage the Commonwealth Bank, in the interests of providing enhanced services and a broader product range and a commitment to customer service, to treat all pensioners the same. Whether they were a customer of the Commonwealth Bank or of the Colonial or Trust Bank as at 31 October 1997 or not, they should provide the same benefits to all customers, and I hope that this legislation will go some way towards ensuring such an outcome. In fact, it might be better if the banks gave greater consideration to these things, given the time that it took them to deal with this matter. I would hope that they take a similar time when they are dealing with their executive salaries and share options. It seems that it takes them little time to make those decisions. So I would hope that the government will consider what is proposed to them by way of amendment very seriously, because we do need to take some steps to ensure a better outcome for the banking customers of this country.

Senator CONROY (Victoria) (10.00 a.m.)—I would like to congratulate Senator Murphy on his outcome there. Well done. I apologise for delaying the chamber; I am happy to put this to the vote shortly. What is the appeal mechanism under the current informal process? Is there an appeal mechanism in the act at the moment for the current process?

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (10.01 a.m.)—The process at the moment—as we have all agreed—is informal, so it is done via submissions and through seeking other people’s views on it. Obviously, if you are not happy with the way it is going, you can make further submissions. The thing is, if you have a legislative requirement you have got to have an appeals mechanism. At the moment there is not a legislative requirement, there is not a formal test, so you do not need a formal appeals process. What you are doing here is effectively putting in place a formal test, then not creating any appeal process. That is the downfall of it.

Can I just respond briefly to Senator Ridgeway’s point: with the lack of any other test lying around we had better grab this one and put it in—to paraphrase, probably unfairly—so we really care about the consumers. If you want to care about consumers you build a prudential regulatory regime that is the best in the world. This government has worked very assiduously for the last four years to build that regime. We are now internationally recognised and, very importantly, recognised as leaders in our region. That is one of the reasons why Australia has been so successful when many countries in our region over the past few years have had financial difficulties and why we were pretty well
protected by what is called a firewall from the contagion that spread throughout Asia through the financial crisis in our region, because of both the fiscal policies and the regulatory reforms put in place.

This government went through detailed processes in designing a new financial system for a new millennium. We went through a detailed consultative process with both the Corporate Law Economic Reform Program, which of course was one of the pre-eminent programs of this government, and the financial sector reforms both through the Wallis committee and its implementation and through consultation on draft legislation. We did not adopt a process where we came into the pre-eminent legislative chamber of the land and brought in last-minute proposals and said, ‘This is the best we can do at the moment. Go and try to work it out and try to improve it later, but this is the best we’ve got at the moment.’

I have said to all honourable senators that, in the short time we have had available to look at the amendment, we have found two fundamental faults with it. Firstly, there is no appeals mechanism, and I would have thought that to put in place a test and then say there is no right of appeal would absolutely insult the principles of the Australian Democrats. I am accused of knowing Democrat policies more than I should around this place from time to time, because of past allegiances with that great Western Australian, Jack Evans. But I can say that this is not allowing the community to consult on a measure that affects the savings of virtually every Australian—every Australian with a bank account. Here we are looking at bringing in something with effectively no notice—that has not been consulted on by anybody. We found that, firstly, it does not come up to the Basel core principles; secondly, it does not have a right of appeal in it; and, thirdly, it does not apply to all of the officers that you would want a fit and proper test to apply to.

So it is actually a lower test than that which applies at the moment but we are saying, ‘Because its the only thing around, because its the only bit of paper that has been lodged—effectively a few minutes before the debate commenced—its okay.’ The Democrats say, ‘Oh, we’re doing that because we want to protect consumers.’ Do not kid yourself. Firstly, the amendment does not add to consumer protection—and there is a risk that it detracts from it—and, secondly, it will cause a delay in the process of this legislation, without any doubt. I am informed there is a backlog of 300 cases at the Superannuation Complaints Tribunal. We want to upgrade the penalties. We want to upgrade the resources of that. We want to make sure that those consumers get the protection they need.

This is well intentioned, and I have been very open about that. There is no doubt about the intention. The Labor Party is incredibly well intentioned. They have tried their best to come up with an amendment to solve a defect that we agree on, but what we are saying is that there is a better way to go, and it should involve consultation, and it should involve a well thought out amendment. But this is not the place to do it. I appeal to the Democrats: please listen to reason, please listen to logic on this.

Senator LUDWIG (Queensland) (10.06 a.m.)—I came in a little late on the debate in relation to the amendment but, as I understand it—and forgive me if I do not articulate this as cogently as Senator Conroy—the fit and proper test is the test that is sought to be placed in the Financial Sector Legislation Amendment Bill (No. 1) 2000. The answer back from you, Senator Ian Campbell, as I understand it, is that there is a test but no appeal mechanism—at least in the amendment that has been put forward. But the question then is: is there a test or an appeal mechanism in the parent legislation which would then allow either a merits or a law review of the matter? In other words, would you have an appeal mechanism in merits by the AAT or, alternatively, an ADJR process for a matter of law? In relation to the appeal mechanism, are you going to a merits review or a law review? If you are going to a law review, is the relevant banking legislation subject to the ADJR? It would of course still be caught by section 39 of the Judiciary Act anyway for a law review. Is that the direction you are talking about when you say there is no appeal mechanism, because there may be
in any event an appeal mechanism that can be proceeded with? I am just wondering if you would clarify that.

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (10.08 a.m.)—I have already described the process that exists at the moment—it is an informal process. We are saying that we are actually amending the parent act here. What you are seeking to do, what your side of politics is seeking to do, is put a formal legal test in place and then, within that bill, not have any appeals mechanism. Quite frankly we have had the debate. Coming from the WA Liberal Party I recognise where the numbers lie, and I am not going to delay the process any further. I am happy to go down with dignity on this and allow the House of Representatives to deal with it.

Senator RIDGEWAY (New South Wales) (10.09 a.m.)—I have just one final comment on this—this will also be my last words on it. I think what is at the heart of the matter—and we seem to keep going over the issue—is that there is agreement on the policy. That is not in question. Some deficiencies have been identified, including one that Senator Ian Campbell describes as being fundamental—although I would not necessarily view it in that way given that the amendment, I am advised, does not derogate from what it is that APRA is doing. If, at the end of the day, there is agreement from the point of view of what the policy position ought to be and there is an identification of what are some of the deficiencies—that discussion has gone on in the chamber, and I think the opposition have noted that—surely there must be some reasonableness in being able to deal with those deficiencies in such a way that this issue can be resolved.

I understand the comments in relation to consultation, but consultation of itself is not necessarily an issue that ought to take precedence over something that has already been set in relation to the Superannuation Industry (Supervision) Act. I think the point is that consultation would be fine if we were talking about creating something completely new, but we are not. We are talking about trying to bring something into place on its merits. So at the end of the day I do not think there is any disagreement on policy views on the issue. It is clearly a case of, as has already been done, identifying what those deficiencies are and fixing them.

I think the opportunity is there for the government to do something about that. Certainly, from the Democrat perspective, consultation is something that we always look forward to, but legislation or appropriate policy cannot be put off purely because there has to be consultation on everything. Otherwise we would never get anything done—we would spend all of our time consulting. So the reality is that it has to stop here. From my perspective, I think we all agree, and we are just trimming around the edges of what works and what does not. I hope that some sense comes out of all of this because it seems to be a simple and fixable issue.

Senator LUDWIG (Queensland) (10.11 a.m.)—Not to be thwarted in my attempt to get some clarification in relation to the matter that I raised, perhaps I could rephrase my question to Senator Ian Campbell in the sense of asking whether the AAT is subject to merits review in the Banking Act itself—it would have to be part of the process—or, alternatively, whether it is subject to the ADJR procedures—that is, to the Administrative Decisions (Judicial Review) Act? That may assist you in providing information.

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (10.12 a.m.)—My advice is that it would be subject to ADJR, but not to AAT.

Senator LUDWIG (Queensland) (10.12 a.m.)—That would at least then provide an appeal mechanism on law in relation to this decision, would it not?

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (10.13 a.m.)—I would actually ask Senator Ludwig to indicate if he would be content in considering
the ADJR as a full and desirable appeal process for someone who feels aggrieved by a decision under this test or whether in fact it could best be described as a less than full appeal process for someone who is aggrieved under this process. I would commend all senators to indicate if they believe that relying on the ADJR is an appropriate appeal process. I would love to be a fly on the wall when the Australian Democrats have to review this decision in their party room because what they have effectively said is, ‘We agree on the policy.’ But the detail is in doubt. They have not discussed it with the government. They have not sought a briefing on it—they have not sought any briefing from APRA. So they have come in here without the full facts, but because it is the only thing on the table they think it looks good and they are going to vote for it, even though the detail is, by their own admission, not up to scratch.

They have appealed to the Labor Party to come and try to sort it with us, so what we have to do is to go behind the screen with some advisers and quickly map out a fit and proper person test, even though APRA are doing this at the moment. The Democrats have to do that. I ask Senator Ludwig to say on his own behalf: does he say that the ADJR is there for a full and appropriate review and that he will be totally satisfied that, under the process that they are putting in place in this law, the appeal rights of a citizen who feels aggrieved are therefore all that they should expect in this great democracy because the ADJR is there, or should there be proper appeal rights across all the processes that are set down in this amendment that he is about to support?

Senator LUDWIG (Queensland) (10.15 a.m.)—Senator Campbell may be mistaken in the sense that I came to assist the chamber in discovering what appeal mechanisms were in existence for the banking industry. We have, as I understand it, now discovered that there is at least one, which is the ADJR procedure. However that is not to lessen the debate; it is merely to inform the house that there is at least a test and that other tests, such as the AAT, appear not to be a part of the banking industry. That is a matter for government to decide, just as the government has decided that there is not a test in relation to the extradition of people and that there are no review or appeal mechanisms in that area and just as the government decided under section 417 of the Migration Act that there is no review process. That is a matter for the government.

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (10.16 a.m.)—I suggest to Senator Ludwig, if he wants to be consistent, which I would never accuse him of being, that, if he thinks that we should just rely on the ADJR and the Banking Act, then we should take out of the SI(S) Act item 5, schedule 3, which I described earlier and which ensures that those decisions be reviewable. In other words, we just rely on the ADJR across the whole thing. When we come to debating that, let us see the Ludwig amendment which takes out the reviewability of those decisions. Let us see some consistency. We have had the debate; we have a half-baked measure that is about to get supported here. It is going to undermine the regulatory regime of the Banking Act, but the Democrats are happy to support that and to put consumers at risk. Let us move on.

Senator CONROY (Victoria) (10.17 a.m.)—Unless Senator Ridgeway wants to weigh in again, hopefully we can move on. I will just take up the sentiment of Senator Ridgeway’s offer. We stand ready to introduce a review mechanism. We are happy to incorporate the same review mechanism as exists under the SI(S) Act. We are happy to draft that up in consultation with you in the next half an hour while the rest of the debate goes on. If that is your concern, Senator Campbell, we stand ready to respond to it. It is disappointing that you are trying to run such a scare campaign now; there is no current review mechanism other than the one outlined by Senator Ludwig. So there is no change on the existing situation, but we stand ready to work with the government and the Democrats to introduce a review mechanism if that satisfies you. You talked about the structure earlier; you have dropped that off—it is a furphy. But we stand ready to be consistent, as you have challenged us to be,
with the government to support a further amendment that will in actual fact introduce that review mechanism. We are quite happy to do that in the spirit of the suggestion by Senator Ridgeway and the Democrats.

*Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (10.19 a.m.)—*

Clearly, you can put in a review mechanism, even though Senator Ludwig does not think we need one because he does not care about consumer rights. Secondly, I have also said that this amendment does not apply to all the relevant people within the banking institutions. You say that there is no difference between the superannuation trustee and a banking organisation. Can I suggest, Senator Conroy—

*Senator Conroy—I did not say that at all.*

*Senator IAN CAMPBELL—* You are saying that it is a furphy to say that there should be a difference between a fit and proper person test for a superannuation trustee and a fit and proper person test for a bank. It is not a furphy. Anyone who has any understanding of the financial services sector in Australia knows that there is a significant difference, but no-one in the financial services sector has ever accused Senator Conroy of having an understanding of the fundamentals of that system. You also need to design an amendment that then seeks to cover—and this is one of the crucial matters—firstly, the appeals mechanism and, secondly, how you ensure that the test covers all of the appropriate officers within a banking institution. So you need to design an amendment there. That is what actually APRA is trying to do at the moment. What we are saying is that we could adjourn the debate for half an hour, get a couple of advisers from our side, your side and the Democrats, sit around and not go off and consult with consumers to make sure that it is appropriate for them—and you have a range of important consumer organisations in the financial sector who do an extraordinarily good job in Australia! So you are saying, ‘Let’s not consult with the customers of the Commonwealth Bank or the Trust Bank or anyone else. Let’s ignore all of those shareholder and consumer organisations. Let’s sit around the hallowed halls of the Senate, within our ivory tower, and design a fit and proper person test that will work’! I say there is a better way to do it and that is the one that we will support.

Amendment agreed to.

*Senator RIDGEWAY (New South Wales) (10.21 a.m.)—I move amendment No. 1 on sheet 1957 revised:*

Schedule 1, page 6 (after line 3), after item 16A, insert:

16B After subsection 63(2)

Insert:

(2A) The Treasurer must not make a decision whether to consent to an ADI entering into an arrangement or agreement, or effecting a reconstruction (the proposal), unless the Treasurer has first:

(a) caused for public submissions on the proposal to be called for through a process of national advertising; and

(b) given the public a reasonable period in which to make submissions on the proposal.

16C After subsection 63(3)

Insert:

(3A) In making a decision whether to consent to an arrangement, agreement or reconstruction, the Treasurer must take the national interest into account.

(3B) The Treasurer must cause copies of any submissions received under subsection (2A) in relation to the proposal to be laid before each House of the Parliament within 5 sitting days of that House after making a decision whether to consent to an arrangement, agreement or reconstruction.

This amendment deals with a couple of issues relating to the Treasurer’s approval of a bank merger, acquisition or reconstruction. The first thing it seeks to do is to require the Treasurer to call for public submissions on the proposal and to give the public a reasonable period of time in which to make any submissions about any proposals that come before him. This is an issue that was raised before the Senate Economics Legislation Committee during its inquiry into this bill,
and the government members of the committee concluded that the bill did not contain provisions making it mandatory to consult stakeholders regarding mergers. Whilst the government members did not feel able to recommend that the bill be amended to provide for that issue as it was identified, they did make the following comment:

The claimed deficiencies in the current Bill are in the nature of requests for additional legislation and therefore the Committee considers that the current Bill should proceed with the proviso that the Senate’s attention is drawn to the requests for further legislation in relation to mergers and demutualisations.

The ACA and the Finance Sector Union were possibly the leading proponents of trying to establish a process of consultation. The Democrats would have liked a more comprehensive process involving the invitation of submissions, public hearings and the publication of a report. However, we can also see that there are practical difficulties with a process that may take a long time. In discussion with the opposition, it was also made clear that they would be less inclined to support such an extensive process. Obviously, our views were not going to get the support desired. Consequently, we acknowledged the political and practical realities and have arrived at the amendment that is currently before the Senate.

The second thing which this amendment does is to impose a requirement on the Treasurer to consider the national interest when deciding whether to consent to an arrangement or reconstruction. The government members of the Senate Economics Legislation Committee also noted that the bill did not contain provisions for criteria against which the Treasurer or the Treasurer’s delegate could evaluate mergers and demutualisations before giving any approval. The Democrats would have liked to move an amendment which would prescribe specific factors. We do not feel in a position to do that without there first being a process of consultation on that issue to determine precisely what the criteria should be and how they should be expressed. At this stage, we are proposing to simply insert a requirement that the Treasurer consider the national interest in making his decision. We would envisage at some time in the future amending the provision to prescribe a number of specific factors. The sorts of factors that we would consider relevant at the time would be the employment effects, social effects and the ability of communities to access banking services. In conclusion, I commend the amendment to the committee.

Senator CONROY (Victoria) (10.25 a.m.)—Let me start by welcoming and congratulating the Democrats on this amendment. Labor has been working closely with the Democrats to produce this amendment and we are happy to support it. This amendment seeks to do two things. It seeks to introduce a consultation process for banking mergers, and it seeks to harmonise the existing national interest test which is contained in the Financial Sector (Shareholdings) Act into the Banking Act 1959. Let me start by discussing the issue of consultation. Consumer groups have expressed concern that, under the current process of approving a merger, there is little consultation about the impact of a banking merger on the provision of banking services. When the Commonwealth Bank merged with Colonial, the Financial Services Consumer Policy Centre expressed concerns that the ACCC did not consult consumer groups in Tasmania, despite the fact that the merger had major competition implications for Tasmanian consumers.

Chris Connolly, the director of the centre at the time, said:

Louise Petschler, from the Consumers Association, has also stated that she was concerned that the voice of consumers was not being heard. She stated to the Senate Economics Legislation Committee inquiry into this bill:

...we are not at the point now where we need to worry about the fact that someone should have a bigger voice than someone else. Our concern is that we do not get the opportunity to put that
In respect of the ACCC, it must be said that the lack of consultation on banking mergers is not because there are insufficient powers under the Trade Practices Act 1974. If the ACCC believes that a merger would have an unacceptable impact on competition, the ACCC has the power to hold a public inquiry and ultimately reject the merger. However, in recent banking mergers where there has been concern that the merger would have an impact on competition, the ACCC has accepted enforceable undertakings under the Trade Practices Act. The acceptance of enforceable undertakings has satisfied the ACCC that the impact on competition will be mitigated, and hence a public inquiry has not been required. In effect, the use of enforceable undertakings means that formal consultation is not obligatory.

The ACCC accepted enforceable undertakings when Westpac merged with the Bank of Melbourne in 1997. The undertaking period has now expired, and it is appropriate that we assess whether the ACCC’s undertakings have been successful in maintaining competition. The disappointing conclusion that many consumers have drawn is that we have lost a vigorous competitor in Melbourne and Victoria and, although the Bank of Melbourne branding has been retained, it will be difficult to argue that the Bank of Melbourne is still the bank that cuts the costs of banking. As a recent example, Westpac announced on Friday, 20 October that it would increase the fee on over-the-counter transactions from $2 to $2.50 and that this fee increase would apply to all Bank of Melbourne customers. Not much of an effort at cutting the cost of banking.

I think it is important that, if there are further bank mergers, the ACCC does improve its consultation processes, but I also think this bill provides an opportunity to introduce a consultation process for the Treasurer, who is ultimately responsible for making a decision as to whether to approve a banking merger or not. The Democrats’ amendment proposes that the Treasurer call for public submissions on a bank merger and allow a reasonable period for submissions to be received. These submissions will then be tabled in parliament. This amendment will mean that all interested parties have the opportunity to present their views to the Treasurer before a decision to approve a bank merger is made. The amendment acknowledges that banking mergers can have significant impacts on the provision of banking services and that, given the importance of banking to our community, the community has a right to present its views.

The second aspect of the Democrats’ amendment is to require the Treasurer to consider the national interest when making a decision to consent to a merger or reconstruction. The government have stated that this bill provides an opportunity to harmonise provisions in the Banking Act, yet the government have for some reason chosen not to harmonise the existing national interest test, which is contained in the Financial Sector (Shareholdings) Act. The Financial Sector (Shareholdings) Act does not define what the national interest is. However, Treasury have advised that there are a number of common facts that are usually considered. Mr Steven French, General Manager of the Financial Institutions Division of Treasury, told the Senate Economics Legislation Committee on 4 August that the issues that Treasury normally considers include prudential considerations, competition policy issues and other issues relevant to the national interest—for example, employment effects, regional effects, benefits to consumers and industry groups of greater efficiencies and productivity, and benefits in creating stronger institutions or greater diversity of product lines.

There is no doubt that there is a need for further debate as to the issues that the Treasurer should consider in assessing the national interest when consenting to the merger or reconstruction of an ADI. At the heart of the issue is the need to define what the social obligations of Australian banks are. While the government were quick to agree that banks have social obligations, they are slow to define what they are. The Australian Consumers Association stated at the Senate Economics Legislation Committee inquiry that they were not in a position to be able to ade-
Sufficiently define what should go into a public interest test nor what community obligations the Treasurer should consider when consenting to the merger of an ADI. They stated to the inquiry:

What we would like is an actual debate with the government, with the regulators and with the banking sector around what would be viable universal service obligations and how they would look.

In our minority report to the committee’s inquiry, Labor senators agreed with the Consumers Association that there is a need for a public debate on how a public interest should be defined. We stated that the Treasurer should immediately establish a forum to bring consumer groups, trade unions, pensioner groups and other stakeholders together with banking industry representatives to discuss the issues that the Treasurer would and could consider when consenting to a merger of an ADI. While Labor is not proposing to define the national interest in this amendment, the Treasurer should establish a process to bring stakeholders together to discuss the issues that should be considered when consenting to a merger of an ADI. Labor supports the amendments to the bill proposed by the Democrats.

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (10.32 a.m.)—I understand Senator Kemp addressed this amendment in my absence briefly yesterday. I want to make two points. Firstly, as Senator Conroy has pointed out in his contribution he just read, there is already a lot of consultation involved in the process. For the reasons Senator Kemp outlined yesterday, we believe that making it a legislative requirement has a number of negative impacts. I guess it is thus in physics and politics that every move you make has an upside and a downside. We believe that there are a number of significant downsides in regard to this. I am not sure whether Senator Kemp mentioned any, but one of them is where you have cases of distress. Where a merger is required and the interests of depositors could be jeopardised by having to go through this sort of formal process, all of us would want the Treasurer to be able to make an immediate decision. There were examples of that throughout the 1980s and more recently in different parts of the country.

Secondly—and this is a very important point—Senator Conroy has described the processes that took place through the ACCC and a range of other consultations that took place in relation to a recent merger involving the Commonwealth Bank and even Westpac, but he did not talk about the history of what took place when the Labor Party were in power. They always forget what they did with the Commonwealth Bank after campaigning in a federal election—I think it was the 1987 election—to not privatise the Commonwealth Bank. I remember standing at a rally in front of the General Post Office in Forrest Place in Perth where there were a whole range of employees of the Commonwealth Bank picketing and placarding the then leader of the party—I think it was Andrew Peacock in those days—and vowing to stop the Liberals from selling the Commonwealth Bank. Of course within literally weeks of the election Mr Keating sold the Commonwealth Bank.

The closest relationship to this debate, Mr Temporary Chairman Lightfoot, as you will recall well from the time, is that the Labor Party are now supporting a Democrat amendment in relation to consultation on mergers. The Labor Party have commended the Democrats and they have said they worked with the Democrats on this. But I remind all honourable senators of that infamous merger that took place between two of the great Labor icons of the eighties and nineties—the Keating and Kirner icons of the Labor Party—when they negotiated the merger that Senator Conroy and his Victorian Labor comrades want to forget: that is, the merger of the Commonwealth Bank and the State Bank of Victoria. I remember them giving all sorts of guarantees about service and bank branches and so forth. I asked my advisers: what consultation took place in relation to the merger of the Commonwealth Bank and the State Bank of Victoria? Did they consult with a consumer or any consumers? Not one. Did they consult with a consumer organisation? No, not one. Did
they consult with the union? No. Did they consult with anyone? No. Mr Keating and Mrs Kirner did the deal and implemented it virtually within 24 hours.

This is the gross hypocrisy of the Australian Labor Party in relation to banking policy generally. This is the gross hypocrisy of a populist opposition with no policy, and in Victoria where Labor govern that state, or pretend to, their policy is similar to that of Mr Beazley: do not have a policy; just have a review. I think at last count they had reviews, roundtables and committees numbering in excess of 80, and Mr Beazley’s policies are very similar. When it comes to native title or tax or anything else, the answer every time is: let’s have a review. We oppose this amendment for very good reasons. When the vote is taken you will see members of the Victorian division of the Labor Party voting for a legislative requirement for consultation within only a few short years of when the Victorian Labor Party’s great icon, that fantastic fiscal manager—quite frankly, that disgrace to Australian politics—Mrs Kirner and Mr Keating, that failed Treasurer, that failed Prime Minister, merged two great institutions, which involved no consultation and no discussion by anybody. The hypocrisy is breathtaking.

Amendment agreed to.

Senator CONROY (Victoria) (10.38 a.m.)—I move:

(2) Schedule 2, item 8, page 12 (lines 4 and 5), omit subsection (2), substitute:

(2) The terms and conditions of appointment (including as to remuneration) are to be determined by the Bank, provided that such terms and conditions shall be no less favourable than those which may exist in terms of any Certified Agreement applicable to this group of employees.

Thank you, Mr Temporary Chairman. I welcome you to the chamber. You might have noted that we invited you to join us in a more formal sense yesterday and we were very disappointed when you did not make a contribution.

The TEMPORARY CHAIRMAN (Senator Lightfoot)—Perhaps you could make a contribution to the consideration of this amendment, Senator Conroy.

Senator CONROY—I think your adjournment speech last night is very relevant to these amendments—although I was disappointed that you did not reiterate your call to jail bank directors. I am concerned that you may be getting a little heat and pressure—but I am sure that you would not let that influence you. Moving to the amendment more directly—

The TEMPORARY CHAIRMAN—I think that is a good idea, Senator Conroy.

Senator CONROY—You have made a number of very valuable contributions to the philosophical debate, but I turn now to the specific wording of the amendment. The bill proposes changes to the Reserve Bank Act 1959 that will have the effect of inserting a new definition of ‘staff members of the Reserve Bank service’ to replace various definitions of ‘officer’; amending provisions in relation to the appointment of staff that allow the bank to appoint such staff as the bank considers necessary for the performance of its functions on terms and conditions of employment to be determined by the bank; and deleting section 71, which currently allows the bank to lend to staff for the purpose of housing.

In consultations in respect of this bill, Treasury officials confirmed that existing terms and conditions of employment for RBA staff, including access to housing loans, will not be affected by the proposed amendments. However, in order to safeguard the employment conditions of Reserve Bank employees, Labor is proposing to amend the bill to prevent the undermining of existing conditions of employment within the Reserve Bank. Labor is proposing an amendment to ensure that the terms and conditions of employment, including as to remuneration, are determined by the bank, provided that such terms and conditions shall be no less favourable than those which may exist in terms of any certified agreement applicable to this group of employees.

The TEMPORARY CHAIRMAN—The question is that the amendment be agreed to.
Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the
Minister for Communications, Information Technology and the Arts) (10.40 a.m.)—That
is indeed the question, and the government’s answer to that question is: no, we do not
agree to the amendment. We think it is an inappropriate amendment to the Reserve
Bank Act. This is clearly an industrial relations issue. I suspect that the motivation be-
hind it is effectively the puppeteers of the Finance Sector Union pulling the strings of
their comrades in parliament whom they pre-select, endorse and put in this place. There
is no reason for this amendment other than promoting the Labor Party’s deep ideological
commitment basically to having individuals controlled by trade unions and ensuring that
employers and employees cannot deal with each other as informed individuals to work
out what is best for the organisation and for the employees and to move forward without
external third party intervention.

As I said, this is clearly an ideological preoccupation of the Labor Party. It should
take a leaf out of Tony Blair’s book and try to reduce union domination of its political
organisation and represent all Australians. That is what our great party, the Liberal
Party of Australia, does: it represents all Australians and is not dominated by one
sector of the Australian community. It is entirely inappropriate to interfere in the Re-
serve Bank’s industrial relations and human relations activities through this act of parlia-
ment, and I appeal to the more sensible minds of the Australian Democrats to oppose
what is an ALP ideological obsession.

Senator RIDGEWAY (New South Wales) (10.42 a.m.)—In answer to the ques-
tion put by the government, the Australian Democrats will support this amendment. The
reason is that it revises provisions dealing with appointments by the Reserve Bank. While
acknowledging that the parliamentary secretary sees this amendment more in the con-
text of IR, we believe the merit of the argument in this case is that the bank is cur-
rently empowered to appoint staff as it considers necessary and to determine the terms
and conditions of those appointments. How-
ever, the ALP amendment will provide that
future terms and conditions must not be less favourable than those that apply in any ex-
tisting certified agreement that is applicable to any of the bank’s employees. From that
perspective and looking to the future, the Democrats are happy to support protection
for future employees of the Reserve Bank and we will support the amendment.

Amendment agreed to.

Senator CONROY (Victoria) (10.43 a.m.)—by leave—I move:

(1) Schedule 3, item 46, page 25 (line 25) to
page 26 (line 1), omit the item, substitute:

46 Subsection 36(2)
Repeal the subsection, substitute:
(2) The trustee is guilty of an offence if the
trustee contravenes subsection (1).
Maximum penalty: 50 penalty units

(2A) The trustee is guilty of an offence if the
trustee contravenes subsection (1). This is an offence of strict liability.
Maximum penalty: 25 penalty units

Note 1: Chapter 2 of the Criminal Code
sets out the general principles
of criminal responsibility.

Note 2: For strict liability, see section
6.1 of the Criminal Code.

(2) Schedule 3, item 47, page 26 (lines 2 to 9),
omit the item, substitute:

47 Subsection 36A(7)
Repeal the subsection, substitute:
(7) A person is guilty of an offence if the
person contravenes this section.
Maximum penalty: 50 penalty units

(7A) A person is guilty of an offence if the
person contravenes this section. This is an offence of strict liability.
Maximum penalty: 25 penalty units.

Note 1: Chapter 2 of the Criminal Code
sets out the general principles
of criminal responsibility.

Note 2: For strict liability, see section
6.1 of the Criminal Code.

(3) Schedule 3, item 63, page 32 (lines 10 to
17), omit the item, substitute:

63 Subsection 254(4)
Repeal the subsection, substitute:
(4) The trustee is guilty of an offence if the
trustee contravenes subsection (1).
Maximum penalty: 50 penalty units
(5) The trustee is guilty of an offence if the trustee contravenes subsection (1). This is an offence of strict liability.

Maximum penalty: 25 penalty units

Note 1: Chapter 2 of the Criminal Code sets out the general principles of criminal responsibility.

Note 2: For strict liability, see section 6.1 of the Criminal Code.

(4) Schedule 3, item 76, page 37 (lines 4 to 10), omit the item, substitute:

76 Subsection 347A(6)

Repeal the subsection, substitute:

(6) The trustee is guilty of an offence if the trustee contravenes subsection (5).

Maximum penalty: 50 penalty units

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

Mr Temporary Chairman, I have been re-reading your contribution from last night and I congratulate you on it. The bill proposes to introduce a new penalty regime into the Superannuation Industry (Supervision) Act 1993 altering many offence provisions from fault to strict liabilities. I have already discussed in my speech on the second reading the fact that the failure of the government to consult on this bill led to the superannuation industry’s raising a number of concerns about the bill at a public inquiry in Sydney on 11 July. As a result of the concerns raised by the superannuation industry, another public hearing was held on 14 August 2000 in Canberra which the regulatory bodies, including APRA, ASIC and Treasury, attended. The regulatory bodies provided evidence that the bill was part of the harmonisation of the legislative and regulatory approach in order to comply with the criminal code which is set out in the Criminal Code Act 1995. The criminal code codifies common law principles built up over time by court decisions relating to criminal responsibility. These principles are designed to be employed in the interpretation of criminal offences. The code’s application is designed to ensure clarity and consistency in the interpretation of Commonwealth criminal offences.

Essentially, the proposed changes to penalties in the Superannuation Industry (Supervision) Act go to reducing the cost of regulating the superannuation industry and enforcing the SI(S) Act legislation. Labor’s main concerns with the bill relate to the application of the criminal code to the SI(S) Act and changes to the nature of some contravention offences from fault to strict liability or a combination of fault and strict liability called ‘two-tier’. With a two-tier offence, the regulator APRA has the discretion of whether to apply a fault or strict liability.

With respect to strict liability versus fault liability, the Senate Select Committee on Superannuation and Financial Services was advised that the courts have interpreted the intention of the parliament to be either strict or fault liability, depending on the offence. For instance, where the penalty for an offence is imprisonment for 12 months, the courts have interpreted that the intention of the parliament was that the intention to commit an offence would need to be proved. As such, the advice of the regulatory bodies was that the bill does not make significant changes to the existing obligations of superannuation trustees.

However, there are a number of amendments proposed in this bill that Labor believes need to be reconsidered. Having examined the bill in detail, Labor opposes amendments to make a number of offences two-tier offences. This will allow the regulator to apply the strict defence for inadvertent or small breaches—for example, where someone is a few days late—and use the strict liability offence for more serious breaches.

Items 1 and 2 of section 36 of the Superannuation Industry (Supervision) Act provide for the lodgment of annual returns to the regulator. Section 36A of the SI(S) Act provides self-managed superannuation funds to lodge annual returns. APRA raised in evidence before the Senate committee that it particularly needed more powers for the purpose of enforcement when recalcitrant trustees did not lodge annual returns. However, there is a concern that, if a fund missed lodging a return by a day, it would be penalised in the same way as if it had lodged a fraudulent return. APRA has indicated on several occasions that it is not interested in
prosecuting those who offend inadvertently or who miss lodgment by a couple of days. It has stated that it will continue its practice of assisting trustees to comply with the SI(S) Act.

To accommodate all of these considerations, Labor proposes that this provision be made a two-tier offence. This will allow the regulator to elect either to prosecute under the strict liability offence but with a lower penalty than that proposed by the government or to prosecute under the fault liability offence, which will attract the same penalty as currently applies under SIS.

Item 3 of section 254 of the Superannuation Industry (Supervision) Act provides for information to be provided to the regulator. There is a concern that making this offence a strict liability offence would affect, for example, a fund which changes from the 24th to the 21st floor of the same building but does not let the regulator know that it has changed its address. While it is hard to imagine the regulator prosecuting a fund trustee for such a breach, this issue is related to the wider issue of ensuring that funds keep appropriate and accurate records—which is a ‘without reasonable excuse’ offence. The application of a two-tier offence would again allow the regulator the flexibility to pursue SI(S) Act breaches according to the nature of the breach. Labor is therefore proposing that these offences be made two-tier offences.

Item 4 of section 347A of the Superannuation Industry (Supervision) Act provides that ‘the Regulator may collect such statistical information about superannuation entities as the Regulator considers appropriate’. The section also provides:

... the Regulator may give the trustee a survey form. In that event, the trustee must:

(a) fill up and supply, in accordance with the instructions contained in the form, the particulars specified in the form; and

(b) give the filled-up form to the authorised recipient in accordance with those instructions.

While the collection of accurate statistics is necessary, there is a concern that this does not need to be a strict liability offence—not even a two-tier offence. Labor believes that this offence should remain as a fault liability offence.

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (10.49 a.m.)—I will seek to convince honourable senators to vote against this amendment. It is almost unreal, hearing the contributions of some senators on this bill. One minute they are saying, ‘You should listen to consumers,’ and the next minute they are saying, ‘Let’s stick up for the industry.’ You have ASFA, headed by Philippa Smith, coming along and saying, ‘We don’t like these penalties; they are too tough on my industry. My members do not like this. If we change address, we shouldn’t have to advise the regulator, or we shouldn’t have to do it by a certain date. If we’re a couple of days late with an annual return, then we should not be penalised.’

Mr Temporary Chairman Lightfoot, you would probably know better than most that, under management within this industry, there are the life savings and the retirement income of the great majority of Australian citizens. At last count, $470 billion worth of assets are being managed under this regime, and the financial security of Australia’s citizens rests in having a sound regulatory regime. Just to put another, I guess, relatively arcane statistic, something like 40 per cent of the entire nation’s financial assets are being managed under this regime.

You can seek to trivialise offences like not informing of a change of address, or you can seek to trivialise not putting in your annual return on time. I guess that, with a party that had a Treasurer who did not lodge income tax returns for three years on the trot, one can imagine why they trivialise these things. But, if you are managing a whole series of superannuation funds from the very biggest ones in Australia to the smaller funds, the regulator needs to know where they are located, it needs to know who their officers are and it needs to know who is responsible. For many of these funds, just the lodgment of the annual return is a crucial part of the regulatory process and an integral part of prudential supervision of superannuation funds.

So in answer to anyone who says, ‘Look, let’s just be a bit less careful about the penalties because we don’t want to hurt these
people,’ I say to the people who manage $475 billion worth of funds on behalf of Australia’s citizens: you should abide by the law. If the law says you should put an annual return in on time, you put it in on time. If you move your office from the 21st floor to the 25th floor and the regulator says, ‘We want to know where you’re located,’ then you do it and you do it on time. If you move from one city to another city, you should, equally, tell it where you are. The consumers and the regulator should know where the responsible officers are located. If you do not do that, if you do not abide by the law of the land that says, ‘This is what you should do if you are going to hold in trust the life savings and the retirement benefits of such an enormous number of Australian citizens,’ then you will be penalised.

The Labor Party want to lower the penalties for people who are managing the funds. Why do they want to do that? Because Susan Ryan, a former Labor minister, and Philippa Smith say, ‘Our members don’t like these penalties. We don’t want to pay $5,500 if we fail to abide by the law; we only want to pay $2,250.’ I will put that into some context. This is no longer my portfolio; I am doing this on behalf of the minister. I will put this by way of comparison for the benefit of the Australian Democrats. We have seen the Australian Democrats go along with Labor on all of their amendments—which frankly, many of them stupid amendments—and some of the amendments will significantly undermine the superannuation and banking industry in Australia and will certainly delay passage of this legislation. I appeal to the Democrats: when it comes to sticking up for the interests of the industry or the interests of the consumers, please, Australian Democrats, come down on the side of the consumer this time. Please help the consumers. Do not say to the industry, ‘We’re going to lower your penalties for not complying with the law.’ Labor want to, in effect, halve the penalties.

I am just going to make a clear analogy, and I want Senator Ridgeway to understand this. I beg your indulgence here, Mr Temporary Chairman, because this is slightly off the subject, but it is an important analogy about penalties for breaching federal law. Yesterday I launched a program on behalf of the Australian Communications Authority—and I guess this is a free plug for it—called A-Tick. This program ensures that if a retailer in Australia sells a mobile phone, a modem, a fax, a telephone or an answering machine that does not have the A-Tick symbol on it, which says that that equipment is authorised and approved by the Australian Communications Authority, the retailer—a Dick Smith, a Harvey Norman or even Ross’s second-hand telecommunications equipment shop—will be fined 100 penalty units; that is, $11,000. They will be fined $11,000 for selling a single mobile phone, a second-hand fax or anything like that if it does not have the A-Tick symbol on it. But if you are a superannuation company that fails to comply with the law in relation to managing a super fund, the Labor Party are saying, ‘Don’t fine them $5,500; cut the penalty down to $2,250.’

If Labor seriously want to come in here and say that the penalty for failing to abide by the law in relation to managing a super fund should be a quarter of the fine for selling an unauthorised mobile phone, then let them say that to the consumers of Australia. You either care for and stick up for the rights of Philippa and Susan and their members and the guy who does the ad ‘It is the super of the future’, Bernie Fraser—the Labor mates, the top end of town, the guys who are getting the quarter of a million dollar salaries and sucking the chardonnay and sitting around the boardroom tables—or you stick up for the workers, the battlers who are on lower than average incomes who are working for their retirement and putting their funds in super and hoping that the federal government are putting in place a prudential regulatory regime that will ensure that their super is safe. But who do the chardonnay set and the cappuccino sipping group in here called the Labor Party choose? They choose the big end of town. They choose their industry mates and not the consumer, not the working man. They say, ‘Let’s lower the penalties for our mates.’

We will not allow these amendments to go through. We will stand firm in relation to a
regulatory regime that puts in place appropriate penalties, and we will send a message to the industry that says that, if you are in a position of trust, looking after the savings of Australians in superannuation, there will be a strict regime and strict penalties for noncompliance. We will oppose these amendments. If they go through this place, I can absolutely assure you that, within a short period of time, the government will send back to this place a penalty regime that is appropriate for this most important part of the financial sector. I appeal to the Australian Democrats: for once in this debate, stick up for the consumers and not for Philippa, Susan, Bernie and their mates who earn such huge salaries compared to the workers whom they pretend and purport to represent. That, indeed, is the future.

Senator RIDGEWAY (New South Wales) (10.57 a.m.)—I respond by saying that the Democrats will be supporting Labor’s amendments (1) to (4). In response to Senator Ian Campbell, I want to make a few comments. He seems to be talking about an issue in relation to an earlier amendment and not these ones. Clearly, these amendments are not about industry versus consumers; they are simply about industry alone. Senator Allison, as part of the Senate committee of inquiry, raised a number of times the issue of strict liability offences, and that is the issue that the Democrats are responding to. So consumers do not need to be considered and are not considered in this particular issue. It is about the industry and about the strict liability offence.

I want to say a few things about amendments (1) to (3). When Senator Allison has raised these things previously, the government have expressed concern to us about watering down the penalties by the ALP’s amendments. We are persuaded by the government’s concern, but that has to be balanced against our general concern, and that is about the creation of strict liability offences. So, after having weighed up the competing considerations, we decided to accept the ALP’s amendments and the lower level of penalty, with the knowledge that, if it is perceived that the penalties are too low, APRA has the opportunity to quickly notify the minister if it believes this to be the case, and the minister can return to the parliament and move to amend the legislation so that penalties can be increased. Amendment (4) has the effect of removing the strict liability offence and replacing it with a fault based offence. That offence essentially relates to the failure by a superannuation trustee to provide statistical information to APRA. We accept this amendment by the Labor Party, but I make the point again that the issue is not about industry versus consumer in this case; it is simply about industry and the strict liability offence.

Senator CONROY (Victoria) (11.00 a.m.)—I want to briefly respond to the diatribe that Senator Campbell gave in his speech. I appreciate, Senator Campbell, that it is not your portfolio area and that you are assisting the government by standing in on this. It is just disappointing that they have given you such a poor brief. To try to represent this as anybody kowtowing to Philippa or to Susan in your pathological pursuit of industry funds is to completely misrepresent what these amendments are. The government are seeking to introduce a stricter test.

Senator Ian Campbell—We are.

Senator CONROY—We are supporting that, but we are simply saying that, in some cases, in a very small number of cases, we do not need to have so high a penalty for the new stricter test. This is consistent with legislation in other areas. It is disappointing you were not given a briefing that that was the case. You are trying to turn this into your traditional class warfare and bashing industry funds because the Liberal Party have such a pathological hatred of them. We know that you are out at every turn in every piece of legislation simply to undermine and destroy the effectiveness of industry funds. We accept that that is your agenda. We accept that that is your agenda by choice.

Senator Ridgeway, we would say to you: when the choice debate comes to your party room, understand that the sentiment expressed here today is behind their choice. No matter what flowery words Senator Kemp puts to the Democrats party room, the intent is exactly as has been described: the hatred of industry funds and their success in delivering cheaper superannuation to all workers
in this country. They want to undermine it. That is their intent, that is their hatred and that is how you should view the choice debate. Having said that, I think it is unfortunate that you were so poorly briefed on this issue. Hopefully we can resolve it quickly.

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (11.02 a.m.)—Could I just address Senator Ridgeway’s issue of penalties on the industry. He is trying to say that this has nothing to do with consumers. I reassure him that this industry is all about consumers. It is $475 billion worth of their money. This is about imposing penalties and a strict liability regime on the industry that manages those funds. You cannot differentiate between the industry and the consumers. This industry should be all about the consumers. I have to say that one of the problems with the whole superannuation debate is that it gets captured by those people I was talking about. This is not about industry funds; this is about all funds. It is about very small super funds, as I said. It is about very big ones. It is about industry funds. It is about private funds. And it is to ensure that, regardless of what sort of fund you are running, if you breach the law you will suffer a fine and you will suffer a penalty.

Senator Conroy—You can have the death penalty on you!

Senator IAN CAMPBELL—You can trivialise it, you can make a joke about it and you can make personal attacks and say that I have not been briefed on it. I reassure him that I understand exactly what we are doing. The Australian Democrats need to understand that, if you vote for these amendments, you are lowering the penalties that apply to the people who are managing these funds, any of the funds, if they breach the law. If you stick with the legislation as it is before you, you will ensure that the penalties are appropriate.

The government have put a range of measures in this bill that change the liability regime and put in place some new liabilities. These amendments seek to change that. We believe that the penalty regime and the liability regime have not been effective in the past. I think there has been only one successful prosecution in the past four years. The Australian Democrats need to understand that, if they say aye to these amendments, they say aye to lower penalties and to a regime that is less effective for consumers. They can try to kid themselves that that is not what they are doing but, quite frankly, they need to go back to the source of their advice on this and be quite clear.

The government will not let the effective halving of the penalties caused by these amendments stand. We believe that you need a well-regulated industry here. You need to ensure that you send a message to the people who run that industry that they have a very important and responsible role to play and that, if they breach the law, there will be strict penalties and serious fines. We are not going to see that diminished. If the Australian Democrats and the Australian Labor Party want to say to the people who run that industry, ‘We’re on your side,’ and be good fellows in the eyes of those organisations, Philippa Smith and Susan Ryan, then do that. But I will ensure that the government make it clear to the consumer movement that that was the decision of the Australian Democrats and the Australian Labor Party.

Senator RIDGEWAY (New South Wales) (11.05 a.m.)—I have just a very quick response. Again, I think Senator Campbell must be looking at a different amendment to mine. We are not talking about diminishing penalties; we are talking about improving the regime that exists. We agree on the strict penalties in relation to the 50 penalty units. That is not in question. We all agree on that. What we are talking about is flexibility in the regime, particularly in relation to the smaller super funds, and making sure that, for whatever reason, in their capacity they do not become subject to harsh decisions taken in relation to the strictness of the regime and the penalties that are dished out as a result. At the end of the day, we are not trying to diminish any of the penalties there. The regime is purely seeking to provide flexibility and to keep in mind the numerous smaller funds to give them some comfort that the regime will be fair, will be flexible and will
provide the discretion that is required in this industry.

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (11.06 a.m.)—Could I, for the record, make it clear that there are a number of quite specific penalties for breaches of three particular offences against this act, which will be lowered and decreased as a result of the vote that is about to be taken—and let there be no doubt about it. They relate specifically to annual returns. You can trivialise the importance of an annual return, but what you are saying is that you are going to reduce the penalty for failure to lodge annual returns. You can say that that does not really matter and you can say that a change of address does not matter, but it does matter if you are an aggrieved consumer or you are the regulator, you are trying to get hold of a super fund that has come under some sort of doubt and you have not been informed of a change of address or you do not have their annual return. You can kid yourself and you can try to obfuscate and say that we do not know what we are talking about and that we are not reducing penalties but improving them. One of the amendments that you seem to be about to vote for specifically reduces the proposed penalties for three specific breaches of the act. Don’t kid yourself that is not what you are about to vote for, because that is exactly what you are about to vote for.

Amendments agreed to.

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (11.08 a.m.)—by leave—I move government amendments Nos 1 and 2:

(1) Schedule 3, page 32 (after line 9), after item 62, insert:

62A Paragraph 252C(2)(c)
Omit “or (7)”, substitute “, (7), (7A) or (7B)”.

62B After subsection 252C(7)
Insert:

(7A) It is not an offence if the information, or the information contained in the document, as the case may be, is all or any of the following:

(a) information identifying a particular self-managed superannuation fund (other than information disclosing the tax file number of the fund);

(b) information that is reasonably necessary to enable members of the public to contact persons who perform functions in relation to a particular self-managed superannuation fund;

(c) a statement of the Commissioner’s opinion as to whether or not a particular self-managed superannuation fund is a complying superannuation fund in relation to a particular year of income for the purposes of Division 2 of Part 5.

Note: A defendant bears an evidential burden in relation to the matters in subsection (7A) (see subsection 13.3(3) of the Criminal Code).

(7B) If information referred to in subsection (7A) is disclosed to the Registrar of the Australian Business Register established under section 24 of the A New Tax System (Australian Business Number) Act 1999, the Registrar may enter the information in that Register.

Note: A defendant bears an evidential burden in relation to the matters in subsection (7B) (see subsection 13.3(3) of the Criminal Code).

(2) Schedule 4, page 41 (after line 7), after item 1, insert:

1A Paragraph 56(2)(c)
Omit “or (7B)”, substitute “, (7B) or (7C)”.

1B After subsection 56(7B)
Insert:

(7C) If information referred to in subsection (7A) or paragraph (7B)(a) that relates to a body that is, or has at any time been, regulated by APRA under the Superannuation Industry (Supervision) Act 1993 is disclosed to the Registrar of the Australian Business Register established under section 24 of the A New Tax System (Australian Business Number) Act 1999, the Registrar may enter the information in that Register.
Note: A defendant bears an evidential burden in relation to the matters in subsection (7C) (see subsection 13.3(3) of the Criminal Code).

These amendments are designed to enable interested parties to more easily access contact details for self-managed superannuation funds and information as to whether those funds are complying funds. The publication of this information until now has been difficult, due to the restricted nature of the secrecy requirements under that act. It is important that public contact details for super funds and the compliance status of those funds be easily accessible. A fund’s compliance status affects its entitlement to claim tax concessions. Before making contributions to a fund, it is essential that an employer or an employee is able to determine whether the fund is a complying superannuation fund. This is particularly relevant in the case of superannuation guarantee contributions, where contributions are required to be made to a complying super fund. The government amendments will make it easier for interested parties to find out the compliance status of a fund.

Amendments agreed to.

Bill, as amended, agreed to.

Bill reported with amendments; report adopted.

Third Reading

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

INDIGENOUS EDUCATION (TARGETED ASSISTANCE) BILL 2000

Second Reading

Debate resumed from 10 October, on motion by Senator Ian Campbell:

That this bill be now read a second time.

(Quorum formed)

Senator CONROY (Victoria) (11.13 a.m.)—I will happily stand and discuss at some length this important bill.

Senator Abetz—Which bill is it?

Senator CONROY—It is the Indigenous Education (Targeted Assistance) Bill 2000, it is the resumption of the second reading debate and I think I have made more than enough of a contribution on this, so I will sit down.

Senator CARR (Victoria) (11.14 a.m.)—I thank Senator Conroy for his assistance during a difficult time. I have actually been up talking about the ABC and the appalling attacks this government is launching upon it. Perhaps I can talk about that tomorrow. The Indigenous Education (Targeted Assistance) Bill 2000 provides funding for the Indigenous Education Strategic Initiatives Program. The intention of the government is that this bill will serve to replace the Indigenous Education (Supplementary Assistance) Act 1989 from 1 January next year. It will provide both recurrent and project funding for the period 1 January 2001 to 30 June 2005. The bill also provides for funding associated with the away from base element of Austudy. The bill, in addition, seeks to implement at last an initiative in indigenous literacy and numeracy announced in the 1999 federal budget. This new strategy included in that budget was not announced in detail until March 2000—almost a year later. In November the Senate is finally having an opportunity to debate the bill, a full 18 months having passed since the original announcement. You can see the high priority the government has attached to this particular measure.

If you look at the treatment of education bills in this parliament you will note, I am sure, that there is a growing pattern within government, particularly from this Minister for Education, Training and Youth Affairs, to bottle up education bills to the very end of the parliamentary session. There are some 10 bills currently on the Notice Paper. The Higher Education Funding Amendment Bill (No. 1) 2000 was completed yesterday, and there are many other bills relating to programs and funding that must be in place by 1 January next year. Most of them are contentious in the sense that they are controversial policy proposals and they have, as a matter of necessity, required attention by the Senate committee. But that does not change the fact that the government seeks to delay the discussion of those bills in this chamber. One has two options to explain this: either the government is seeking to prevent public scrutiny and accountability in the chamber or
the minister is not able to provide sufficient muscle in the turf wars over the legislative programming of this government.

What I see here is a bill that, in general, we have substantial support for, but there are matters that do require quite serious attention. The bill has indicated some significant changes to the current act it seeks to replace. Some omissions do concern me. This bill does not commit the government to a predetermined level of funding for each sector of education, be it pre-schools, schools, vocational education or higher education. The current act which it replaces does make those specifications. The minister will be able to determine the distribution of funds between the sectors at his personal whim. He will also be able to allocate funds as it suits him between the government and non-government educational providers. Given his recently demonstrated propensity to favour the non-government sector, particularly the elite and most powerful sections of that community, in regard to the funding of schools, I am not altogether certain that I would feel confident about the choices that this minister would make. The bill will allow the minister to recover from the states and territories, in certain circumstances, funds that have already been spent, and Labor opposes the use of this power without due process—and I emphasise that issue of due process. The states, in my judgment—and I have always argued this here—ought to be accountable for the expenditure of public moneys. Our concern, however, is that the powers of the Commonwealth minister should not be used arbitrarily. It is Labor’s view that the minister should be accountable himself—not just the states but the minister himself—for the exercise of these powers. Accordingly, we will be moving appropriate amendments during the committee stages of the bill.

This morning an extensive document was delivered to the shadow minister for education, Mr Lee. A great many more than 29 pages of documentation were delivered just this morning. These are the administrative guidelines for the supplementary recurrent assisted and targeted outcome projects for English as a second language, for indigenous language speaking students and for the National Indigenous English Literacy and Numeracy Strategy. These guidelines were received today but they were requested on 8 August by the opposition. I think we are entitled to know—and I will be seeking an explanation for this in the committee stages of this bill—why it took so long for this minister to provide this information to the opposition. Frankly, why do we have to ask for this at all? It is extraordinary that issues of this importance are not contained in the bill or are not part of the legislative package that is presented to the parliament in some other form. We do not see these guidelines in the explanatory memorandum or in any other forum that we can see, and we have to seek them out specifically. They are essential in understanding any consideration of this bill. There are, in fact, 31 pages of documentation—delivered only this morning. Is it reasonable, given the demands on parliamentary officers at this time and given that we are currently considering 10 education bills in my office, that that action be taken by this government? Consistent with this pattern of delaying and bottling up education legislation, I have come to the conclusion that it is not just a question of Dr Kemp being weak and ineffectual within the government itself but that perhaps there is a more deliberate strategy involved.

The other alternative is that the department has not been able to provide the information. Frankly, that is not an explanation that I find particularly satisfactory. I would hazard a guess that, when this information was sought by Mr Lee back in August, the department would have had the guidelines ready in a flash. I would speculate that they have been sitting in the minister’s office for a great deal of time. I will be seeking advice on that matter at the Senate estimates. I trust that the officers will be able to assist me.

_Senator Abetz interjecting—_

_Senator CARR—Is that not the case? You do not think the officers will be able to assist?_

_Senator Abetz—You are beyond assistance._

_Senator CARR—We will see how much assistance you require. This government’s_
guidelines suggest that the government can only require the recovery of unspent amounts of money from the states by legal means. But this bill does not actually say that; the bill would let them recover all the moneys. We need to have this issue clarified. What is the level? What amounts of moneys can be recovered under this particular legislation?

The Prime Minister was involved with the launching of the new strategy in March this year—I think it is important that the Prime Minister does launch things like this—and he claimed that the government would be providing $27 million in additional funding. He said it was new money for the indigenous literacy program through the legislation. This is not the case. As we have seen recently in the case of the schools funding bill, there are huge windfall increases to the wealthier schools. But the Prime Minister does not seem to know much about that bill, and it appears he knows even less about what is happening in this bill. I would suggest that he knows very little about what is happening in the education portfolio. The $27 million referred to by the Prime Minister is not new money; it comes from an existing pool of money which has been put aside for some time within the department’s appropriations.

The government managed to cloud this issue even further by means of a monumental administrative bungle in this year’s budgetary papers. The government has now admitted, after being challenged by the Labor Party, that a technical error was committed in Budget Paper No 3, and that the funds for the Abstudy away from base programs had been incorrectly included along with moneys for the non-government providers. This apparently had the effect of deflecting the total IESIP funds by over 20 per cent on the previous year. How could this ‘error’—as the government call it—occur in the budgetary papers presented to this parliament? The opposition is, naturally enough, relieved to discover that this is an error that has occurred, rather than there being a drop in the moneys going to this particular program.

To continue with the opposition’s reservations about the bill, it seems that the bill does not include a requirement for specific steps to be taken by the minister in the case of a breach of performance requirements on the part of any particular state government. No process has been outlined and no review or discussion is called for. That is, as I say, a matter we need to pursue with some care in the committee stage. There is apparently no requirement for the minister to justify his actions, either to the parliament or to anyone else, and that will need to be clarified. If that is true, that is quite a serious omission in the proposals. This, to my mind, flies in the face of the generally accepted principles of accountability and transparency in the expenditure of Commonwealth moneys. I hope that those matters can be clarified to the satisfaction of the opposition. We have made the point over and over again about these issues of accountability and transparency in education funding. These two issues stand side by side with the concept of quality which ought to underpin the quality guarantee that we provide to students of this country, to their parents and to all the other people that benefit from our education system. These issues are of central interest to me personally, and are issues that the Senate committee inquiring into vocational education and training will be reporting upon on 9 November. They have arisen in direct response to the very grave concerns that have been widely expressed about the application of these principles to educational programs. When it comes to the education of our indigenous people, there can be no clearer example than the dismay and the horror about the apparent failures of many state administrations in this regard.

I have raised at previous Senate inquiries—as has Trish Crossin—concern about the actions of the Northern Territory government in the expenditure of Commonwealth indigenous education funds. It was a revelation to me that over 40 per cent of those Commonwealth moneys were creamed off and used for administrative purposes. I think that is a scandal which should have been attended to by the government a long time ago. It seems to me that it is totally inappropriate for state bureaucracies to milk Commonwealth funds in these ways. I am told that that is a matter that has been attended to since the release of the Collins report in the Northern Territory, and that deci-
sive steps have been taken to improve the situation. Recently, I had the pleasure of meeting with Ms Catherine Henderson, the Deputy Secretary of the Northern Territory Department of Education, who oversees indigenous education programs. I understand Ms Henderson has been in that position for just on a year. I am very impressed by her commitment to this area, and I look forward to doing what I can to assist in the development of that commitment and to improving the benefits to indigenous students in this country.

There are a number of other areas of concern. Perhaps at the estimates hearings we will examine the various areas where more attention needs to be paid to the expenditure of Commonwealth moneys in this particular program. What concerns me, though, is that whatever progress has been made in this matter has to be set in context with what actually is occurring with indigenous students. I am still shocked by the figures available on indigenous education. I may need to update some of these figures, but the most recent ones indicate that, while 73 per cent of non-indigenous students are staying at school until year 12, the figure for indigenous students is only 32 per cent; that 68 per cent of indigenous students do not attend school; that the school drop-out rate for indigenous boys far outstrips that for girls, as does the truancy rate; that the vast majority of Aboriginal and Torres Strait Islander boys, particularly those outside the urban centres, are not receiving anything like the education they need and they deserve; that literacy and numeracy remain at shamefully low levels—the Collins report found that only four per cent of year 5 indigenous students meet national reading benchmarks; that, since 1996, completion rates for indigenous people in higher education have fallen compared with commencements—in other words, a smaller proportion of these students are successfully completing their courses; that pass rates for indigenous students in vocational education and training languish some 27 per cent behind those for VET students in general; and that changes to the Abstudy scheme introduced this year clearly disadvantage mature age part-time indigenous students—a large number of indigenous students fall into these categories and have been denied Abstudy assistance.

The educational deprivation that is beginning to be understood by some—and even within this government—has to be seen in the broader context of the extraordinary disadvantage experienced by indigenous people in health, housing and access to employment. Amongst Aboriginal families the infant mortality rate is twice the national average. Life expectancy is 15 to 20 years below the rest of the country’s. Death rates for 35- to 54-year-olds are six to eight times that of the general population. Seven per cent of indigenous people live in households of more than 10 persons—50 times the proportion of other Australians. Only 31 per cent of indigenous people own or are paying off their own home, compared with 71 per cent of Australians overall. In some states imprisonment rates for indigenous people are 10 times that of other persons. It is no wonder that education attainment and participation rates for indigenous people are a casualty in those sorts of social statistics.

This is an unbelievable record of failure by governments in this country—and I say that of all governments; I do not say that particularly of any one government—and it does demonstrate why so much more is required to end the endemic racism and social discrimination that does occur in this country. What we have got here is clearly a need for all governments—at state and at national level—to take urgent action to positively address these statistics and to assist indigenous people to overcome the inherent institutionalised disadvantage that they face in this country. Of course, education remains central to overturning those gross inequalities that have occurred. I could go on at length. There is a second reading amendment, which I will formally move, to perhaps draw attention to some of these concerns.

I would also draw attention to the fact that those who are seeking simple quick fix solutions to these problems will be sadly disappointed. Recently I heard the chief executive officer of the Northern Territory department say that that department was considering greater movements towards technology as an answer to some of these problems. While I
do commend the need for all governments to ensure that technology is available, I do think availability of telephone lines and other infrastructure such as reliable power should be sufficiently provided to ensure that those computers that people talk about as the great panacea actually work. It strikes me as remarkable that so many of our remote communities—Aboriginal towns—in this country are not able to secure a decent telephone line sufficient to provide adequate access for their local schools and do not have a reliable power supply to make sure the computers actually work. It seems to me that those basic considerations need to be attended to in any consideration of these matters. This is a bill that the opposition have some concerns about but we do support in general. I move:

At the end of the motion, add:

“but the Senate:

(a) notes the major disparity between the educational outcomes for indigenous Australians and the general population; and

(b) calls for a renewed commitment from governments and education providers to address this disparity; and

(c) condemns the Government for:

(i) misleading the public by wrongly claiming the National Indigenous Literacy and Numeracy Strategy contained additional funding; and

(ii) providing incorrect funding for indigenous education in the Budget Papers.”

Senator CROSSIN (Northern Territory) (11.35 a.m.)—The Indigenous Education (Targeted Assistance) Bill 2000 is intended to replace the Indigenous Education (Supplementary Assistance) Act 1989 from next year. The original act of 1989 is something that I in fact had a personal involvement in. I know in detail the origins of that act and the 21 goals which then emanated from that act and the way in which performance indicators were written as a means to have state and territory governments accountable for those millions of dollars during that 12-year period, which was of course four lots of three trienniums.

This bill now changes the way in which that money will be allocated to state and territory governments and private providers and the way in which that money is now accounted for. This bill provides continuing funding for the Indigenous Education Strategic Initiatives Program—or, as we in the industry commonly refer to it, IESIP—from 1 January 2001 to June 2005. So the IESIP money is now being rolled into a four-year funding period in line with general schools recurrent funding. It covers both recurrent and specific project funding as well as the base element of Abstudy.

This bill in fact seeks to implement the 1999-2000 budget initiative which announced a new National Indigenous Literacy and Numeracy Strategy. Under that strategy, which was launched in March of this year, the government claims the funding will be performance based with priority given to a focus on literacy, numeracy and school attendance. One of the most disappointing aspects of that announcement is that if this government were serious about trying to address the chronic literacy, numeracy and attendance problems that exist in Aboriginal communities then the $27 million we are talking about would not be taken from within an existing pool of funding but be additional funding provided on top of the amount to be set aside by IESIP. I do not believe a genuine commitment to looking at those problems simply means that you shuffle the money from one bucket into another bucket, without actually demonstrating that you have a commitment to address these problems by in fact committing additional resources.

The government tried to pretend from the very beginning that this was new money—that this was an injection of funds that went above and beyond their current commitment. We pursued this during the estimates process, and finally the government admitted that in fact that was not the case. At the launch of the program the Prime Minister incorrectly claimed that additional funding was being provided for indigenous literacy. He was claiming that this strategy represented a firm commitment of resources from the federal government. We also had the Minister for
Education, Training and Youth Affairs, in his education speech at the launch of that strategy, state the following:

... $27 million from the pool of funding available for indigenous students will be provided specifically to support this strategy for literacy and numeracy—that is $27 million from the pool of funding available, not additional money. In other words we had the Prime Minister back in March claiming that there was an increase in resources going to indigenous literacy, but at the same time we had the minister for education making it clear that this was simply an allocation of existing funds. The fact that this is not new money has been confirmed by the analysis the Parliamentary Library do on each bill that is to be debated. Page 3 of their digest says:

The strategy earmarks $27 million from existing programs of recurrent assistance for schools and from specific supplementary assistance available through IESIP.

The strategy also indicates that the funding will be performance based, and this is now linked to IESIP agreements in which the funding priority will be aimed at improving literacy, numeracy and attendance. I understand that negotiations are taking place with each of the state and territory governments. There is yet to be an agreement signed between any of those bodies, but I am assuming that this matter will progress fairly rapidly and would need to be resolved before the start of the next financial year or at least before any funds are released.

In terms of the agreements to be made with state and territory governments and educational providers, while the current act gives the minister the power to set conditions not specified in the legislation, it indicates that the main conditions dealing with payments relate to the acquittal of the amount, monitoring, evaluation and reports on the education programs—currently no penalties are specified. By contrast, however, the new legislation says that funds are recoverable if a condition of agreement is breached. Neither the bill nor the explanatory memorandum spells out what those conditions might be, but I understand that the minister’s letter of 8 June this year to state and territory education ministers on the new IESIP arrangements says:

Accountability and reporting arrangements for IESIP will be strengthened for the 2001-04 quadrennium.

The bill simply says that, if one or more of the conditions of the agreement are breached, the money is recoverable by the Commonwealth. This bill also states that the Commonwealth may recover the amount as a debt through the courts. However, the strategy states that the Commonwealth intends to introduce more rigorous guidelines for performance monitoring and reporting for its supplementary assistance during the quadrennium funding period. Funding under IESIP during this time will be contingent on the completion of an implementation plan for this strategy.

The Commonwealth will also expect education providers to give priority to improvements in literacy, numeracy and attendance when undertaking initiatives funded by IESIP. We know how these came about; we know that MCEETYA, as I understand, established an indigenous education task force which came up with a set of common agreed core performance indicators that were then signed off by each of the state and territory ministers. In a question on notice that I asked during the estimates process—answer No. E112, which was received on 21 July—I sought clarification as to how the new eight priority areas of the national strategy for the education of Aboriginal and Torres Strait Islander people fitted or meshed with the 21 goals of the Aboriginal education policy or AEP.

It seems to me that those 21 goals have now been in some way connected to the eight priority areas. What is still unclear to me, though—and perhaps the minister may seek to clarify this for me—is whether or not state and territory governments will have to report their outcomes against the 21 goals, the eight priority areas or the common agreed performance indicators, or against all three. I am assuming that the core performance indicators are in some way linked to those eight priority areas, but I still have not had a clear clarification from the minister as to how in his mind he sees this working,
which of course then links directly to his power over the funding area.

It is interesting to note that the Federation of Aboriginal and Torres Strait Islander Languages expressed some concern over the emphasis in this strategy, stating:

There has been growing concern from some areas that the move by DETYA to boost measurable outcomes in literacy and numeracy in indigenous schooling, would see a shift in funding priorities impacting negatively on a number of indigenous language programs.

When the minister, Dr Kemp, responded to this he said:

It must be stressed that in 1999 there has been no change to the funding criteria for the Commonwealth’s Indigenous Education Strategic Initiatives Program (IESIP). Under IESIP, education providers receive funds to put in place initiatives to achieve educational outcomes against a set of performance indicators and targets. These include indicators relating to the teaching of indigenous languages, indigenous studies and the delivery of culturally inclusive curricula.

So, again, it raises in my mind exactly what requirements there are in terms of reporting against specific output. The comment in the Bills Digest also accurately states, significantly, that Dr Kemp did not make a similar commitment for the 2001-04 quadrennium. Given the emphasis on the National Indigenous Literacy and Numeracy Strategy, the concerns of the Federation of Aboriginal and Torres Strait Islander Languages about shifting priorities and their impact on indigenous languages may well be justified. Those education providers with less quantifiable performance outcomes and with targets that seek funding for the purpose of advancing the objects of the bill may find themselves significantly disadvantaged by this legislation. It would therefore be interesting to gain an explanation from the minister as to how he intends to deal with situations where providers may in good faith have tried to meet the required performance targets but nevertheless have failed to do so.

As Senator Carr has said, we strongly oppose the use of the powers, as spelt out in the bill, to recover moneys already paid and already expended by education authorities, except in the most extreme circumstances. Our preference would be, and we certainly hope it happens, that, in the first instance, the government would adopt a more constructive approach when addressing any concerns it may have about an education provider failing to meet performance requirements or—and I will expand on this further in my speech—failing to justify the use of funds it has been given by the Commonwealth. In particular, we hope that education providers would be warned that future funding was at risk if they did not meet particular performance indicators.

I want to look at the issue of funding in relation to this bill. This bill gives the minister the discretion to allocate the funding. Earlier this year, I asked a question in estimates regarding the allocation of this money to government providers as opposed to non-government providers. This year’s budget papers showed that only 45.7 per cent of IESIP funds were being directed to government providers and that was down from 56.7 per cent in the 1998-99 budget. The matter was raised with the office of the minister for education, and, in a letter dated 7 September, the minister advised that a so-called technical error had occurred and that Budget Paper No. 3 was incorrect. The government has admitted that there was a technical error in Budget Paper No. 3. I can understand that these can occur from time to time and, as Senator Carr has said, there is some relief to know that this occurred from the fact that Abstudy away from base funding, which has now been incorporated with IESIP, had been incorrectly included with funding for non-government education providers. I think that is a matter that will be further pursued but, rather than funding for government providers of indigenous education falling from 56.7 per cent to 45.7 per cent, it in fact rose from 56.7 per cent to 64 per cent, which at least satisfies in my mind some of the questions that I was alluding to earlier this year in the budget estimates process.

I want to make further comments about the situation in the Northern Territory. I have been pursuing fairly vigorously through the estimates process the reasons why the Commonwealth government accepted that the Northern Territory government had creamed off nearly 48 per cent, for what they per-
ceived as on-costs, of the funds from the Commonwealth government. I have spoken in this chamber many times before about what those on-costs consisted of. It needs to be placed on the record that the Northern Territory government are in fact the only state or territory government in this country that did not as a matter of course have their IESIP funding money simply rolled over for this 12-month period. They were funded as a matter of course for only the first six months of this year. It was not until, as I understand it, nearly two weeks ago that officials in DETYA were able to negotiate a suitable agreement for this six-month period.

As I said earlier, funds are not released until that agreement is signed. People in the department and the minister have to be satisfied with the agreement and with the outcomes that will result from the agreement. I think it has been an absolute indictment of the Northern Territory. Those funds could have been made available to them at the end of last year. They could have had those funds automatically rolled over for a 12-month period; they got them for only a six-month period. It has taken July, August, September and the best part of October to come up with an agreement that is suitable for the Commonwealth under these guidelines in which they can get their funding for this six-month period. We have had many phone calls and many discussions with people who are trying to operate in Aboriginal education in the Northern Territory. They do the best job that they possibly can, whether they are in the department in an advisory capacity or in the schools, while they wait for this money, which is critically linked to the ability of the Northern Territory government to satisfy the requirements the Commonwealth have set, to be released from the Commonwealth.

Although I have some reservations about further restrictions and penalties under this bill, I actually think that some credit is due to the work of the officials in the department who have persisted with a belligerent Northern Territory government in getting this somewhat under control. The Northern Territory government conducted its own review of Aboriginal education in the Northern Territory in 1999. In fact, its own internal review demonstrated that there has been a significant lack of interest in Aboriginal education. I think a document, which is severely embarrassing for the Northern Territory government, points to these sorts of indicators. In 2.5, this document says:

NTDE’s poor achievement of IESIP targets and outcomes can in large part be attributed to a lack of strategic planning, coordinated management and cohesive implementation ...

They also admit in their own report that the degree of internal accountability for initiatives has varied over the years and has been minimal in the last triennium. But I think the most astounding statement in their own review of IESIP is this statement:

There has been a history—

at their own admission—

of using IESIP funding as substitute funding—

not additional funding—

for NTDE core business.... Many initiatives ‘supplement’ nothing.

They are four words from their own report. This systemic lack of interest in the Northern Territory has now been proved not only by themselves but by the fact that they have taken nearly four months to come to an agreement with the Commonwealth officials about this six-month period of funding. There has been only marginal achievement in some outcomes by indigenous students and an unwillingness and incapacity on the part of senior management to ensure a concerted and coordinated approach to improved educational outcomes amongst indigenous students. Their review also showed that there was a history of using IESIP funds as substitute funds for core Northern Territory Department of Education business, with many initiatives supplementing nothing and others not addressing agreed targets and outcomes. The IESIP funds accounted for about 69 per
cent of the budget of the then Aboriginal Education Branch of the Northern Territory Department of Education.

Although I have made some comments about a need to hold state and territory governments accountable, I do have some reservations about actually recovering those monies, because at the end of the day I think the actions by that minister would only further disadvantage those students to which this money is targeted. I do want to place on record that there is an acknowledgment, certainly by me and by those who worked in Aboriginal education, that there has been a concerted attempt by people in this department to hold the Northern Territory government accountable once and for all for this money to ensure that their on-costs are now 10 per cent and not 48 per cent. This should lead to a significant improvement in indigenous education. (Time expired).

Senator ALLISON (Victoria) (11.55 a.m.)—The Indigenous Education (Targeted Assistance) Bill 2000 provides $591 million in grants to state and territory education providers to the year 2004. This bill allocates recurrent and specific project funding under the government’s Indigenous Education Strategic Initiatives Program, or IESIP, and Abstudy. There is absolutely no question that these programs are necessary. According to ATSIC, in 1994 one-third of indigenous 15- to 24-year-olds had not completed year 10. Undernutrition, hepatitis B and anaemia, vision and hearing difficulties are very common. There are schools in the Northern Territory where 90 per cent of children are deaf because of ruptured eardrums caused by otitis media, or middle ear infection. Racism in the classroom is endemic. Koori workers in Bairnsdale told the Human Rights and Equal Opportunity Commission rural and remote education inquiry that racism will not change until Koori culture is made a compulsory part of the curriculum for all students. High rates of disability and illness amongst indigenous students in the Northern Territory, Western Australia, New South Wales and Queensland were all discovered when the education committee did its inquiry last year.

The indigenous education picture is improving but not fast enough. The Democrats are supportive of the objects of the bill. However, it does not represent the sort of sustained injection of resources needed to lift educational standards and attainment to anything resembling general community standards. This year’s budget papers show the growing inequities in IESIP. From now to 2004, government schools which cater to 88 per cent of indigenous students will receive an increase in IESIP funding of five per cent. Non-government schools on the other hand will receive a 23 per cent increase. Retention rates to year 12 for indigenous students have risen from 12.3 per cent in 1989 to 29.2 per cent in 1996; it is now, according to DETYA, at 33 per cent, in contrast to 73 per cent for students generally. Dr Kemp said in a media release some time ago:

We must make the achievement of educational equality for Australia’s Indigenous peoples an urgent national priority. Australia’s education and training systems must provide sufficient choice and diversity in their infrastructure, curriculum, teaching and learning practices, and assessment and reporting arrangements to enable Indigenous people to choose from the same range of futures as other Australians.

I agree wholeheartedly with Dr Kemp on those words, except that ‘choice’ is again code for funding the private sector at the expense of public schools. The funding share by sector is currently 49 per cent to government schools and 51 per cent to non-government schools. By 2004 this breakdown will result in government schools getting just 44 per cent of the IESIP pie and non-government schools getting 55 per cent. This mirrors exactly what is happening in the states grants bill. These will dovetail with other government decisions made outside this bill. They include the stagnation of funding for the Country Areas Program, which boosts support to rural and remote government schools. When the King’s School in Parramatta is spending half a million dollars ordering a set of sandstone gates and getting enormous increases in its recurrent funding under the government’s new SES model, one has to think what your typical underresourced school servicing a high population of indigenous kids could do with this kind of money.
Let me turn to some of the provisions in the legislation. We share the ALP’s concern about the lack of information on this bill: for instance, the breakdown of money flowing to private and public schools, and to which sectors—preschools, schools, VET, et cetera. We are happy to support the opposition’s amendments on this important accountability issue. It is desirable that the minister report to parliament on how funding is allocated, why it might be reduced or withdrawn and what performance data is being collected by each state and territory. Concerns have been expressed about what will constitute a breach of the act under which the minister will be able to recover funds. We are all well aware of the endemic problems of poor attendance and underresourcing of schools and socio-economic disadvantage, particularly those in remote areas, and I would want to see careful monitoring of this issue.

I note with interest that the Commonwealth has refused to step in when the Northern Territory government has made decisions adversely impacting on indigenous education, such as the decision about bilingual education. Indigenous students comprise 38 per cent of enrolments in government schools in the Northern Territory. Shockingly, up to half of the federal money made available for their education has never made it to schools. Instead, it has been squirreled away by the Northern Territory government, presumably into consolidated revenue. I would like to ask the government: what is planned to redress this appalling behaviour? Will the minister use the powers he has just given himself in the bill? I certainly hope so.

Many indigenous children, perhaps up to half of them in the Northern Territory, are receiving ungraded education, according to evidence given to the Human Rights and Equal Opportunity Commission. Many indigenous communities lack schools—period. Boarding and distance education are often culturally inappropriate. The lack of new money for new initiatives is alarming and dismaying. While the objectives of the National Indigenous Students School Attendance Strategy are laudable, the $14 million allocated to it from the year 2000 to 2004 is minimal and is not new money. The money will be used for professional development and cultural awareness training for teachers and projects to assist in affirming students’ cultural identity and to facilitate community input into teaching programs—all very praiseworthy initiatives but at the expense of existing resourcing; likewise the Indigenous English Literacy and Numeracy Strategy funded under this bill.

At the launch of the strategy, the Prime Minister identified as his own personal special responsibility the task of practical reconciliation. By definition, the Democrats believe that practical reconciliation involves resources, especially human resources, rather than just ‘feel good’ statements. Yet, under the strategy, not one cent of the $27 million allocated is new money. The $27 million over four years represents roughly $1 million per state and territory per year. So I am sceptical of Dr Kemp’s agenda. I want to see him talk not just about the basic literacy and numeracy attainment for indigenous young people—yes, these are very urgent priorities for indigenous kids, many of whom are failed by the system and have failed to acquire these competencies—but, equally important, about the need for them to hear the message over and over that they are capable of more.

The Federation of Aboriginal and Torres Strait Islander Languages have expressed consternation over the government’s Indigenous English Literacy and Numeracy Strategy. They warn that the move to measurable outcomes would trigger shifts in funding with harmful impacts on indigenous language programs. It is hard to see how Dr Kemp’s infatuation with this sort of data is going to assist service providers who wish to emphasise and maintain indigenous language culture. The Executive Director of Community Aid Abroad, Mr Jeremy Hobbs, warned of the risks if the Northern Territory followed through on its plan to axe indigenous bilingual education. He said dismantling it may breach our obligations under the United States Convention on the Rights of the Child to protect and respect the right of indigenous people to appropriate education. So we need a concerted effort in working with the living
cultural heritage and languages that indigenous kids bring with them to their formal schooling, not work against it or deny it.

The Democrats would like to see more effort put into providing preschool opportunities for indigenous children. Preschool is an important means of providing early exposure to English and the school system. This was a recommendation of the Senate’s report into indigenous education. We know that children learn literacy faster if it is taught in the language in which they think. That alone is an important reason to boost our efforts on bilingual education. There is also an urgent need for English as a second language teachers. English is a second language for many indigenous students but can also be the third or even the fourth language for them. The Democrats would like to see these needs addressed. Even then, English as a second language teacher training tends to be directed more towards migrants in capital cities than towards indigenous students. Many teachers are thrown in at the deep end. There is an urgent need, I think, for more teacher training in cultural awareness as well as in the specifics of indigenous language. I urge government members to reread the Senate report on indigenous education and ask themselves why it is that it continues to short-change indigenous students.

Senator ELLISON (Western Australia—Special Minister of State) (12.05 p.m.)—I thank other senators for their contribution. The government opposes the second reading amendment, which was moved by Senator Carr. Although the government has always noted the disparity between educational outcomes for indigenous Australians and the general population, it has maintained a vigorous commitment to improving those outcomes for indigenous students. This is shown by its policies in relation to indigenous education and the increased funding for indigenous education. The government rejects totally that part of the second reading amendment which condemns the government for not having any additional funding or providing incorrect funding for indigenous education in the budget papers. I place on record the fact that the government rejects those allegations outright.

The Indigenous Education (Targeted Assistance) Bill 2000 will replace the Indigenous Education (Supplementary Assistance) Act 1989. This bill is a vehicle for the government’s indigenous education targeted funding program for the quadrennium period 2000 to 2004, and it will provide the authority to approve some $591 million in grants to indigenous education providers in the states and territories over that quadrennium. This is an important bill. It affirms the commitment by the government to indigenous education in Australia. This bill will implement the 1999-2000 budget initiatives for indigenous education, including priorities such as the improvement of literacy, numeracy and attendance outcomes for indigenous students—and I note other senators have touched on these problems and it is widely recognised that these problems in indigenous education need to be addressed, and the government is doing that with this strategy.

This bill will provide for payments to be made under the Indigenous Education Strategic Initiatives Program during the period 1 January 2001 to 30 June 2005. This will improve the educational outcomes for indigenous Australians that I have mentioned. This bill is essential in keeping up those literacy and numeracy initiatives. Senator Allison mentioned English as a second language. In 1998 we introduced a program to improve the literacy of those indigenous students in communities where English is a second language. That point is being addressed squarely and we are looking forward to seeing the results of that program in years to come.

This bill will also allow for a mixed mode away from base delivery of Abstudy. During the current academic year institutions have received block grants through outcomes-focused indigenous education agreements that have utilised an agreed set of performance indicators to increase the accountability of this funding. In addition, the use of block grants allows institutions to develop innovative approaches to achieve better educational outcomes for indigenous students. The government again stresses the importance of outcomes: that is what should be kept in mind. We do not simply throw money at a
problem hoping that that will cure it; we focus on educational outcomes. This is exceedingly important in the area of education for indigenous students and it is the approach that the government brings to indigenous education funding.

This bill will operate in line with the States Grants (Primary and Secondary Education Assistance) Amendment Bill 1998, which will also commence on 1 January 2001. It forms part of a whole-of-government approach to improved education in this country. We have seen increased expenditure on education in both the government and non-government sectors. From what I have seen, places such as the University of Notre Dame in Broome are doing great things for indigenous education. I visited the university not long ago and had the pleasure of seeing at first-hand the efforts that it is making to give indigenous students—particularly those in a remote part of Australia—great opportunities. This bill is very worthwhile and I commend it to the Senate. The government totally rejects the second reading amendment.

Amendment agreed to.

Original question, as amended, resolved in the affirmative.

Bill read a second time.

In Committee

The bill.

Senator CARR (Victoria) (12.12 p.m.)—I wish to ask the minister some questions about the guidelines that were distributed to the opposition this morning. These guidelines were requested on 8 August. Why were they not distributed until today?

Senator ELLISON (Western Australia—Special Minister of State) (12.12 p.m.)—I understand that the legal audit group had to look at those guidelines. That was done and that is why the guidelines could not be distributed before today.

Senator CARR (Victoria) (12.12 p.m.)—On what date did the legal audit group conclude its review of those guidelines?

Senator Ellison—I will need to take that question on notice.

Senator CARR—Can you advise the Senate how long the guidelines were in the minister’s office?

Senator Ellison—I am advised that it was for a period of two weeks.

Senator CARR—Why were the guidelines not distributed two weeks ago?

Senator ELLISON (Western Australia—Special Minister of State) (12.13 p.m.)—I think Senator Carr should remember that these guidelines cannot be made until this bill is passed. So we are talking about something that follows the passage of legislation. As I said before, I understand that the legal audit group was involved with the guidelines.

Senator Carr—The guidelines were provided to the opposition this morning. Why could they not be provided two weeks ago?

Senator ELLISON—I will have to take that question on notice.

Senator Carr—Is there any reason why these guidelines cannot now be tabled?

Senator ELLISON—My advice to Senator Carr is that I think the bill must be passed before the guidelines can be tabled. I think that is the process. We have provided them, and I believe that is appropriate. I think other senators have seen a copy of the guidelines.

Senator Allison—No.

Senator ELLISON—We will provide that. As for tabling the guidelines, my advice is that that should wait until the bill is passed.

Senator CARR (Victoria) (12.15 p.m.)—Minister, I was concerned about ensuring that other senators had access to the documents, given that they are obviously consequential to this bill, and it is appropriate that the guidelines actually be read by senators before they are asked to make judgment. I appreciate that these are draft guidelines. But even in the format of draft guidelines they are quite clearly different from proposals in the bill. Minister, I take you to page 7 of the draft guidelines, for instance. At 2.6.3 there is a heading ‘Failure to Meet Conditions of Agreement’. It says here:
If a recipient does not meet a condition of IESIP funding in respect of a particular programme year, the recipient may have to repay to the Commonwealth any unspent monies. In any instance of a breach of the Agreement the Commonwealth will notify the Recipient in writing, and the Recipient may have to repay any funds advanced from that date should the breach not be satisfactorily resolved in 28 days.

Minister, a question then arises. If I look at the bill itself—if I could ask you to compare the two propositions—from my reading of the bill on page 10, clause 12, under the heading ‘Recovery of payments’, it simply states:

... one or more of those conditions is breached; the Minister may, by notice sent to the recipient, require the recipient to repay to the Commonwealth the amount (the recoverable amount) stated in the notice.

Quite clearly there is a discrepancy between the provisions of the bill and the apparent meaning of the guidelines. Further, it says:

The recoverable amount cannot be more than the payment made to the recipient.

I am pleased to hear that the Commonwealth is not going to ask for more—although does that include interest? Do we actually ask for interest in these circumstances?

Senator ELLISON (Western Australia—Special Minister of State) (12.17 p.m.)—In relation to the last aspect, interest: if there is interest gained from the funds, there needs to be an accounting for that. So it is not so much an issue of where you have a debt owing to a financial institution and interest accrues; the Commonwealth says here that, if there are unspent moneys, it asks, ‘Have you been earning interest from those funds?’. If you have, that is part of what is accountable. That makes sense.

As to the first part of the question, the inconsistency: looking at those two, I do not see that that is readily discernible. It says in the bill that, if one or more of these conditions is breached:

... the Minister may, by notice sent to the recipient, require the recipient to repay the Commonwealth the amount ... in the notice.

That is the recoverable amount. I really do not see how that is at odds with 2.6.3. Senator Carr might have a bit more detail on that he wants to go into, but the government does not see any discrepancy.

Senator CARR (Victoria) (12.18 p.m.)—Returning to the bill and the explanatory memorandum, which is the primary legal instrument, as I understand it, the bill clearly specifies here ‘require the recipient to repay to the Commonwealth the amount’, the recoverable amount. The amount is not defined. It says that you cannot ask for more than you were paid, but clearly you can if there is interest involved—and I am not saying that that is not reasonable, but that is not what the legislation actually says. I think, in fact, you have to ask yourself, ‘Well, shouldn’t we be clear in our legislation; if that is an obligation, should that not be clearly stated?’ But what concerns me is that—again I turn to the explanatory memorandum describing this particular clause—it says:

... a condition of the agreement that the Minister may by notice sent to the recipient require the recipient to repay to the Commonwealth the amount stated in the notice. Where the recipient does not make such a repayment then the Minister may reduce other amounts payable to the recipient under the agreement or the Commonwealth may recover as a debt in a court of competent jurisdiction the outstanding balance of the recoverable amount.

My concern goes to the appropriate process here and whether or not the legislation is clear in its intent. What you are proposing in these guidelines handed to us just today seems to be at odds with what is in the explanatory memorandum. It may be argued, Minister, that it is in fact more lenient; it may be argued that what is in the guidelines is a more reasonable approach to take—but why isn’t that in the legislation?

Senator ELLISON (Western Australia—Special Minister of State) (12.20 p.m.)—What we have here is that the guidelines sit—not legally, but in a generic sense—in a similar situation to perhaps regulations which are brought in after the passing of a piece of legislation, and the guidelines deal with the administration, if you like, of this legislation. When you look at the bill, clause 12, you find in the last paragraph the words ‘the minister may’—he may do things. That provides the minister with a discretion, which I think is desirable. If you were to
think is desirable. If you were to have a hard and fast rule that the minister must recover moneys, that would not accommodate the range of possibilities that could arise where there might be some unspent moneys or there might be some unique circumstance which does not warrant the recovery of that money. The bill gives the minister this discretion, and the guidelines then deal with the administration of how you deal with a failure to meet conditions of agreement.

I think in those guidelines there is some latitude, as Senator Carr has pointed out. I think that latitude is a good idea, because it will accommodate situations that might arise. I would have thought the opposition would have been the first to agree that you should have some latitude there in relation to the recovery of moneys for conditions that have not been met. I think the guidelines really do accommodate that situation. There is no discrepancy between the bill and the guidelines. What you have is one supplementing the other, if you like.

Senator CARR (Victoria) (12.22 p.m.)—Minister, I appreciate the need for there to be a capacity for ministers to enjoy some discretion on these questions, particularly when there needs to be resolution of complex problems. My concern is where there is legal ambiguity, which is a slightly different concept, I suggest. Given the propensity of state governments to hang on for grim death to any dollar that is handed to the Commonwealth and not to be particularly concerned about the finer points of accountability, and given the experience we have had in terms of effective audit procedures by the Commonwealth department with regard to the expenditure of Commonwealth moneys by other jurisdictions, the question of legal ambiguity becomes quite a serious one. In the case of the Northern Territory, if my recollection serves me correctly, up to 48 per cent of Commonwealth moneys was creamed off allegedly for administrative purposes. This went on for some time. It may well have been rectified. We are yet to establish whether that is the case, but I understand that a claim has been made that it has been rectified. I would ask for some clarification on that issue. Why was it that it took so long for decisive action to be taken in such an outrageous abuse of a Commonwealth education program?

Senator ELLISON (Western Australia—Special Minister of State) (12.24 p.m.)—Senator Carr has raised two aspects: the legal aspect of the recovery of the moneys and also the Northern Territory situation. I recall, Senator Carr—and you would too—that we covered this very aspect in many estimates hearings. The Commonwealth was concerned at the situation in relation to those moneys, and there was discussion between the Northern Territory government and the Commonwealth. I understand that, as a result, the administration percentage has been reduced to 10 per cent. My advice is that the situation has now been resolved. That might have been an issue in the past but that has now been resolved. Getting to the other part of your question, I do not see that this has any ambiguity in relation to the legal recovery of moneys. What it does is provide the minister with some latitude in exercising the discretion to recover. Once that decision is made, there is very clear authority for the recovery of funds.

Senator CROSSIN (Northern Territory) (12.25 p.m.)—Minister, is it possible to obtain a copy of the most recent agreement that is signed between your department and the Northern Territory government?

Senator ELLISON (Western Australia—Special Minister of State) (12.25 p.m.)—I will take that up with the Minister for Education, Training and Youth Affairs and see if that can be done. I will see what he says.

Senator CROSSIN (Northern Territory) (12.26 p.m.)—Can you also advise me now or ask the minister what mechanisms are in the current agreement and in proposed future agreements with the Northern Territory to ensure that there is a separation of IESIP supplementary funding and their ongoing recurrent funding? As I mentioned in my speech, there was an admission by the Northern Territory government that they had not used this as supplementary funding. What has actually been done or put in place to ensure that there is this separation of funding and a clear delineation between IESIP money as supplementary funding and
moneys that are used for ongoing recurrent activities?

Senator ELLISON (Western Australia—Special Minister of State) (12.26 p.m.)—I understand we do have a strategic plan in relation to the Northern Territory, and that may be of interest to Senator Crossin. I do not think we get down to the sort of detail that Senator Crossin mentions. We look at the outcomes. I will have to take the remainder of that question on notice and get back to you, Senator Crossin.

Senator CROSSIN (Northern Territory) (12.27 p.m.)—Minister, perhaps you could clarify for me how the money is to be recoverable from the Commonwealth if particular outcomes are not met or a state or territory government says to you that those outcomes are actually related to their recurrent ongoing funding as opposed to IESIP funding?

Senator ELLISON (Western Australia—Special Minister of State) (12.28 p.m.)—That is dealt with in the guidelines. I will refer you to the relevant sections of the guidelines. Section 3.14.3 says:

Performance outcomes which do not meet the agreed annual targets or are extraordinary compared with previous outcomes or performance improvement trends from previous years must be accompanied by an explanatory comment. All performance reports need to be signed by an independent indigenous representative, such as a representative of the state or territory indigenous education consultative body.

Section 3.14.4 says:

Where an education authority does not meet performance targets and where there is no significant improvement for indigenous students within a given time period, the framework would include:

(1) provisions for the Commonwealth minister to take appropriate measures to assist education authorities to meet the targets;
(2) provision to strategically apply the appropriate remedial measures so as to maximise improvement in the educational outcomes for students; and
(3) a range of measures that provide the minister with the flexibility and scope to apply the most appropriate measures.

So the guidelines deal with the performance reports with respect to the outcomes and what happens when those targets are not met.

I appreciate that that is in the guidelines. Senator Carr has a copy and I think Senator Allison has a copy, and we have one on its way to you, Senator Crossin.

Senator CARR (Victoria) (12.29 p.m.)—On the question of the guidelines, we have had these guidelines for only a couple of hours and have not had a chance to study them in detail. I trust it has finally sunk in that we are pretty cranky about that, Minister. I notice that on page 12 the per capita funding table is included which allocates the specific moneys to the various sectors. It is an issue I raised in the second reading stage of this bill. A similar table is in the current act that this bill seeks to replace. Why has it been removed from the legislation? Why is this table in the guidelines and not in the bill?

Senator ELLISON (Western Australia—Special Minister of State) (12.30 p.m.)—It is really a question of format, as Senator Carr has indicated, and there is really no substantial reason for that. As I said, the guidelines are for the administration of the bill. It makes sense for a table of this sort to be contained in the guidelines. I really cannot see anything untoward about that. In fact, if Senator Carr is suggesting that, perhaps he can give us some more detail.

Senator CARR (Victoria) (12.31 p.m.)—This bill seeks to replace the current act, but it makes a number of quite significant departures from the current act. Perhaps you could outline to us how you see those changes and confirm for me whether or not the three main differences between the current act and the bill are as follows. Firstly, the current act sets out explicitly in section 10 certain acquittal and reporting requirements, which this bill does not. It relates those matters to the guidelines, which we have only just received, and of course these requirements are not reproduced in the bill. The conditions under which the current act may be included in any particular agreement are not in the current bill.

Secondly, there is a new section, 3(6), which does not appear in the current act. Subsection (6) is linked to a new subsection (12). Together these provisions in the bill make it clear that, if a condition of an
agreement is breached, the minister may demand repayment of up to the full sum paid to the recipient. You say that the guidelines clarify that. I say to you that there is still some ambiguity about what the actual liability is. The minister may set off to recover all payments authorised under the agreement by reducing those other payments by a corresponding amount, which is, of course, outlined in the explanatory memorandum. The new clause—and obviously one expects that the government will act reasonably in this regard—is intended for a breach by the grant recipient only, not by the Commonwealth. That is an interesting point. The agreement is presumably only a one-sided arrangement. If there is a breach by the Commonwealth, there is no penalty proposed in this bill.

The third difference is that the discretionary definitions in the new section of the bill are shorter than what appears in section 3 of the current act. I am told that the main reason for this is that the detailed formulas which determine payment under the current act will be in the guidelines. I see here that they appear to be. But I ask: why is it necessary to distinguish between the different arrangements in this way and not have the normal practice? It occurs to me that there is an implied policy decision within this arrangement in terms of prioritisation about the flexibility of the funding which is made available to the different sectors for indigenous education. Perhaps it ought to be spelt out in the bill rather than in the guidelines.

Senator ELLISON (Western Australia—Special Minister of State) (12.34 p.m.)—What we have here is a more streamlined approach to legislation. I think that is highly desirable. Instead of the complexity which you have in the guidelines dealing with administration being contained in an act of parliament, you remove that, you extract that and you place it in the guidelines so that the piece of legislation itself is much more streamlined. That does not detract from the efficacy of the legislation or the effect of it in any way. What it does do, though, is enhance the simplicity of the legislation. The question of the guidelines is then raised. We will be attaching the guidelines to any indigenous education agreements. I think that is a very good exercise, because it will place people on notice in relation to the operation of this piece of legislation rather than get them to look up the act and go through it. They will simply have the guidelines. These are the guidelines we are operating under, and we have attached them to the indigenous education agreement. I think that is a much more modern approach to legislation than we have witnessed in the past.

Senator CARR (Victoria) (12.36 p.m.)—I am very interested in the concept of it being modern, Minister. In the name of modernity, Minister, we can say then that there will be increased levels of accountability for the expenditure of Commonwealth money—I trust that is what you are trying to present to us. If that is the case, our concern is not with that but with the due process that would follow. Will these guidelines be a disallowable instrument?

Senator ELLISON (Western Australia—Special Minister of State) (12.36 p.m.)—No, they will not.

Senator CARR (Victoria) (12.36 p.m.)—We then effectively have a situation of executive fiat with no recourse to due process in this chamber. We have quite clearly been able to demonstrate a record of some serious controversy with regard to the expenditure of Commonwealth moneys for this program. There is maladministration not by this department but by the states with regard to their creaming off moneys to fund their administration purposes. It is not as if we are talking about a group of people in this country who have a huge amount of resources at their disposal. It is not as if we are doing too much for indigenous people in this country. On the contrary, the advice that all government surely must have understood by now is that attainments and participation levels by Aboriginal and Torres Strait Islander communities in our education system are woefully low.

I ask you, Minister: can you confirm that 73 per cent of non-indigenous students are staying at school whereas for indigenous students the number is 32 per cent? Can you confirm that 68 per cent of indigenous students do not go to school at all and that the drop-out rate for indigenous boys far out-
strips that of girls, as does the truancy rate? Can you confirm that the vast majority of Aboriginal and Torres Strait Islander boys—particularly those outside the urban centres—are not receiving anything like the education that they deserve? Their educational needs are certainly not being met. Minister, can you confirm that the literacy and numeracy rates of indigenous students remain at shamefully low levels and that, in the Northern Territory, only four per cent of year 5 indigenous students meet national reading benchmarks?

Can you confirm, Minister, that since 1996 completion rates for indigenous people in higher education have fallen compared with commencements? Can you confirm, Minister, that the pass rates for indigenous students in vocational education and training languish 27 per cent lower than those of VET students in general? Minister, are you able to confirm that the changes to the Abstudy scheme introduced this year clearly disadvantage mature age and part-time indigenous students and that a large number of indigenous students fall into these particular categories? Can you confirm, Minister, that they have in fact been denied Abstudy assistance?

Minister, can you also confirm for me whether or not it is the case that very few students in this country with an indigenous background are actually engaged in postgraduate education? There is a figure of 0.6 per cent—0.6 per cent of all postgraduate research students in Australian universities are indigenous. Can you confirm that, in general terms, the level of research and scholarly work in areas of relevance to indigenous persons remains woefully low and that, due to a lack of indigenous researchers in our universities, only nine per cent of all funded research on these issues actually goes to scholars and researchers who are themselves indigenous? Minister, in that context, can we say that enough is being done by government with regard to indigenous education in this country? Minister, is it not appropriate that we be clear when it comes to this bill that the measures taken by this parliament will effectively be able to improve the life circumstances of people who should be benefiting from these measures? Is it the case, Minister, that because the guidelines are not disallowable instruments we will get no opportunity to examine the detail of these guidelines until after the passage of the bill, and then we will have no opportunity to do anything about them?

Senator ELLISON (Western Australia—Special Minister of State) (12.40 p.m.)—The guidelines have been distributed today and obviously, from the debate, the opposition has had a good chance to have a look at them. Why else would Senator Carr be making the points he is making? The mere fact that he makes them shows that he has had the chance to have a look at the guidelines. The guidelines are made pursuant to legislation—legislation that has to go through this very parliament. The fact that the guidelines are not disallowable instruments does not detract from that. It means that you still have a legislative process and the guidelines have to have the root of their power in that legislative process, and there you have a very democratic process where the opposition can have its input.

In relation to Senator Carr’s question of funding and the states or territories, the Commonwealth does have the power to withhold payment. Senator Carr raised the spectre of some state or territory body misusing, or not doing the right thing with, the Commonwealth funding. The Commonwealth does have the ability to withhold payment and, of course, in the Northern Territory situation, the Commonwealth did act and it did consult with the Territory on the question of the percentage of funds spent on administration. We have dealt with that already. So the Commonwealth does have the leverage to ensure that these education funds reach their targets. The guidelines provide for mechanisms as to how that can be carried out, and the scrutiny and the accountability is there. In relation to Senator Carr’s facts and figures, the government would dispute that there is a retention rate of 32 per cent. The year 12 retention rate for indigenous students has risen from 29.2 per cent in 1996 to 34.7 per cent in 1999.

Senator Carr—So it’s gone up; that’s terrific.
Senator ELLISON—The retention rate has gone up, which is good.

Senator Carr—So it’s 34 per cent, not 32 per cent?

Senator ELLISON—It is 34.7 per cent, not 32 per cent as Senator Carr alleged. The government is the first to say that there is a lot of work to be done in this area, and I said that yesterday in relation to a question without notice in question time. In relation to tertiary education, in 1999, 8,001 actual indigenous students undertook tertiary study, which is a 17.6 per cent increase from the figures from Labor’s last year in power. Again, the government would say that we want to work on this and that we are committed to seeing these figures grow, but for Senator Carr to say that it is all going backwards and that it is all negative is really a beat-up.

It is very unfair to say that, because it does reflect on those people involved in indigenous education—teachers, education professionals and others—who are doing a fantastic job and it also unfairly reflects on those indigenous students, who themselves are making great efforts to further their life opportunities. The government certainly rejects the negative view taken by Senator Carr and the opposition. It takes a much more positive view and says, ‘Let’s look to the future and to what we can do, and let’s not look backwards and say that it’s all a terrible mess and it’s too hard.’ Let us be forward looking and let us work on those advantages which we have achieved to make sure that they are even better and that they grow in turn.

Senator CARR (Victoria) (12.44 p.m.)—by leave—I move:

(1) Clause 10, page 9 (after line 19), after subsection (1A), insert:

(1A) When the Minister makes an agreement in accordance with the provisions in paragraph (1)(a)(b) or (c), the Minister must make a copy of that agreement available for public scrutiny prior to its commencement.

(2) Page 14 (after line 13), at the end of the bill, add:

19 Report to Parliament

The Minister, as soon as practicable after the information is available and at least annually, must cause to be laid before each House of the Parliament, a report on:

(a) how funding appropriated under this Act has been distributed, annually, by institution and by State and sector;

(b) all performance information requested and collected, aggregated by State and sector; and

(c) the reasons for any decision to reduce funding to any provider.

The point here, Minister, is not that we do not acknowledge that there are extremely hardworking people in the industry who are doing all they can to improve the situation.

Progress reported.

MATTERS OF PUBLIC INTEREST

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

Wheat: Single Desk Selling

Senator SANDY MACDONALD (New South Wales) (12.45 p.m.)—The draft report of the independent committee reviewing the Australian Wheat Board’s single desk powers as required under the National Competition Policy process was released for discussion on 13 October, and that is the reason that this day many farming representatives are visiting Parliament House to put their position and view about the future of the Australian Wheat Board’s single desk. I want to take this opportunity, therefore, to make some comments about the single desk powers of the Australian Wheat Board, its vital importance to the Australian wheat growers and the community benefits generally that flow from the continuation of this power.

John Anderson, the Deputy Prime Minister, said earlier this year:

‘While ever Australia’s wheat growers clearly benefit and while ever the nation’s export performance is enhanced, while ever the National Party is there, we will not budge in our rock solid support for the single desk export powers of the Australian Wheat Board.

I share that view. So concerned am I about the possible change to the single desk powers, I have promoted attendance at a meeting in Lockhart in New South Wales this Friday
to hear growers’ views on the draft. The Lockhart meeting was initiated by the National Party’s Farrer candidate, Councillor Bill Bott, a wheat grower who takes a genuine interest in ensuring the best outcome for the industry, and that is the retention of the single desk. The aim of the meeting is to find out what growers and industry stakeholders think should happen to the industry and to hear their thoughts on the draft report examination of the overall net benefits of the Wheat Marketing Act 1989, which continued at that time the single desk. I will tell the meeting that I am disappointed in the draft review report because it contradicts the benefits of a single desk system by encouraging trial deregulation in niche export markets. The report appears to put off the evil day for about five minutes because a further review has been flagged for four years time. Deregulation would serve only to benefit international competitors, not Australian wheat growers, by eroding price premiums. The single desk is the only way growers can best be represented in the international marketplace, where AWB International has the muscle to negotiate fair returns against subsidised international competitors. Our major competitor, the United States, does not like our single desk. That seems to me to be a pretty good reason for keeping it. They have valued the benefit of the single desk in double digits up to, at least, US$25 per tonne—a very substantial amount of money. International grain companies concede and acknowledge privately that they can never be as dependable as the Australian Wheat Board.

Why is there so much concern about this issue in country Australia? The reason is that the Australian wheat industry is a major export provider for around 155,000 Australians, and it accounts for 18 per cent of world wheat exports. We are the world’s third largest wheat exporter. It is now our largest agricultural export after wool and, like wool, it spreads its tentacles right throughout regional Australia. Country towns and regions may not all grow wheat but a lot of them do, and a lot of the support and infrastructure required for those country and regional communities depends on a healthy wheat crop and price. Around $4 billion worth of wheat was harvested in Australia last year, of which $3.5 billion was exported. The livelihood of these farmers, their families and their communities is dependent on a buoyant industry. Australia’s major international competitors in 1999-2000 were: the United States, which accounts for around 30 per cent of world wheat exports; Canada, which accounts for 19 per cent; the European Union, which accounts for 16 per cent; and Argentina, which accounts for nine per cent—in all around 100 million tonnes of wheat in the world wheat export market. These are countries used to playing hard ball in world markets. We need a unified voice in dealing with these markets; we do not need one grower competing against another grower by reducing prices, we do not need Australian wheat competing against Australian wheat—not in niche markets, not in new markets, not in any markets, I would suggest.

Australia in the past four years has increased its market share from 15 to 18 per cent. This is a remarkable achievement in a static world market with about a 40 million tonne oversupply. It has done so because it has had the single desk. The $3.5 billion of Australian wheat exported every year comes from over 31,000 farms and, therefore, it is imperative that we get the best system possible to sell our product. If we go back in history, the National Party, which I represent in this place, cut its teeth on orderly marketing and a fair return to growers. The single desk will help ensure the future of grower returns, especially in a distorted international market where the Europeans and Americans receive production and/or export subsidies. To combat this we need to retain our integrated system, which involves market research, quality assurance, technical assistance, a national logistics program, a historical knowledge of the national crop and extensive research into each year’s crop well before it is harvested. We need the continuation of that service provided by the Australian Wheat Board. It would be very difficult to convince me that somebody else could do this better than the Australian Wheat Board with its long experience of exporting the Australian crop.

If we look particularly at niche markets, one of the areas which could be opened up
under the draft suggestions, there is an argument that small and specialised opportunities exist. But the single desk has proven itself flexible enough to act on these market opportunities and has continued to do so. Recognising the need to meet these market needs, in 1993 the Australian Wheat Board established the container and bagged export system. While the Wheat Export Authority took over responsibility for the container and bagged export system in July last year, other groups are given permission to export into niche markets. In fact, around 90 per cent of applications to the Wheat Export Authority were granted export consents. The system works—do not mess with it.

I have held meetings with concerned growers, with representatives of the Grains Council of Australia and with the Australian Wheat Board. I now look forward to meeting with many more growers at Lockhart on Friday, and I congratulate the Nationals’ candidate for Farrer, Mr Bill Bott, for his initiative in organising this meeting. I also look forward to welcoming Mr Bott—who will be a worthy replacement for the former Leader of the National Party of Australia, the Hon. Tim Fischer—as the member for Farrer next year. But, most importantly, I look forward to the continued orderly marketing of the Australian wheat crop for many years to come and to the benefits that flow to all of us in regional Australia and to the Australian economy from the very wise and proper usage of the single desk powers of the Australian Wheat Board.

Minister for Employment, Workplace Relations and Industrial Relations

Senator JACINTA COLLINS (Victoria) (12.53 p.m.)—Today I want to address two issues which both relate to the Minister for Employment, Workplace Relations and Small Business. Firstly, I would like to deal with a myth concerning the minister; that is, that he is a star performer of this government. Secondly, I want to consider the issue of his saying sorry. The minister proffered an apology to all parliamentarians on Monday over their poor public image arising from the telecard affair. However, I want to suggest today that the minister should apologise to the workers of Victoria.

Firstly, I go to the star performer issue. The Minister for Employment, Workplace Relations and Small Business has based his career in this place on illusion. In the other place in days gone by barely a question time would pass without the minister swaggering to the dispatch box to proclaim his wealth of policy, his breadth of reform and his depth of achievement. ‘Good productivity figures,’ he would say. ‘It was my reforms.’ ‘Balance of payments: coming up roses. Couldn’t have done it without Patricks.’ But remember the balaclavas and the dogs. Jobs growth? With respect to changes to the Workplace Relations Act in 1996, according to Mr Reith the country has him to thank for them. Thanks indeed! We should not be conned by this illusion. In spite of the carefully constructed image of a vibrant and active minister, working his portfolio hard, the truth is that industrial relations is an area of real policy paralysis—for this government, in particular. In this minister’s case, the truth is that he is batting zero.

With the exception of the Oakdale miners legislation, which this minister did not want, not one piece of legislation has gone through unamended this year or last, and the number of complete legislative flops seems to be growing daily. This minister’s great opus, the More Jobs Better Pay bill, is languishing on the Notice Paper, the unfair dismissal ‘reforms’ are gathering dust, the most recent half-hearted attempt at getting something up on secret ballots and the Australian workplace agreements legislation does not appear to have succeeded in this place, and the pattern bargaining legislation—the much vaunted strike against the evils of militant unionism; if anyone remembers that—seems to have been forgotten by the minister. But, strangely, this minister seems to think that his legislative impotence is a badge of honour. It is as if it is a sign of his ideological purity. He has made whingeing about his lack of legislative success his favourite hobbyhorse. No better example of this exists than his 13 July press release detailing the alleged sabotaging of his industrial relations agenda by the Democrats—all 27 pages thereof. Perhaps if he concentrated on substantive reform rather than on this sort of illusion he would do a better job. But Minis-
eter Reith’s real problem is that there is a lack of general support from the community and from business for many of his ideological reforms.

In this place, though, what do we get? In the place of legislation we get what I would regard as policy threshing in the form of many discussion papers. The minister has become someone I would characterise as ‘discussion paper Pete’—so much as look at him, and he will fire another one at you. And what a wonderful thing these discussion papers are! The minister’s discussion papers have got all the trappings of constructive activity without any concrete outcome. At the last count there were 16 discussion papers littering the minister’s web site. This includes his most recent release: a proposal to create a unitary industrial relations system using the corporations power. This is supposed to be the centrepiece of the minister’s legislative program leading up to the next federal election. However, given his record, any real outcome in this area is most unlikely.

This leads me to my second point—the ministerial apology. As I mentioned earlier, on Monday the minister apologised to the parliament for bringing us all into disrepute. I thank him for his apology, but it is not only his colleagues he should be apologising to; on that same day, during the same question time, the minister drew attention to his greatest policy failure: the disgraceful condition of workplace relations in Victoria, the beachhead of his national unitary system. The timing was priceless. In answer to a dorothy dixer, the minister lambasted the Victorian government for their announcement that they will try to reintroduce a state industrial system. Those of you unfamiliar with the evolution of Victoria’s industrial ghetto may recall the referral, in late 1996, of Victoria’s industrial relations powers to the Commonwealth by the Kennett government. The minister for workplace relations will no doubt recall it. At the time he welcomed the referral of Victoria’s industrial relations powers to the Commonwealth in the most extravagant of terms. This is what he said in the other place on 13 December 1996:

This bill … provide(s) a simpler, cooperative industrial relations system in Victoria which benefits employees and employers and the wider community …

And a little further on:

The Commonwealth and state legislation marks a highly significant point in the evolution of Australian industrial relations. It is also a very substantial step forward in micro-economic reform. In the development of the Australian constitution, apart from income tax matters, it would be hard to come up with an example of greater significance than the transfer of power from a state to the Commonwealth. This referral demonstrates how state and federal governments can fundamentally transform the traditional relationship between their often-competing jurisdictions to the immense benefit of the nation.

There is no doubt that the referral from Victoria to the Commonwealth was made possible by the political events of 2 March, with the election of the Howard government and the subsequent passage of the Workplace Relations Bill. Just as importantly, this reform helps businesses and workers to enjoy far more productive workplace relationships.

The minister later went on to say:

In short, these arrangements will do much to give employers and workers in Victoria greater control of their working relationships without the distractions and jurisdictional problems which occur where there are potentially two sets of rules relating to them.

After the self-congratulations were over, more than half a million Victorian workers were caught in a system that guaranteed five conditions of employment contained in schedule 1A of the act. These five conditions are: four weeks paid annual leave, one week paid sick leave, a minimum wage, unpaid maternity and paternity leave, and notice of termination or compensation in lieu. But we need to know that, for many Victorians, those five guaranteed conditions comprise the entirety of their conditions of employment. It just does not get better than those five. Now that was 1996. In 1999, the Senate Employment, Workplace Relations and Small Business Committee had the opportunity of hearing from Victorians the effect of this so-called reform. Jobwatch told us at the time that in Victoria a parent was not guaranteed the freedom to attend their child’s funeral—that it is not a statutory entitlement.
There were many other instances and examples contained in the committee’s report. That one is perhaps the most stark.

Since the inquiry, the evidence supporting the need for change in Victoria has mounted. Now we have an independent assessment of the practical results of Minister Reith’s grand vision. Sydney University’s Australian Centre for Industrial Relations Research and Training was commissioned to do a report for the Victorian government’s industrial relations task force. I want to take senators to a couple of points in this report. At page 25 of the report it states:

... only two factors were good predictors of whether a workplace was in the low wage category: being an agricultural workplace and having Schedule 1A coverage. The odds of being in this low wage category... were two times greater for Schedule 1A workplaces.

That is, compared with federal workplaces.

In other words, after controlling for a wide range of factors, it appears that industrial coverage is an important predictor of whether a workplace will pay low minimum rates.

Minister Reith’s system has delivered low minimum rates. At pages 28 and 29 of the report it notes that the other key dimension of employee remuneration is the payment of various employment benefits in the form of loadings. It states:

While each of these benefits is standard amongst employees with Federal coverage, their availability to employees with Schedule 1A coverage is exceptionally limited...

Less than one quarter of Schedule 1A workplaces pay penalty rates for working on weekends...

Shift allowances are the least common form of benefit paid by Schedule 1A workplaces. Only 6 per cent of such workplaces paid their employees shift allowances...

Unlike Minister Reith, the Bracks government has announced a concrete proposal to deal with these injustices. It has produced a bill which, if passed, will address the ghetto of Victorian workers created by Minister Reith and Mr Kennett. Even those one would normally expect to see supporting Minister Reith are in fact supporting the Victorian government’s proposal. One of the Howard government’s own legal advisers, the firm Clayton Utz, has come out saying that the Victorian government’s proposals would have ‘no unreasonable impact’ on employers. To quote Mr Graeme Smith from Clayton Utz:

The scheme of the proposed legislation will, in our opinion, operate appropriately side by side with federal industrial legislation, awards or agreements.

And it is not only the lawyers and the unions who are supportive of the Bracks government’s IR bill. Listen to the comments from the Age editorial of last Monday, 30 October:

Victoria has weakened its capacity to influence outcomes in the states workplaces. ... Essentially, under the present arrangements, the state is sidelined, able to exhort from the margins but without any real powers to intervene. As was shown during power blackouts earlier this year, this was unacceptable...

As well, many thousands of Victorian workers have been left without award protection by the closure of the state system, slipping between the cracks of the federal system. ... This too, is unacceptable, leaving some Victorians prey to unscrupulous employers.

... business must accept that Victoria will be able to make the most of its opportunities in the new economy with a workforce that is highly skilled, fairly paid and legally protected.

Clearly, an apology is called for in this situation. This minister needs to apologise to the working men and women of Victoria, to their children and to their relatives, for the appalling situation in which he has left those Victorians who rely on schedule 1A conditions and for the damage that has been done. He should apologise to these people for a monstrous and inexcusable dereliction of his duty as minister for workplace relations.

And, instead of whining about his lack of legislative success or sniping from the sidelines at the Victorian government’s attempts to redress the situation in my home state, the minister for workplace relations should consider why his legislation keeps failing. If Victoria’s experience is a model for a coalition unitary industrial relations system, it will be no surprise if his proposals receive no community support. Victoria is a stark demonstration of the point made by the commentator Kenneth Davidson in the Age of 26 October that the cost of Minister Reith’s IR agenda makes his telecard bill look trivial.
Ideological extremism is not what is needed here, Minister; reasonable, supportive and realistic proposals will go a lot further.

Globalisation

Senator PAYNE (New South Wales) (1.07 p.m.)—I rise in the matters of public interest debate to make some comments in relation to what is in fact a very current issue—that is, a consideration of the impact and effect of globalisation in the broad international community. Given the noises emerging from some sectors of the community, one could be forgiven for thinking that globalisation is an entirely new phenomenon when in fact, in one form or another, it is as old as the silk and spice routes themselves. Whilst Marco Polo and his business colleagues did not know it at the time, the act of trading between countries and between continents amounted to a very early and basic form of global trade—in fact, in many ways the forerunner of what we now call globalisation. The various Caesars of times Roman were very much aware of the benefits that trade between regions brought. Anyone who is a student of archaeology in any way realises that ancient Roman artefacts have been uncovered in places very far from their origins—an indication of distances travelled. Roman and Spanish amphorae have been found as far away as England, and North African products have appeared in abundance in many European archaeological digs, and that is not to mention what some might regard as the important and extensive trade of Roman wine throughout the empire at the time.

Moving through history, by the time the British Empire was at its pinnacle, the monarch and the diplomats were also greatly aware of the benefits of global trade, but with what you might describe as a much more sophisticated element. The English in fact became very aware that, in order to improve the overall economy and to ultimately preserve peace, trade was many times the answer. After all, there are very few industries that benefit from an economy in turmoil. But there has been an acceleration in the process of globalisation, particularly since the demise of the Soviet Union, and there is a fairly simple reason for that: more nations are discovering what benefits can be derived from a constructive engagement in the globalisation process. For those countries that choose to enter the global economy and adopt participation in many of the trading and tariff recommendations made by international bodies such as the GATT, the WTO, the EC, NAFTA, ASEAN and AFTA itself, the long run economic and social benefits can be quite substantial.

The countries soon discover that their exports improve, which in turn strengthens their domestic economy. Furthermore, they discover that diplomatic and regional relations improve as a result of trade. So with continued interregional and global trade, individual countries can soon identify their particular comparative advantages and move to strengthen and benefit from those advantages.

It is interesting and instructive to look at countries that are developing their comparative and regional advantages. We can consider Singapore, seen very much as the financial hub of Asia and also doing an extraordinary amount of work in relation to matters concerning information technology, particularly the National Computer Board of Singapore; Germany, still seen very much by many as an industrial powerhouse; Switzerland, obviously and infamously as the centre for the international banking sector; and Israel, which I visited about 18 months ago when I had the opportunity to view some of their great advances in this area, regarded as having significant technological expertise. Again in our region, Singapore and places like Taiwan are seen as being a major nexus for shipping and, in Singapore’s case, also for airlines within the Asian region.

In stark contrast, countries that do not particularly wish to participate in this way in the global economy tend to be left behind, and it is to their detriment and often to the detriment of the people of their nation. Generally speaking, these are closed economies that do not
embrace globalisation because their administrations view globalisation as a loss of control by their government. But the rest of the world, by and large, has come to the conclusion that a market based economy is superior to the other alternatives that have been trialed over the years. So alternatives such as communism, socialism or fascism simply do not work from an economic or social point of view.

Most economists agree that commerce is a natural human instinct. The basics of supply and demand extend to everyday living. With that in mind and coupled with the speed of modern technology, we have barely begun to experience the possibilities of globalisation. Technologists of many kinds create and use increasingly complex techniques that have also global implications.

It is broadly acknowledged that one of the most notable steps in the revolution is the use of the Internet and email. So the use of the information highway leads to newer and faster ways of working. With the use of a laptop and a modem, individuals are working from literally almost any region of the world, give or take the challenges of individual telephone systems. On that point, in just the last day we heard the head of Sony in Japan lamenting the limitations of the telephone system in Japan and how that is holding back their development in this way, a very serious comment for somebody as senior in the Japanese business community as the head of Sony to make. Clearly the ability of an individual who is located anywhere in the world to communicate across state boundaries quickly and efficiently enhances that individual’s ability to effect global processes.

Again on the topic of technology, the degree to which technology can be used to aid globalisation and those who are prepared to embrace it is quite phenomenal. Technology is the tool that has been used to speed up many of the ordinary and, we might say, some of the more extraordinary financial transactions that occur, and the size of the transfers themselves is absolutely phenomenal. It is estimated that one trillion US dollars are moved around the world financial markets every day. Given these huge sums of money, given the speed at which they can be moved both into and out of a country, the influence that those currency transfers themselves can have on countries and regions is obviously substantial.

In the process of embracing globalisation, countries should develop and ratify uniform legislation and regulations, so that as individual nations they can benefit from globalisation rather than globalisation benefiting from those individual countries. If you enter into and promote uniform international agreements with mechanisms like free trade agreements, perhaps like the European Union, or alternatively bilateral, regional or plurilateral and multilateral agreements so that a country does not automatically have to be geographically within a region to benefit from them—these agreements can be in relation to working conditions for employees, in relation to taxes and tariffs, or the regulations relating to transnational corporations—the participant countries can make considerable gains.

There is a tool involved in that process which enables the preservation and integrity of economic, social and cultural rights in participant countries. Through those avenues issues as diverse on the one hand as human rights and on the other natural conservation are things that can be actively monitored and improved. The agreements can also assist in the minimisation of white collar crime and other criminal activities. It becomes much easier, for example, to target tax havens and flag those on behalf of participant countries and also much easier to target those countries who turn a blind eye, for example, to the drug trade or, even worse, people smuggling.

It is important that the implementation of those rules and regulations is done in a uniform manner for two main reasons. Firstly, most businesses prefer not to have to deal with differing rules and regulations and uncertainty. Most people in this chamber, given that we are the chamber that represents the states and territories, would understand that, particularly on a microscale here, it is apparent from the nature of our federation that businesses that try to operate sometimes under nine jurisdictions in Australia will certainly identify that as a challenge to doing good business. If there is certainty of regula-
tions and certainty of market stability that is paved by government, businesses will be more attracted to a region.

The other important question in relation to uniformity is that, if there is disparity between sets of rules and regulations, any loopholes are much more easily abused. Naturally the implementation of any rule or regulation needs to be done with complete transparency, because a lack of transparency gives rise to enormous concerns in both the public and private sectors. It is the lack of transparency in closed economies that is a well-known disincentive to strong investment. Nations themselves and organisations like APEC, ASEAN, the WTO or the GATT can all play a role in the regional and international aspirations of a globalised economy. They have great potential to create harmonised policies and they can achieve that without the undermining of the nation state.

We heard arguments advanced recently that globalisation erodes national sovereignty and undermines the status of the worker in the global community. I think that is these days a quite difficult argument to sustain cogently. Political institutions, of which national sovereignty is basically all encompassing, serve three functions without which markets cannot survive: they regulate, stabilise and legitimise market outcomes. So the argument has not been in fact about an erosion of national sovereignty, because that element of national agreement is required to ratify any form of positive globalisation activity that I have been talking about today.

Every government produces a range of policies that shape the microeconomic models of the private sector, resulting in regulations that private players have to carry with them into the marketplace. Tax is the most obvious example of that. But those policies will also include labour protection rules, health and education, regulatory demands, market restrictions and tariffs, for example. Globalism has brought positive growth to the world economy. It has increased productivity across industries and raised in many aspects the income level for the majority of the world’s population who are part of that system and process.

In relation to assertions of the undermining of the status of the worker in this context, if we look at, for example, the recent World Economic Forum gathering held in Melbourne and those held internationally, many of the most vocal protesters were representatives of the trade union movement, both here and overseas. To put it simply, there are many union leaders who are concerned that unions are further losing their grip—some people would say stranglehold—on being wage dictators rather than becoming wage negotiators. Constructive engagement is an important element of this whole process to ensure that it is operating to the benefit of as many parties as possible.

What the critics choose to ignore though is that globalisation and free trade areas can operate in a manner that actually strengthens and protects a labour force. This may be because a free trade region has agreed on labour standards. Partner countries are not really going to benefit at all by trying to undermine their regional partners. If they did, they would be engaging in a labour price war, they would be undermining the nature of the regional agreement and the benefits it ultimately brings to the participants. It also means that those member countries will not be in any danger of entering a competitive devaluation situation.

The arguments that I have just highlighted for the protection of the labour force can be further extended to issues such as those relating to gender; for example, the treatment of women both socially and economically. But, again, policy making bodies, research institutions and frameworks, trade negotiations and organisations, international, regional and local organisations and women’s organisations do need to harmonise their policies in order to institute real gains.

It is a matter of some concern that there are certain international bodies—for example, occasionally the IMF and the World Bank—which are not totally attuned to changes in global trends. Recently, for example, there has been significant commentary that some of the development and rescue packages that these bodies have put forward for implementation have been quite inflexible and have not adequately taken into con-
consideration the real cultural needs of the recipient country. The attitude of one size fits all, which the IMF has been described as employing, does not always work well with respect to econometric modelling. We often find that an economic model will simply be out of date with respect to a modern global economy. Unfortunately, if we use a model which is too reliant on macroeconomic reform at the expense of microeconomic reform, we may end up not being able to see the wood for the trees. These organisations, for their own constructive future, need to be very approachable on these issues if they are to truly help countries join the broad global economy.

I clearly believe that globalisation can benefit those who embrace it constructively. As policy makers in our national parliament, we have to be aware that there is still a great deal to do and that an across-the-board approach—that is, that commonality of rules and regulations I referred to—by governments is what will make globalisation work for us and enable us to participate in that process in a most constructive manner, rather than make us work for globalisation.

In conclusion, globalisation is not the evil that some would have us believe. In fact, it does have the potential to beneficially accelerate the world’s economy, which, in turn, if done correctly, can help to assist in the eradication of what could be described as one of the great 20th century curses: the divide between developed and underdeveloped nations. (Time expired)

Science Meets Parliament Day

Senator GEORGE CAMPBELL (New South Wales) (1.22 p.m.)—Today a group of scientists are visiting Parliament House and briefing members on the state of science innovation in this country as part of Science Meets Parliament Day. I take the opportunity to welcome them and I hope Science Meets Parliament Day is a success. However, the fact that they have to lobby here today demonstrates the policy vacuum this government has created on these issues of science, research and development and, more broadly, innovation. The job facing these scientists and their representative body, the Federation of Australian Scientific and Technological Societies, is not an easy one. They are forced to march up here, cap in hand, and try to convince the coalition to take science and research and development seriously.

It is a sad state of affairs that FASTS and its scientists and technologists have to come here to raise politicians’ awareness about the importance of science. It is sad because science means business. As such, it is at the centre of the new knowledge economy. Technology based firms and technology enabled firms are key drivers for economic development in this emerging innovative age. It is not surprising then that the OECD report called National innovation systems highlights the diffusion of new technology as the key to economic performance. In the OECD’s own words:

If economic performance is to improve, additional structural reform, which can increase innovation and the diffusion of technologies within and among national economies, seems necessary. But diffusing using new technologies into the right firms and the right projects is not as straightforward. Significant barriers exist, preventing the adequate implementation of innovation strategies.

However, there is little evidence that this government understands these barriers or is trying to solve them. In fact, for the last three years the government has largely sat on its hands when it has come to research and innovation issues. There have been a series of reports in the past three years, all addressing in various ways the problem of how to encourage research and development and also focusing on how to get the new technologies out there into the marketplace so that they are being utilised and developed by industry.

It is now three years since the first of the innovation reports identified the knowledge economy as central to Australia’s economic development and, more importantly, commercialisation of ideas. The first of these was a 1997 report entitled Investing for growth strategy which proposed an IFF fund—which has been implemented by the government and has been working successfully—and the second phase of which either has just been announced or is about to be announced.
Around the same time, the Australian Business Foundation released the report *High road or low road*. It provided an excellent account of the need to develop the knowledge economy and the current barriers faced in turning Australia into an innovation nation. But despite these reports, the government left the issue of innovation and the knowledge economy in the too-hard basket and, in fact, initially cut R&D funding rather than promoted it. It is only now, when the sorry state of our research and science sector is coming into focus, that the government feels obliged to do something about it.

I note, in particular, the investment summit which culminated in the Miles report. But all of this is too little too late and now the government seems to be running around trying to get up to speed on this issue through the cabinet subcommittee comprising Ministers Alston, Minchin and Kemp. I also note that, in getting up to speed, these ministers on the cabinet subcommittee have only succeeded in bickering amongst themselves over whose portfolios get the majority of the remaining R&D funding.

Recently, when addressing a Sydney institute, Senator Alston was more concerned with claiming a greater share of R&D funding for information and communications than addressing an overall holistic innovation strategy. I am sure his colleagues, Ministers Minchin and Kemp, have already thanked him for his contribution. Despite this, public R&D on IT&T is languishing at five per cent of total expenditure on R&D. Senator Alston has the hide to tell the Labor Party we are operating in a policy vacuum. The reality is, on this issue, in the last four years the coalition has been the one with the policy vacuum.

A brief overview of the state of research and development in Australia highlights that the government has not only neglected the knowledge economy but failed to comprehend it. We are not doing enough on research and development. ABS figures for 1999 show that only 3,170 businesses in Australia are doing R&D. Business expenditure on research and development has declined for the third year in a row under the coalition—falling from just under $4,500 million to around $3,700 million. As a ratio of R&D to GDP, Australia is way down the OECD list in 13th place, with only 0.67 per cent of GDP devoted to research and development. Furthermore, Australian companies on average invest less in their research and development. On the Wired Index, US companies invested, on average, 14.6 per cent of their total sales in research and development whereas Australian companies spent, on average, 0.5 per cent of their turnover on R&D.

We are now also employing fewer people on research. Over the last three years a net of 3,300 research posts have been cut from government, business and private non-profit research institutions. Moreover, these figures exaggerate the degree of research and development undertaken by domestic firms. Thirty per cent of research and development in Australia is actually undertaken by foreign affiliates of international companies. Whilst this has substantial benefits, more particularly in terms of spill-off effects to domestic firms, our need is to grow the local high technology base. The effects of this innovation shortfall are only too obvious. Australia is behind the OECD average in international patenting. Our investment in knowledge is at all times below the OECD average. Public expenditure on education is 4.3 per cent and declining compared with the OECD average of 4.6 per cent and rising. Our research and development spending is half that of the OECD average. Again, while theirs is rising, ours is declining. Software expenditure is 6.7 per cent compared with 7.9 per cent.

Most significant is the widening intellectual trade imbalance. IT&T is the fastest growing area of world trade, yet Australia imports more IT&T products and services at twice the rate of exports. Dr Terry Cutler, in an address to the National Press Club on 2 August, presented evidence that said Australia’s trade deficit on IT&T had increased $3 billion under the coalition from $6.7 billion to $9 billion in 1998-99. Dr Cutler projects that the trade deficit on IT&T will triple to $28.7 billion in deficit by 2010-11 if nothing is done to address the problem. This government is certainly not demonstrating that it is doing anything in this area at all.
This tells us that, right when we need to be engineering the transition to a new economy, we are in fact going backwards. Not only are we downsizing our knowledge economy, but we are doing so off a very low base. It is a problem that even the chair of the government’s own Innovation Summit Committee, Mr David Miles, is acutely aware of. I quote:

When we benchmark our performance against international standards, it is obvious we do not yet have a winning scorecard. It is clear we need to act now if we are not to be left behind.

Until now, the coalition’s approach to innovation and research and development has been too piecemeal and ad hoc to adequately address the size of this problem, and I do not see much evidence of them sorting it out. For instance, in the Senate yesterday, Senator Alston was asked a question by Senator Mason about what they were doing to improve the high technology transfer into industry. His reply was simply, ‘We are getting rid of capital gains and we are changing the culture of the universities’—a very scant response to an issue, a question, that raises very significant problems for our economy.

These broad measures do not get to the heart of the problem and are also tied in with other issues. It shows that the coalition is not treating the issue seriously and is merely paying lip service to the language of innovation. Firstly, we need to see an increase in research and development funding. That is critical. Boosting the tax concession from 125 per cent to 130 per cent is simply not enough. At the very least, the coalition could match the Miles report call for an R&D tax concession of between 170 and 200 per cent. This needs to be a long-term commitment that seeks to restore certainty to the innovation process. This in itself, however, may not be enough to encourage firms who have abandoned their research and development effort under this government to restart the innovation process. The cost of restarting the process might simply be too much for many firms to be able to get back into the game. They may have already lost in terms of the major issue.

Secondly, we need to understand some of the barriers and problems preventing adequate diffusion of new technologies into industry. And the government, if it is going to take the innovation issue seriously, has to work towards resolving them. Some of the barriers to becoming an innovative science based economy have been identified as: (1) poor aggregate industrial R&D performance, especially in relation to manufacturing, which is considered low-tech in comparison to other OECD nations; (2) innovation firms have poor access to capital, especially venture capital, and particularly at the start-up stage. We need to find ways of better funding R&D, both in public research institutions as well as in private sector ventures and change the way analysts and shareholders view new innovation companies as a high risk. This may mean using equity schemes, technology mergers, technology allowances and so on as a way of channelling funds into new technology ventures; (3) a lack of recognition in management as to the importance of innovation and research and development; (4) a need to make sure ideas and research are commercialised and actively taken up by industry.

In closing, I would just like to focus on these last two points about commercialising R&D and getting management to spend more on innovation. Currently, there does not seem to be a division between the research being undertaken and the projects getting off the ground. Quite simply, a large number of good ideas which could be feeding the knowledge economy and Australia are not getting out there.

One of the central problems identified by Dr Cutler is the need to get these scientists into the boardrooms of companies so that the innovation culture is established. To quote from Dr Cutler at his recent National Press Club speech:

Human resources and intellectual capital are what create the new firms, the new jobs and the new exports. If we know that science and technology drives innovation and hence prosperity, then why aren’t scientists and technologists at centre stage? In the knowledge economy, scientists and smart technology specialists are at the core of successful corporations, but in Australia we still have a situation where they are treated as being on the periphery of business
activities. It is not surprising that the success stories of the new economy—for instance, Microsoft and News Corp—have key chief scientists in positions as major managerial executives. Companies need to change their board roles and composition, broadening compliance to a strategic direction and business sustainability. We also need to change performance metrics in companies. Too few companies measure the value of their human capital. Instead, they focus on key assets and balance sheets. Too few companies have an innovation score card. The coalition should be addressing this issue, but it is not.

Telecommunications Interception

Senator MURRAY (Western Australia) (1.38 p.m.)—I was alarmed to learn of the recent raid by the Federal Police on the home of Mr Brereton’s adviser, Mr Dorling. In my view, it showed a flagrant disregard for parliamentary privilege and is tainted by suggestions of ministerial involvement. I have been concerned for some time about the possibility that parliamentary privilege is being routinely breached by undetected telecommunications intercepts involving the telephones of members of parliament and their staff. If any executive were prepared to countenance or accept the raiding of the homes of advisers, with all the associated political fallout, it might also be prepared to employ this unnoticeable method of surveillance. If such widespread monitoring of members of federal or state parliament did occur, it would be an undemocratic and reprehensible assault on parliamentary privilege and the independence of parliament, particularly if it occurred at the behest or with the consent of partisan ministers.

When members of the executive attempt to entrench themselves by using the powers and privileges of office against their political opponents, the state will begin to resemble an instrument of terror rather than a vehicle for the exercise of popular sovereignty. We assume such a condition is a nightmare from foreign shores, but it will only remain foreign if we are vigilant in these matters. So the question we must answer is: is there any valid reason for concern?

I was alarmed to read in the annual report on the Telecommunications (Interception) Act for the 1998-99 financial year that the number of part 6 warrants issued under the act had nearly doubled since the previous year. Why would this be? There was a significant change relating to the issue of warrants in this period. In November 1997, a bill passed into law giving the Attorney-General authority to empower members of the Administrative Appeals Tribunal to issue telephone interception warrants. Previously only Federal Court judges could issue such warrants. According to the Attorney-General, some judges were not prepared to continue to do so. The Administrative Appeals Tribunal is part of the executive government in the broad sense of the words. It is generally thought to be independent, even though its members are no longer offered the security of tenure and associated independence that judicial officers possess. The Attorney-General began nominating members of the AAT to be empowered to issue telephone interception warrants on 7 February 1998.

Returning to my original observation, the number of warrants issued in financial year 1998-99 was nearly double the number issued in 1997-1998. In response to a question on notice from me, the minister representing the Attorney-General indicated that in 1998-99 over 90 per cent of the warrants were issued by members of the AAT. The 16 eligible members of the AAT issued 1,168 warrants, while the 36 eligible judicial officers issued a paltry 116. The massive increase in the number of warrants issued has coincided with the granting of power to the Attorney-General to nominate AAT members to issue warrants. Furthermore, it is clear that it is the AAT members so nominated who are now issuing the vast majority of warrants. None of this provides any direct evidence of impropriety, but it must surely cause some alarm and indicate a need for closer scrutiny. Why the massive increase in the number of warrants issued? Why the massive increase, particularly since they are coming from new AAT members? Are AAT members applying different criteria when deciding whether or not to issue warrants? The disparity in the number of warrants issued must be investigated, but by whom? The Attorney may well be compromised, so it is the parliament which should pursue these matters. I say he
is compromised because, of course, he issues the authority in some respects.

The second key question is this: against whom are these warrants being issued? It is a cause for concern if warrants are being improperly issued against anyone. But if they were also being issued against members of parliament and political opponents of the executive that would paint a more sinister picture. Again I have attempted to obtain some information on this issue from the minister representing the Attorney-General. On 1 May this year I asked how many of the warrants were issued to allow surveillance of various categories of people, including members of parliament and their staff. I was instructed that state and federal agencies that conduct interceptions do not keep records by reference to the occupations of subjects. I later wrote to the minister narrowing my question. I asked how many of the 150 warrants obtained by the National Crime Authority in the relevant period specified members of parliament or the judiciary. Under section 81A(2)(e) of the act, a general register must be kept of the names of all people specified in warrants. I simply asked how many of these people were MPs or judges. I explained that this was a simple exercise in cross-referencing. Lists of judges and members of parliament would be readily available to the Attorney-General. All I received was the same cursory response that law enforcement agencies do not keep records of the occupations of subjects of telecommunication interception warrants. That is an absurd response. Surely the minister is not suggesting that it is beyond the investigative competence of the National Crime Authority to determine how many people of a list of 150 that they have intrusively investigated are MPs or judicial officers. It is difficult not to infer a sinister motive when faced with this sort of obstructionism. What is the government trying to hide?

I have been pursuing this issue for many months now. Throughout this time the minister has asserted that the information I have sought constitutes designated warrant information within the meaning of the act and thus cannot be disclosed. I have only ever requested information about broad classes of people, never about a particular person. The definition of ‘designated warrant information’ in the act makes it clear that the law is intended to apply to information about particular warrants for the purpose of protecting the privacy of the individuals named in those warrants. This was the view of the government at the time of passing the amendments and has been the view of the Federal Court since. I have explained to the minister in writing that I am not interested in any designated warrant information about any particular person. After seeking legal advice, I have asked incredulously how the information I seek about categories of people could possibly interfere with the privacy of any individuals as prohibited by the act. All I received in response was a brief letter re-stating the minister’s position. Again the question arises: why the pointless obstructionism?

We have witnessed a vast increase in the number of telecommunication interception warrants in recent times. That increase has coincided with a grant of power to the Attorney-General to nominate employees of the government, most of whom have limited tenure, to issue those warrants. Over 90 per cent of the warrants have been issued by these new nominees, despite the fact that they constitute less than one-third of the people authorised to do so. I cast no aspersions whatsoever on members of the Administrative Appeals Tribunal, but I think this newfound enthusiasm for seeking warrants on the part of the Federal Police and the obvious enthusiasm for issuing warrants on the part of AAT members need to be looked at.

I invite the Attorney-General to look at the figures that I have mentioned and come back to the parliament with an explanation for them or a process for further investigation. I invite members of parliament to take up this issue. Couple this with a determined and sustained refusal by the executive to provide straightforward information about the manner in which the power to issue warrants is being exercised; then consider the recent raid on Dr Dorling’s premises by the Federal Police. This must surely cause alarm. We would be derelict in our duty as members...
of parliament if we were not concerned with the possibility that there exists a potential for members of any executive to abuse the powers of their office. I admit that the telephone evidence is purely circumstantial, and I would be very pleased if it could be established that no impropriety is taking place, but I cannot be satisfied when my attempts to investigate this matter are met with obstructionism. I urge senators to take up this matter. It is our responsibility to assert and protect our independence from the executive and to defend this parliament. It is my view that there have been a number of instances in recent years affecting all political parties—National Party, Liberal Party, Labor Party, my own party and others—which have indicated that parliamentary privilege is under attack in various forms. I think we have to be vigilant about the way in which that is done. Sometimes that is very self-evident and very public, as in the case of Dr Dorling, but, in the case of telecommunication intercepts, none of us could know whether we are in fact subject to what are improper intrusions into our work. Thank you.

Grains Council Day of Action

Senator BOSWELL (Queensland—Leader of the National Party of Australia in the Senate and Parliamentary Secretary to the Minister for Transport and Regional Services) (1.47 p.m.)—Canberra plays host to many groups that come here to meet their representatives both in the Senate and the House of Representatives. The Grains Council has nominated today as its day of action. It has come to Canberra to seek the retention of the single desk selling powers of the Australian Wheat Board. At the moment a national competition policy review has the single desk under a spotlight. It has released a draft report and invited further comment. I want to put on the record that the National Party fully supports a single desk. The Deputy Prime Minister told delegates at the Queensland National Party conference in July:

While ever there is a benefit to Australian wheat-growers and to the nation's export performance and the National Party is here, we will not budge in our support for the single desk.

I wish to re-emphasise that strong show of support for wheat growers from the National Party. I have met with the Grains Council executive and the Wheat Board and their message is the same as that of the grassroots growers: the industry is overwhelmingly in favour of retaining the single desk mechanism because it works—not only in their favour, but also in favour of the national interest.

Where there is a corrupt world market—and remember that Australia is the third largest wheat exporter—a single desk selling identity is the best way of maximising returns by giving us a united and strong presence. Forty per cent of all wheat traded is subsidised. Europe gives subsidies of $760 per hectare while the US subsidy is $480 per hectare. Something like $600 billion of subsidies go to EU, USA and Japanese farmers.

Should we give our growers to the wolves by deregulating the single desk? What would that achieve? Lower returns and a depressed industry, and that is not in the national interest. The single desk allows us to compete effectively in world markets. It has allowed us to build up a reputation for quality wheat. This means a premium in price and market access. We have developed a valuable international reputation for quality and reliability of supply.

The single desk guarantees access for all growers to the international market and guarantees that growers will be paid. That is very important. The single desk enables superior risk management and finance opportunities for growers. The Wheat Board has reduced costs and improved efficiency in shipping wheat because of the single desk. It has worked effectively within the bulk handling system to deliver good commercial outcomes for growers. Growers own and control the organisation so that the benefits are returned to the growers through the national pool. The national pool enables growers to access significant cash flow in advance of the physical sales of wheat. This security helps underwrite the economic health of growers and farming communities.

I would like to remind the Senate of the contribution made by the wheat industry. It financially supports some 70,000 direct em-
ployees and affects over half a million Aus-
tralians in rural and regional areas. The 
wheat industry contributes $3.5 billion to the 
Australian economy. In 1999-2000, Australia 
exported 18 million tonnes of wheat. Should 
a government put this at risk by caving in to 
calls for deregulation by a small minority, 
including foreign owned companies? Should 
a government run roughshod over the inter-
ests of remote growers, to whom the future 
of the single desk is make or break? It should 
not and it will not while the National Party is 
here to safeguard the twin interests of the 
growers and the nation’s export performance.

Next year, overseas subsidies will create 
excess stocks of wheat of nearly 36 million 
tonnes. That is double Australia’s wheat ex-
ports last year. If there is no single desk, how 
can Australia secure increased market ac-
cess? How do we negotiate in an oversup-
plied market without unity? Eighty per cent 
of our wheat goes into this market. What 
evidence is there of how alternatives to the 
single desk will work? There is none. Any-
one who has seen the great fields of wheat in 
Western Australia, New South Wales, 
Queensland and South Australia knows 
what huge enterprises they are. The enor-
mous and costly harvesters look like ants in 
comparison to the size of the wheat fields, 
stretching from horizon to horizon.

The draft report of the National Compe-
tition Policy review has dismayed the wheat 
industry, as it gives little consideration to the 
facts of life of competing and corrupt world 
markets. Despite supporting the retention of 
the single desk, the report goes on to make 
other recommendations that make significant 
changes to it. These changes in conditions 
would render the single desk unviable. The 
notion of trial periods for new or different 
regimes may be useful when we are talking 
about bicycle pumps but international trade 
is not a suitable forum for trials of new trad-
ing regimes for grain. Like the GST, the op-
portunity for roll-back is pretty limited.

Recommendation 4 is of particular con-
cern. It proposes deregulation of the durum 
market for a trial period. Industry leaders 
believe that this would be the thin end of the 
 wedge and would act to undermine the single 
desk. Durum growers would be left without 
AWB funding or underwriting. In a poor 
quality year, the AWB would not be there as 
a buyer of last resort and would have no ob-
ligation to run a durum pool.

Recommendation 5 suggests a single desk 
be retained for all markets, except certain 
designated export markets, again for a trial 
period. This would be like entering the mar-
ket with one hand tied behind your back. 
This is not a single desk operating interna-
tionally; this would be a classroom of desks. 
A new and costly bureaucracy would be born 
and there would be new regulations, ironi-
cally.

We should listen to the growers and the 
trade experts who negotiate on their behalf. 
They know their industry. They deal with the 
vagaries of international markets every day. 
We should not take their armour from them 
before sending them out to battle where they 
are hopelessly outnumbered.

The National Party will not let those fields 
of wheat diminish or those harvesters lie 
idle. The National Competition Policy re-
view of the single desk may continue its due 
process and the National Party takes a keen 
interest in it. But let me assure growers and 
their representatives in Canberra today that 
their day of action has the National Party’s 
full support.

Sitting suspended from 1.56 p.m. to 
2.00 p.m.

QUESTIONS WITHOUT NOTICE
Department of Finance and 
Administration: Ministerial and 
Parliamentary Services

Senator CHRIS EVANS (2.00 p.m.)—My 
question is directed to Senator Ellison, Spe-
cial Minister of State. For a moment I 
thought he had been replaced by Senator 
Alston, which would be going from the sub-
lime to the ridiculous. I refer to the question 
I asked Senator Ellison yesterday regarding 
the allegation from former minister David 
Jull regarding departmental maladministra-
tion in relation to health insurance deduc-
tions for one of his staff. Given that the min-
ister was unable to answer the question yest-
day, I would like to give him the opportu-
nity to answer it today. Has the minister as-
certained whether in fact departmental offi-
cers were at fault, as alleged by Mr Jull? Will the minister now take the opportunity to rebut Mr Jull’s criticism and clear his department’s officers of this allegation?

Senator ELLISON—I thought I had answered the matter quite adequately yesterday. There had been contact between the Department of Finance and Administration and Mr Jull’s staff member. I am not going to personal details in relation to anybody’s staff—

Senator Robert Ray—He did. Clear your department.

Senator ELLISON—Other people might, but I am not. Quite frankly, as I understand it, there has been a resolution of the matter, and that is it. The opposition might be very unhappy that that matter has been resolved, but the fact is that the department has been in touch with Mr Jull’s staff member, and my advice is that the matter has been resolved. I can just say that it is a pity that the opposition is raising these sorts of aspects—

Senator Robert Ray—Mr Jull raised it; not us. He raised it on AM.

Senator ELLISON—Senator Ray is saying that Mr Jull raised these matters. Mr Jull may or may not have raised these matters. That is not the issue. The fact is the opposition is asking questions which go to the personal details of a member of staff, and that is outrageous.

Senator CHRIS EVANS—Madam President, I ask a supplementary question. The opposition is not at all asking about personal details in this matter. What we want answered—and this is the question the minister has failed to answer—is who was wrong here, Minister. Was it your public servants, as alleged by Mr Jull, or were Mr Jull’s allegations not soundly based? Aren’t the public servants entitled to some sort of public defence from you if in fact they have been slurred incorrectly? Why will you not defend your public servants and answer the question? We do not want personal details; we want to know whether or not that allegation made against them was right and, if not, why you will not defend them.

Senator ELLISON—I have, and I have said that the department acted promptly in this matter and the matter has been sorted out. There is no aspect of blame there. In fact, what I am saying is that the Department of Finance and Administration acted appropriately. The matter has been resolved to the satisfaction of Mr Jull’s employee. Where is the problem with that? And, as I said yesterday, the MAPS section of the Department of Finance and Administration is a very busy one, and one which provides a very good service to members of parliament and also to the hardworking staff of members of parliament. I have always said that, and I place on record my appreciation of the work that MAPS does.

Women: Workplace Pregnancy

Senator COONAN—My question without notice is directed to the Minister Assisting the Prime Minister for the Status of Women, Senator Newman. Given that the Howard government has demonstrated a substantial commitment to support for Australian families, will the minister advise the Senate of developments to assist pregnant women to participate in the workforce?

Senator NEWMAN—I thank Senator Coonan for her question. Today the Attorney-General, the Hon. Daryl Williams, released the government’s response to the Human Rights and Equal Opportunity Commission’s report Pregnant and productive: it’s a right not a privilege to work while pregnant. Commissioned by this government, the inquiry was the first ever national inquiry on pregnancy and work in Australia, and it demonstrates the government’s commitment to equal opportunity for women. The government has endorsed the majority of the recommendations which will further enhance the rights of women in Australia. The focus of the government’s response is on providing a framework to support employer and employee rights and responsibilities and on supporting this through education and public information campaigns.

Of particular benefit to pregnant and potentially pregnant women will be the development and distribution of the pregnancy guidelines. They will be undertaken by the human rights commission in consultation with the ACCI and the ACTU, which have
been working already with the Sex Discrimination Commissioner on preparing for those guidelines. Very importantly, breastfeeding as a ground for unlawful discrimination will be included in future in the Sex Discrimination Act. That is long overdue, and I am very glad that the government has taken that on board.

Public information campaigns will be undertaken to raise awareness, including occupational health and safety information in the workplace—once again something that the ACCI, as employers, have today welcomed. Very important for women is the prohibiting of the asking of questions about whether or when a woman intends to become pregnant and/or her intentions in relation to meeting her current or pending family responsibilities, questions which are never asked of men. Certainly men would have some difficulty in becoming pregnant, but they do not have too much difficulty in becoming fathers, and their family plans are not ones to be actually investigated by employers. I am very glad to see that women will not have to endure that sort of questioning in the future, and I am sure women in this chamber would feel the same way. Also important will be the development of data collection on workplace pregnancy and maternity experiences by the Australian Bureau of Statistics and the Australian Institute of Family Studies.

The pregnancy guidelines, as I said, will be drafted in consultation with interested parties, including government agencies, employers, the Australian Chamber of Commerce and Industry, and the Australian Council of Trade Unions. Many of the report’s recommendations focus on education, guidance and awareness raising, all of which are very effective means of promoting and protecting the rights of individuals and affecting the culture which has not given pregnant women, I believe, a fair go in the past. The inquiry and the endorsement of the recommendations demonstrate this government’s commitment to equality of opportunity for women and elimination of discrimination in the workplace and to an Australia where women can exercise choice and benefit from the full range of opportunities available to them in work and family life.

Women have benefited, and they will continue to do so, under this government. Our workplace relations and economic policies have delivered record high participation rates and work force opportunities for workers with family responsibilities. Over the 12 months to September this year the female participation rate increased by 0.7 of a percentage point. Women now comprise 44 per cent of people employed in Australia. Data from the ABS indicates that the average annual gender pay gap has steadily narrowed since the introduction of the Workplace Relations Act, which was fought against so hard by the Labor Party. I would have a lot more to say if I had the time.  

(Time expired)

Senator COONAN—Madam President, I ask a supplementary question. The minister has outlined the recommendations endorsed in the government’s response. Are there any other aspects of the government’s response that demonstrate continued commitment to working women?

Senator NEWMAN—It is a pity that the opposition are not interested in this, but I am very glad to answer Senator Coonan’s question. As I was saying, the average annual gender pay gap has steadily narrowed since the introduction of this government’s Workplace Relations Act. But, in addition, the latest data to August this year indicates that the ratio of female to male average weekly ordinary-time earnings for full-time adult employees, having reached an all-time high of 85.1 per cent in August 1999, is now 84.6 per cent. Agreement making has also encouraged many positive measures for pregnant workers and workers with family responsibilities, such as flexible working hours and enhanced leave arrangements. The majority of certified agreements and AWWs now contain provisions relating to flexible working hours. Since March 1996 there have been an additional 412,500 women in employment—210,000 full-time and 202,000 part-time. These measures in the HREOC response will add to these gains.  

(Time expired)
nation from the Czech Republic led by the Chairman of the Committee on Health and Social Policy, Senator Frantisek Bartos. On behalf of senators I welcome you to the Senate and trust that your visit will be both informative and enjoyable.

Honourable senators—Hear, hear!

QUESTIONS WITHOUT NOTICE

Goods and Services Tax: Fuel Excise

Senator MURPHY (2.10 p.m.)—My question is to Senator Hill in his capacity of representing the Prime Minister. Does the Prime Minister support calls by his own chairman of the Primary Industries and Regional Services Committee, Mrs Fran Bailey, for the fuel excise rise due in February to be frozen? Given that Mrs Bailey has joined a growing list of Liberal backbenchers calling for the fuel excise rise to be frozen, why are they all being ignored? Does he believe that they are all just simply wrong?

Senator HILL—I could wonder what the Labor Party’s policy is on this matter, but I would not have to wonder long, because they have no policies on any subject after four years of opposition.

Senator Kemp—They had roll-back.

Senator HILL—Yes, for a moment they had roll-back. They were forced into roll-back because they adopted the GST. When they adopted the goods and services tax they had to differentiate the product a bit, so they took the GST with roll-back. Roll-back was never defined because, if they were to roll back the GST, they would have to come clean and say they were going to put up income taxes. That is what they last did in government—they pushed up income taxes, interest rates and inflation and sent a whole lot of Australian businesses broke. That is what we know about the Labor Party’s policies. They know only the one policy: a little bit of indefinable roll-back in conjunction with the goods and services tax—that is all they have got. The nerve of the Labor Party, after four years in opposition of not producing one policy, to then come in here and talk about the government’s policies—I ask you! What an embarrassment for the Labor Party because it demonstrates and illustrates their total failure as an opposition.

Senator Cook—Rubbish!

Senator HILL—But, Senator Cook, you have failed. Part of being in opposition is to prepare yourself as an alternative government—to develop a program to take to the people. Is there an education policy? No. Is there a tax policy? A little bit of roll-back.

Honourable senators interjecting—

The PRESIDENT—Order! There is too much noise in the chamber and, Senator Hill, you should address your remarks to the chair.

Senator HILL—Do they have a health policy? No. Ask Senator Bolkus this: do they have an environment policy? No. They do not have any policies. They are not interested in preparing themselves for government. That is part of the role of opposition. When we were in opposition the Labor Party came into the Senate every day and said, ‘Where are your policies?’ They demanded policies of us. If they have failed in opposition, they certainly do not deserve a go in government. They have another year or so before the next election. Perhaps instead of worrying about the government’s policies they ought to go to the backrooms and start working on a few of their own so we can have a political debate in this country. Politics is all about a contest of ideas, and there are no ideas in the Labor Party. There is no contribution to the development of a program and no demonstration that the Labor Party is in any way

Honourable senators interjecting—

The PRESIDENT—Order! There are far too many senators making too much noise.

Senator HILL—The only reference—

The PRESIDENT—Senator Hill, I have not recalled you. I am waiting so that I can hear the answer myself.

Senator HILL—I will give you the answer, Madam President. The answer is petrol prices have gone up in Australia because the price of crude has gone up. Everybody knows that except the Australian Labor Party. If the Labor Party comes in and says that taxation should be reduced because the price of crude has gone up, then it would have to be made up in the form of excise from somewhere else. This government does not believe that would be in the national in-
terest at this time, and therefore the policy that logically follows is not to reduce excise.

Senator MURPHY—I was not going to ask Senator Hill a supplementary question, Madam President, but his response causes me to do so. I put it to him: when Mrs Bailey said, in regard to the skyrocketing petrol prices, ‘I am doing everything that I can to make sure that the government does understand,’ does this mean that the government currently does not understand the pain being felt by motorists, or is Mrs Bailey just panicking yet again? Wouldn’t one way to relieve motorists’ pain over skyrocketing fuel prices simply be to honour the Prime Minister’s promise that petrol prices would not rise as a result of the GST?

Senator HILL—Petrol prices did not rise as a result of the GST. I must say in passing that Mrs Bailey is a good local member. She is the sort of local member you get on the Liberal side of parliament that is interested in the small business of her electorate and, as a result of that, is not happy with the price of crude increasing at the rate that it has. But that is out of the hands of this government. That is a worldwide phenomenon that is beyond the control of this government. However, this government will continue to be a low tax government and continue to present a lower tax alternative. If the Labor Party ever comes clean on its taxation policy, the people of Australia will have two policies to compare: Labor’s high tax alternative with the coalition’s lower tax alternative, because it has always been the case and will continue to be the case. (Time expired)

Science Meets Parliament Day

Senator CHAPMAN (2.17 p.m.)—My question is directed to the Minister for Industry, Science and Resources.

Opposition senators interjecting—

The PRESIDENT—Order! There are far too many senators behaving in a disorderly fashion.

Senator CHAPMAN—Will the minister advise the Senate of the importance of today’s Science Meets Parliament event and what the government is doing to enhance the role of science and innovation? Is the minister aware of any alternative policies?

Senator MINCHIN—I thank Senator Chapman for his question. I thank him for the great work he does as the chairman of the government members committee on industry, science and resources, and I congratulate him on his preselection. Today’s Science Meets Parliament event is a very significant occasion for Australia. This is the second year that scientists from around Australia have gathered in the parliament to meet members and senators and to emphasise the importance of science to this nation. I congratulate the Federation of Australian Science and Technological Societies for organising this second event and thank the 200 scientists that have come from around Australia to meet members and senators, and I regret that some of those include senators opposite.

This event helps emphasise the importance of science to this nation’s economy, to its intellectual life and, most particularly, as my leader would attest, to the environment of this country. Australia has a very proud history in science. We have produced some eminent scientists of the likes of Howard Florey, Peter Doherty, Gus Nossal and Mark Oliphant; they are household names in this country. Australia has won 10 Nobel prizes in science—probably a record for a country of our size. This year we awarded the inaugural Prime Minister’s Prize for Science to two eminent CSIRO scientists—Jim Peacock and Liz Dennis—for their work in biotechnology. The two winners of the younger scientists prizes that we created were people who came to this country in the last 10 years and represent a demonstrable brain gain for this country.

Our government’s commitment to science is in fact profound. This year’s budget provides a record $4.5 billion for science and innovation—the most any federal government has ever spent on science and innovation. We have restored the $60 million in triennial funding for the CSIRO, which those opposite cut out in their last year in office. We have provided $30 million for the national biotechnology strategy. We have doubled the funding for the National Health and Medical Research Council. I am meeting today with Dr Neal Lane, President Clinton’s science adviser, to sign a joint statement on
science and technology collaboration between Australia and the United States. As many senators know, we have two reports before us that were commissioned by the government: the report of the Innovation Summit Implementation Group and the report of the Chief Scientist on our science base. They are very important reports, and the government will be responding to those reports in a very comprehensive—and I hope constructive—fashion early in the new year.

In contrast with the government’s profound record of activity and expenditure in this area and its forward looking vision for science and innovation, what do we have from this particular opposition? We now have the most cynical opposition that this country has ever seen opposing the most significant single investment in science that this country has ever made, and I speak of course of the new research reactor at Lucas Heights. It is an investment in science, and I hope all the scientists who are in parliament today say to those opposite just how important this investment in science really is to this country.

We also now have a shadow minister for industry who publicly opposes one of the most significant scientific industries in this country—that is, biotechnology. She goes around attacking this most important scientific industry. We have an opposition which has apparently cast off Barry Jones, a former eminent minister for science, and put him in charge of some task force in this area which has never met at all, apparently, in four months. We have Dr Lawrence, the new shadow minister, saying publicly that she is not going to do anything in this area until the government announces its plans. It is a hopeless position. As Senator Hill has said, this opposition is a policy void under Mr Beazley. (Time expired)

**COAG Meeting: Petrol**

*Senator BUCKLAND (2.22 p.m.)*—My question is directed to Senator Hill, representing the Prime Minister. Does the Prime Minister support calls by the premiers of Western Australia and Queensland for petrol to be a key agenda item at Friday’s COAG meeting? Will the Prime Minister and the Treasurer be informing the premiers how much extra money they will be receiving from the GST fuel tax windfall?

*Senator HILL—The GST flows to the states. That is a very good point. But what do the states say? They say that, because of the high cost of crude, the Commonwealth government should reduce its taxes. Wouldn’t it be more logical, if this is of such concern to the states, that they send back some of the GST? Perhaps that might be the most appropriate response for the state premiers.*

*Senator BUCKLAND—Madam President, I ask a supplementary question. I am not sure that the question was answered, so I ask: why is the Prime Minister so keen to avoid having petrol as a key issue for discussion at Friday’s meeting? Isn’t it the case that the Prime Minister does not want to discuss the issue of petrol—*

**Research and Development: Funding**

*Senator STOTT DESPOJA (2.25 p.m.)*—My question is addressed to the Minister for Industry, Science and Resources. Acknowledging that today is Sci-
ence Meets Parliament Day, is the minister aware, having met with Dr Lane, of his comments yesterday at the National Press Club when he said that the US’s thriving information economy is based on R&D investments made a decade ago? Considering this time line for returns and the direct relationship between the performance of our own R&D sector and the state of the dollar, will the government follow the advice from the United States and support basic research—not just talk about it, as the minister did in his dorothy dixer answer, but actually make a commitment to implementing the recommendations contained in the innovation report, to which he referred, and to restoring CSIRO funding to pre-1996 levels?

Senator MINCHIN—I thank the senator for her question. I did read Dr Lane’s speech with great interest and I look forward to meeting him this afternoon. Much of his speech I can agree with. I think he does emphasise the importance to productivity growth and economic growth of an investment in science and innovation. This government and this nation have a proud record of investment in science and innovation. It is a fact that, in terms of OECD measures, the direct public investment in research by this country is at above average levels; I think we are No. 4 in the OECD. As I said, we have spent a record $4.5 billion on science and innovation, more than any government has ever spent.

We are the ones who commissioned the report by the Chief Scientist to examine the state of our science base to see where the weaknesses were and where additional investment might be required. It is an outstanding report, to which the government will respond early in the new year. I hope it will be a constructive, positive response that does ensure Australia can meet the challenges. It is a fact that our international competitors are investing more and more in this area. While we exhort business to be internationally competitive, Australia must be internationally competitive, and that includes in taxation, in labour relations and in its investment in R&D. We do have a weakness in this country in the level of business R&D which the government—

Honourable senators interjecting—

The PRESIDENT—Order! I remind senators that conversations across the chamber are disorderly.

Senator MINCHIN—As I said earlier, this government can be proud of the fact that it has restored the base funding of the CSIRO, which was cut by our predecessors. We are the ones who have committed to the single most important investment in science ever made in this country—that is, the new research reactor, which those opposite, including the Democrats down there, are seeking to undermine every step of the way, and therefore they have no credibility on this issue whatsoever. The senator who asked the question is the one going around undermining Australia’s efforts in relation to biotechnology, one of the most important scientific advances this country can make and an industry which has enormously bright prospects for this country. I regret the activity she is engaged in in that area. I do not mind questions on this subject but not from those who engage in hypocrisy.

Senator STOTT DESPOJA—Madam President, I ask a supplementary question. Does the minister acknowledge that business R&D rose every year while the R&D tax concession was in place up until 1996-97, but has fallen every year since and that, despite his OECD references, we are actually placed 20 out of 29 OECD countries when it comes to business investment in research and development? Therefore, I ask again: will the minister give a commitment to implementing the recommendations contained in the Innovation Summit Implementation Group report, including increasing the base rate of the R&D tax concession to 130 per cent and increasing that to a higher rate for the increment of R&D which is above the threshold level? Will he give that commitment on this Science Meets Parliament Day?

Senator MINCHIN—This country has a very long history of having a relatively low level of investment by business in R&D. That is a fact and a consequence of our history, of our industrial structure of a manufacturing sector which is relatively smaller than other OECD countries. There was a huge spike in measured business R&D in
1995-96 when, regrettably, there was extraordinary exploitation of the syndication arrangements which this former government had left in place and which resulted in the most extraordinary rorting of the R&D tax concession. The former government had made moves to eliminate that syndication rort and we were the ones who took the tough decision to eliminate it entirely. That has resulted in a measured decline in business R&D since then, but there have been a whole lot of other factors that one has to take account of, including the incredible focus on cost cutting, which I regret, by business. I think the business community in this country does have to understand the importance of investing in R&D for the long-term future of their business. We are actively looking at ways in which we can seek to expand the level—(Time expired)

Goods and Services Tax: Petrol Prices

Senator GEORGE CAMPBELL (2.31 p.m.)—My question is to Senator Hill, the Minister representing the Prime Minister. Is the minister aware that Mr Denis Burke, Chief Minister of the Northern Territory, stated that he got the impression in a private meeting with Mr Howard that the Prime Minister signalled that the government might move on petrol tax? Is he further aware that a spokesperson for the Prime Minister has been reported as saying that Mr Burke’s impression was incorrect and that there had been no change in the government’s position? Is the spokesman correct? Does this mean that the government will continue to do nothing about skyrocketing petrol prices and will continue to be in breach of its promise that the GST would not lead to an increase in petrol prices?

Senator HILL—Labor wants to perpetuate a myth that the increase in petrol prices is a result of the GST. Everyone knows that is not right.

Senator Carr—It is a well-known fact.

Senator HILL—Senator Carr must laugh. He is laughing. Look, he is embarrassed. He turns away. The price of crude has soared and all Australians know that. That has pushed up petrol prices and that is out of the hands of this government—

Senator Cook—The higher the base price the bigger the tax.

Senator HILL—Or, Senator Cook, any government. Senator Cook prides himself as having knowledge of trade matters. It is a pity he has not used it to develop a policy yet, but there is still another year to go.

Honourable senators interjecting—

The PRESIDENT—Order! There are far too many senators contributing to this debate and it is disorderly for them to be doing so.

Senator HILL—We have been waiting for it for four years, but he still has another year to produce this trade policy. My colleague reminds me that he is probably still working on his innovation policy. That was the one that he developed in government that the Glimmer Twins destroyed for him when they went into one of his backbench committees, condemned his draft innovation policy and then went to the press and gave them the story that the committee had dismissed this policy as nonsense. Unfortunately, that was the start of the failure of credibility of Senator Cook, reaching its high point when he announced to the Australian people that the budget was in surplus when it was $10 billion in deficit. Nevertheless, there is still time for the Labor Party to develop a taxation policy, and then we might learn about what their taxation policies will be in relation to fuel. All we know at the moment is that they support the GST, the goods and services tax, with a little bit of roll-back. And, in relation to petrol prices, what is their alternative?

The honourable senator comes into this place and implies that, because the price of crude has risen, this government should reduce excise. What is the Labor Party suggesting should be cut as a result of the Commonwealth reducing its tax take? Is the Labor Party suggesting we cut pensions? Is the Labor Party suggesting we cut benefits to the elderly? What is the Labor Party suggesting? I take it the Labor Party is suggesting that we should cut excise on fuel. What is it suggesting should be done to make up the difference? What is it? Is it suggesting that we should do what Labor did for 13 years, that is, borrow more, increase the bor-
rowings, go back to the old ways—the huge deficits of Labor, Senator Cook: $10 billion of deficit in the last year and $70 billion of debt in the last five years? Is that what the Labor Party is suggesting to us is the way forward for this country? Because the price of crude has risen, this government is not going to reduce excise, otherwise it would have to make up the difference with increased borrowings or increased taxation or cutting benefits to the needy, and the coalition is not prepared to accept any one of those three options.

Senator Cook—No, you’re wrong. You’re just wrong.

Senator Ian Campbell—Put it on the Bankcard, Cookie.

Senator Cook—It doesn’t have to go on the Bankcard, you fool.

The PRESIDENT—Order! Senators will come to order so we can proceed with question time.

Senator Cook—He doesn’t even know the economy is in surplus.

The PRESIDENT—Senator Cook, there is an appropriate time to debate these matters and it is not now.

Senator Campbell interjecting—

The PRESIDENT—Senator Kemp, we are waiting to proceed with question time.

Senator GEORGE CAMPBELL—Madam President, I ask a supplementary question. I would point out, however, that the opposition is not suggesting anything. We asked Senator Hill: did Denis Burke get it wrong? The minister totally ignored that part of the question. I repeat again, Minister: did Mr Burke get it wrong? While you are considering that aspect of the question, would you also confirm that your answer, in its convoluted form, is a clear expression that this government will not address the issue of the GST inflation spike for February’s fuel adjustment excise?

Senator HILL—The only useful contribution in that supplementary question is the acknowledgment that the opposition are ‘not suggesting anything’. The opposition have not suggested anything for four years. If the Labor Party want to be taken seriously in the political debate at the federal level, it is about time they started producing an alternative. If Labor senators are going to come to this chamber and simplistically suggest that excise should be cut because the price of crude is rising, they must explain how that can be done without borrowing more, pushing up taxation—as Labor used to do in government—or cutting benefits. Until the opposition suggest something rather than refusing to suggest anything there will be no meaningful debate on these subjects in this country.

Family Law Pathways Advisory Group

Senator HARRIS (2.38 p.m.)—My question is directed to the Minister for Family and Community Services, Senator Newman. On 17 May the minister implemented the Family Law Pathways Advisory Group, which was established to assist families with the difficult and complex problems arising from family break-up. The group aims to help those people who feel alienated by their family situations and by the family law system. Is the minister aware that the Family Law Pathways Advisory Group does not include any representatives of men’s groups despite there being two representatives of women’s groups? Is the minister also aware that the Family Law Pathways secretariat proposes to summarise the 250 submissions that have been received? The summaries will then be made available to members of the pathways group for their consideration. Is the minister aware that the summaries will not be confirmed by the submission authors in order to ensure that they capture their original intent?

Senator NEWMAN—I thank Senator Harris for that question, but I should point out that this is an advisory group that is sponsored jointly by the Attorney-General and me. There are nine men and nine women on the group who have not been selected to represent particular interests. It does not matter whether they are involved with a men’s group, a women’s group or any other kind of family group or family law group: they are not there in a representative capacity. However, collectively, the group members bring to the task a wealth of experience and knowledge from a variety of perspec-
tives, and I think the government will be well served by their advice.

There has been extensive consultation as part of the process in which the group are engaged. This has included a request for public submissions and a round of consultative meetings in 10 locations across Australia. Targeted discussions have been held with a range of men’s groups as part of that process—for example, Dads Against Discrimination, Lone Fathers, the Men’s Rights Agency and a group of individual men who have a particular interest in men’s health and well-being. I understand that 280 submissions have been received. Men’s groups were also written to directly and invited to provide a submission—and I understand that many did so.

The advisory group are extremely busy with their tasks. They have already held three meetings. To make their task easier, advisory group members have been provided with a summary of each submission. However, Senator Harris should understand clearly that members have access to the submissions and they can reference from a summary to the submission to confirm that the intent of the submission has been properly captured. I want to ensure that they understand that that is their right, and they should take up that opportunity if they have any reason to pursue some submissions further. When contentious issues are raised, they can be followed up with the secretariat.

I have every confidence that the group will be able to deliver a high-quality, unbiased report. That is what the government wants of them. The chair of the advisory group, Mr Des Semple, and its members are well-respected people.

**Economy: Australian Dollar**

**Senator CROWLEY** (2.42 p.m.)—My question is addressed to the Assistant Treasurer. Does the minister recall the parting statements of Treasurer Costello as he fled rising bank fees, high petrol prices and the falling dollar for the glitter of New York, claiming that the slide in the Australian dollar is due entirely to the strength of the US dollar and that other major currencies have slipped by just as much against the US currency? Does the minister share the Treasurer’s view, given that in the last month the Australian dollar has fallen against the US dollar, the UK pound, the Japanese yen, the Singapore and Canadian dollars and even against the Botswanan pula, the Mexican peso and the Vietnamese dong?

**Senator KEMP**—I thank Senator Crowley for that question. I have a habit of tending to agree with the Treasurer, who is of course a very significant member of the government. Mr Costello has made a number of comments in relation to the flow of capital to the US and the effect that that is having on other currencies. I want Senator Crowley to know that I share the Treasurer’s views.

**Senator CROWLEY**—Madam President, I ask a supplementary question. I am interested to note that Senator Kemp agrees with the Treasurer, who said that the Australian dollar is slipping only against the US dollar when it has clearly fallen against all the other currencies too. Therefore, do I gather that both Senator Kemp and the Treasurer are wrong?

**Senator Knowles**—What is the question?

**The PRESIDENT**—Order! Honourable senators on my right!

**Senator CROWLEY**—Further, can the minister confirm that the Australian dollar is also perilously close to another record low against the trade-weighted index, which is another measure of the dollar’s performance against our major trading partners? Just what did Treasurer Costello do to support the nation’s currency while he was in the US? Did he simply continue his complete avoidance of the subject while floating down the Hudson River on Steve Forbes’s cruiser full of the conspicuously wealthy?

**Senator KEMP**—What has the Treasurer done? The Treasurer has been able to preside over one of the world’s great growth economies. The Treasurer has been able to pay off very substantial amounts of debt that were left to him by the Labor government. The Treasurer has been able to preside over an economy which has created in the order of 800,000 jobs since we came to government. The Treasurer has also been able to point to the fact that real wages have tended to in-
crease faster under this government than they increased under the 13 years of the Labor government.

Senator Crowley asked, ‘What has the Treasurer done for the Australian economy?’ The point I am making is that he has done a huge amount, Senator. Indeed, when you look at the record of the former government—the recession we had to have; the major deficits; the very poor management of major large projects, Senator Robert Ray, by certain ministers—this government has a great deal to be proud of.

DISTINGUISHED VISITORS

The President—I draw the attention of honourable senators to the presence in the gallery of a parliamentary delegation from Namibia, led by the Hon. Erasmus Hendjala, a member of the National Council. On behalf of senators, I welcome you to the chamber and trust that your visit here will be enjoyable and worth while.

Honourable senators—Hear, hear!

QUESTIONS WITHOUT NOTICE

Law Enforcement: Strategies

Senator Tierney (2.46 p.m.)—My question is addressed to the Minister for Justice and Customs, Senator Vanstone. Will the minister outline to the Senate the government’s strategy to counter serious crimes against the Australian community, such as money laundering, drug trafficking and people smuggling?

Senator Vanstone—I thank Senator Tierney for the question. It is a very astute question. Senator Cooney or Senator Tierney rightly knows—and I am sure that Senator Cooney knows—that money laundering is a very serious offence and that, if you chase the money, you will get the criminals. There is an Indonesian saying: ada gula ada semut. That means: where there is sugar, there are ants. That is the principle on which all money tracking agencies work: if you follow the money, you get the big-time crooks.

The President—The level of noise in the chamber is unacceptably high. I remind senators of the standing orders and their obligation to abide by them.

Senator Vanstone—So, in answer to Senator Tierney’s question, it is critical that, if any government wishes to give its law enforcement agencies the capacity to fight serious crime, it must provide the law enforcement agencies with financial intelligence. AUSTRAC is the government’s financial intelligence agency. It is headed by Elizabeth Montano, who I believe has bipartisan support. She was first appointed by Labor and was reappointed by this government, and she has this government’s complete confidence. She knows how to spend money well and effectively and to achieve results. She is, in fact, the most senior woman in law enforcement in Australia.

AUSTRAC regulates the financial system to detect and deter misuse by criminals. It is excellent value for taxpayers’ money. By the nature of its work, it is not known by many Australians—although some interested in law enforcement do know—just how good a job it does. AUSTRAC targets all suspicious transactions, all cash transactions over $10,000 and all international funds transfers, and it ensures that financial institutions comply with a 100-point ID check. Last year there were about seven million financial transaction reports received. AUSTRAC’s work in tracking dirty money allows the Federal Police, the National Crime Authority, Customs and state law enforcement to break up organised criminals involved in fraud, illicit drugs and people smuggling. The annual report recently tabled outlines a number of investigations by the Federal Police, Customs, the National Crime Authority and the tax office, all of which have received invaluable assistance from AUSTRAC. AUSTRAC intelligence was used by partner agencies in 628 investigations, of which 430 were regarded as significant.

Just let me give two examples. The tax office indicates that, over the last five financial years, $160 million—or $44 million in 1999-2000—in additional tax and penalties was raised by the tax office. That can be attributed solely to financial transaction reporting by AUSTRAC. So, without AUSTRAC, there would be $160 million less in additional tax and penalties raised by the tax office. Similarly, the New South
Wales Crime Commission’s use of FTR information has led to a dramatic increase over the last year in the value of proceeds restrained to $38.4 million, up from a mere $12 million the year before.

AUSTRAC data can be used to reveal identities of unknown persons, to reveal associations between them, to target movements of expenditure, to determine the size of criminal syndicates, to locate proceeds and to reveal links between targets. The global nature of law enforcement means that AUSTRAC has obviously an increased international role. It does that through the financial transactions task force and the Asia Pacific Group on Money Laundering.

AUSTRAC needed more money when we came to government—it was already there when we came. We have given it more money, targeted money, and it is being used appropriately and successfully.

Australian Broadcasting Corporation: Funding

Senator MARK BISHOP (2.51 p.m.)—My question is addressed to Senator Alston, the Minister for Communications, Information Technology and the Arts. Was the minister correctly quoted in today’s Sydney Morning Herald article headed ‘Not a penny more, Alston tells Shier’? Is it the minister’s position in relation to the ABC that: ‘All the issues were raised in the last budget process and we don’t see anything new that has been raised which would warrant reopening the ... agreement’?

Senator ALSTON—There are two separate questions here: one is about what I might or might not have said to Mr Shier in private discussions; the other is about what was reported in the Sydney Morning Herald. My recollection, having glanced at that item briefly, is that it was quoting a spokesman of mine who would not have been present during any discussions. So I think it is fair to say that the Sydney Morning Herald may have an agenda on this whole issue.

Senator Conroy interjecting—

Senator ALSTON—I was asked whether I had said this to the Sydney Morning Herald and I was just explaining to Senator Bishop that it quoted my spokesman. In terms of the ABC’s position, I think it is well understood that there was a triennial funding program which was approved by the parliament. In other words, I do not recall this all standing up and saying, ‘We don’t approve of this; we want to see more money given to the ABC for a whole raft of issues,’ at that time or during the debate on the digital legislation, which was, once again, I might remind the parliament, supported by those on the other side of the chamber. It was supported by them—in fact, imposed on us, if the truth be known—and, on that basis, they were perfectly happy to impose obligations without accepting the financial consequences. That is the way you would put it now, is it not? You would say that there ought to be more money spent, because you imposed obligations.

What ought to be clear is that the current debate in relation to the ABC should proceed on the understanding that the parliament sets the ABC’s budget. The ABC then cuts its cloth—it tailors its programming—to suit the amount given to it. It is perfectly proper for the board of the ABC to determine priorities and perfectly proper for there to be some internal adjustments. If it thinks that education is a bit more important than it has been in the past and it wants to give it more emphasis, we would not quarrel with that for a moment. If it thinks that there are other areas that have been neglected—whether it is business programs or a whole range of other things—that is entirely its prerogative. I would be very interested to hear those on the other side say that they believe the ABC should continue doing exactly what it is doing—in other words, it should not change its programming mix—because that would be direct political interference. That would be telling the ABC how to conduct its programming. If anyone saw the Sunday program beat-up on this issue last weekend, they would have noted that the evidence advanced in support of the proposition that there had been political interference was the fact that some internal—

Opposition senators interjecting—

The PRESIDENT—Order! There are senators on my left shouting, and that is disorderly.
Senator ALSTON—The evidence in support of the allegation of political interference was that some people inside the ABC might have had discussions with other programmers about how they should react. That, of course, is nothing we have any knowledge of or control over. It is nothing to do with us at all. The only direct evidence of political interference emerges from those on the other side of the chamber who are wanting to tell the ABC what form its programming should take. That is the real issue here. The ABC has a budget; it makes its own decisions. That is what you have a board for. That is why you have an MD who takes proposals to the board. You let them make those judgments. Don’t you make them and we will not either.

Senator MARK BISHOP—Madam President, I ask a supplementary question. My memory is that it was the parliament that allocated additional responsibilities to the ABC in terms of multichannelling and that the government agreed to those additional responsibilities. Only the government refused to allocate extra funding. Indeed, the opposition argued for extra funding for multichannelling, to reject what the minister just said. My supplementary question is: does the minister recall saying on the Sunday program that he would consider a proposal to privatise part or all of the ABC? I ask the minister whether he is aware that a former Howard government minister, the member for Wentworth, Andrew Thompson, is reported in today’s Financial Review as saying:

If digital television requires substantial extra funding, then the privatisation of an appendage, in particular the Triple J network, is the logical step the ABC should take.

Will the minister now do what he twice refused to do in question time on Monday and categorically rule out any full or partial privatisation or break-up of the ABC?

Senator ALSTON—It is a bit rich, isn’t it, when the crowd that secretly go around the marketplace proposing all sorts of privatisation for Telstra come in here and swear on a stack of Bibles that they are not interested? What they are really saying is, ‘Not at the present time, thank you very much.’ So when poor old Mr Crean has to go to these business lunches and they kick him to death and say, ‘How on earth could you oppose it?’ he gives them a bit of a nod and says, ‘Look, you’ll just have to wait until we get into government. We understand the point you’re making. You understand that, for political reasons, we have to toady to the unions who pay our bills. They are the people who put us in parliament in the first place. They are the people we gave $100 million to last time we were in government. So you have to understand the politics of the issue.’ That is the Labor Party’s position on privatisation.

Senator Faulkner—Madam President, I rise on a point of order. Maybe you could remind the minister that he deliberately is not answering the supplementary question that Senator Bishop asked—namely, whether he would rule out any full or partial privatisation or break-up of the ABC.

Senator Ian Campbell—What are you doing?

Senator Faulkner—I am pointing out to you, Madam President, that the minister is deliberately failing to answer that important supplementary question that Senator Bishop has asked. He has only a short amount of time. Could you ask him to answer the question?

The PRESIDENT—I think you are drawing conclusions about the answer that ought not to be there, but I call the minister for the remaining 15 seconds of the time available.

Senator ALSTON—Very briefly, as I said the other day, the ABC board makes its own judgments. Under section 8 there is a power for the board to sell or dispose of assets. We are not in the business of telling the board how to go about that. I am not aware of any proposal for any form of privatisation of the ABC. No-one has come to me, and I do not expect them to. (Time expired)

Education: Mathematics

Senator ALLISON (2.58 p.m.)—My question is to the minister representing the minister for schools. Has the minister seen the report last month of the Federation of Australian Scientific and Technological Societies which found that the number of year 12 students studying advanced mathematics
continues to decline and has done so since 1990; 40 per cent of junior secondary students are taught mathematics by a teacher who has little or no background in the subject; universities have had to cut staff by 25 per cent and some no longer offer a three-year degree majoring in mathematics; and there was a drop of 23 per cent in university enrolments in maths between 1991 and 1997? Is the government concerned about this situation? Specifically, what measures will the government adopt to fix the problem?

Senator ELLISON—The government is aware, of course, of the report of the Federation of Australian Scientific and Technological Societies mentioned by Senator Allison. The government acknowledges the importance of mathematics as a key learning area where high standards of knowledge, skills and understanding should be developed by all young people. The government has provided support for many years for all students and particularly for talented students to participate in the International Mathematics Olympiad. In the most recent olympiad, the Australian team was placed 16th from a total of 82 countries and received one gold medal, three silver medals and one bronze. This is very good news.

Senator Stott Despoja interjecting—

Senator ELLISON—I notice Senator Stott Despoja agrees that it is good news. I think that is what she said. The team was placed above all Western countries except the United States for the fourth consecutive year.

Senator Faulkner interjecting—

Senator ELLISON—I know Senator Faulkner is not interested in this, but he could listen to the results of the International Mathematics Olympiad, which are very important and which a lot of students place great emphasis on. Numeracy and mathematics are included as a key focus area for the Commonwealth’s quality teacher program, providing significant opportunities for teachers to update and refresh their skills in these areas. The Commonwealth has provided significant resources in support of numeracy skills under the National Literacy and Numeracy Plan. In releasing Numeracy, a priority for all, the government announced that it would be commissioning research to support mathematics teaching and learning.

The numeracy benchmarks have been approved by all Australian education ministers. This is a first for a national government, and this government has brought about numeracy benchmarks for the first time. The Minister for Education, Training and Youth Affairs, Dr Kemp, has been a prime mover in this regard and deserves credit for that. These benchmarks are not designed to describe the full range of student learning and achievement in the curriculum; rather, they are designed to ensure that all students have at least the minimum acceptable level of numeracy which they require to continue to make satisfactory progress in their schooling. This has gone hand in hand with the achievements this government has made in relation to literacy. The numeracy benchmarks will bring great rewards in generations to come. This has been, as I say, a national first brought about by this government and the Minister for Education, Training and Youth Affairs, Dr Kemp.

Senator ALLISON—Madam President, I have a supplementary question. I thank the minister for his answer. I ask: how many of those students at the International Mathematics Olympiad were taught by teachers in junior secondary school who were not trained in mathematics? Minister, the Innovation Summit Implementation Group recommended a national review to recommend strategies to re-establish teaching as an attractive and rewarding career option and 2,000 student places a year from 2002 in maths and IT. The Chief Scientist says that 200 HECS scholarships should be given to science education students and there should be 300 HECS scholarships for maths, physics and chemistry degrees. Minister, will you adopt those recommendations and, if so, when?

Senator ELLISON—Can I just touch on the question about teachers that Senator Allison asked. I did say that we have a quality teacher program, which is an excellent program designed to provide significant opportunities for teachers to update their skills.
This is very important. The government are doing something about that aspect. In relation to the intake for higher education courses at Australian universities, our universities are of course autonomous institutions. It is a matter for individual institutions to determine how those Commonwealth funds are distributed internally. Of course, the funds go to the courses they allocate them to. If we told those universities how to allocate their funds internally, they would be the first to complain.

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

3.04 p.m.

ANSWERS TO QUESTIONS ON NOTICE
Questions Nos 2943, 2944, 2899 and 2904

Senator COOK (Western Australia—Deputy Leader of the Opposition in the Senate) (3.04 p.m.)—Pursuant to standing order 74(5), I ask the Assistant Treasurer for an explanation as to why answers have not been provided to questions on notice Nos 2943 and 2944 when I asked for them on 18 September 2000. For the second time, I ask the Assistant Treasurer why answers have not been provided to questions on notice Nos 2899 and 2904 when I asked for them on 6 September and 7 September 2000 respectively.

Senator KEMP (Victoria—Assistant Treasurer) (3.05 p.m.)—In reference to the matters raised by Senator Cook, I am sure this was not deliberate. If it were, it would cause me some concern and you would not find me the usual cooperative minister that I am. My understanding, and the advice I have got, is that notice of this came to my office just after question time started today. If you wish to play it that way, that is fine, but it does mean that sometimes the information you want cannot be provided. Let me say that I share Senator Cook’s concern if questions are not responded to. I follow these things up, Senator Cook, as you would know. Sometimes, because it involves other people, whether an answer can be tabled is not entirely within my control.

Let me say, Senator Cook, that I will pursue this matter. I think a number of the answers are very close to being tabled. It is my view that we should always try to table answers as quickly as possible. Sometimes the information requested is voluminous and this will of course take more time. On other occasions, of course, the answer is out of my control and it requires the approval of others. Senator Cook, I will pursue this matter for you. I hope that a number of those answers can be tabled in the short run, but it is a bit difficult if your office phone up just after question time starts. I assume that was a mistake. I assume that they were not playing games but, if they were, I will judge that in the light of what happens in the future on these matters. I hope there will not be another occasion, of course.

Senator COOK (Western Australia—Deputy Leader of the Opposition in the Senate) (3.06 p.m.)—I move:

That the Senate take note of the explanation.

Could I go to the first part of the explanation, which was really a veiled allegation against me or my office. In September, when time to answer these questions had expired, the minister assured me that the answers would be provided forthwith. I then asked him about the answers later in September. He assured me again that the answers would be provided in a matter of days. The answers are still outstanding. Minister, when my office—before question time—gave notice to you that I would be asking this question, it is bordering on the indecent for you to turn around and infer that we are playing games. These are serious questions, Minister. You are out of time now. It is November now; these questions were due in the early part of September. After you were given proper notice, you are well out of time, and to make that allegation against my office is despicable in the circumstances.

The DEPUTY PRESIDENT—Order! Address the chair, please.

Senator COOK—Thank you, Madam Deputy President, I shall do that.

Senator Kemp—that is a trifle overreacting.

The DEPUTY PRESIDENT—Order, Senator Kemp!
Senator COOK—I take that interjection, Madam Deputy President. It is not a trifle.

The DEPUTY PRESIDENT—All interjections are disorderly, and Senator Kemp’s was even more so because he was not in his seat when he interjected.

Senator COOK—I note what the minister, walking through the chamber, said. The only way many Australians have to find out information is through a question being asked in the Senate, and it is the obligation of the executive—in this case, this minister—to answer those questions. There are settled rules about how those answers should be given. One of those rules is that, when the questions are asked in writing—as is the case on this occasion—the answers are to be given within a specified time. If that specified time cannot be complied with, it is entirely appropriate for senators who have asked those questions to rise in their places and ask: when will those questions be answered? I did that on 6, 7 and 18 September respectively, and I was advised on all those occasions that the answers would be provided in a matter of days. It is now November, and we are still waiting for the answers.

I go to the next point. In his comments, the minister said that sometimes these questions can be complex, that sometimes these questions can be voluminous and that he is unhappy that people are taking a long time to answer them. I understand that, as part of the Westminster system, ministers take responsibility for their departments and, if their departments do not act according to the needs of the parliament, the ministers have a decent course of action, which is to apologise to the parliament or—in certain circumstances—to resign their portfolio if they cannot make their departments answer the needs of this parliament. It is not an excuse for a minister, who has the responsibility, to blame his department. This is a classic case of blaming the office staff when the minister makes a mistake—but, in this case, he has blamed officers of his department.

The second part of that answer referred to the complexity of these questions. These questions relate to important matters in the Treasury and economics portfolios, for which the minister is responsible. They are not matters that are arcane; they are mainstream issues. They are not matters that are difficult or complex. They are matters that this department deals with all of the time—I repeat: all of the time. It is just a matter of spinning the dials, consulting the files and composing an answer. So to blame the department for not doing it and to hide behind departmental inefficiency is, in this system of government, to pass on a responsibility that the minister must accept. The minister’s refusal to take responsibility for that today is a reflection on him.

Finally, the minister’s attitude does leave something to be desired. If in these circumstances there are genuine mistakes, we in the opposition will understand that. Genuine mistakes do occur and people should be given latitude when they occur. But he has not said that there has been a mistake. He has not said that he misled us when, on the three previous occasions on which I asked about these questions, he promised an immediate answer. He has not said that his definition of ‘immediate’ may span two or three months. There is no apparent mistake here, the minister has offered no apology to the parliament and, worst of all, he did not today say when these questions will be answered.

I do not want to unnecessarily delay the affairs of the parliament—there are other important matters to proceed with—but I want to say that the parliament’s efficient operation does depend on ministers doing their duty and meeting their responsibilities to this chamber efficiently. If they do not act efficiently and do not meet their responsibilities, it does delay the whole process. This minister is now serially guilty of declining to answer these questions in an appropriate time span and in the terms of this parliament. I would have thought that some reasonable explanation would have been made. It has not been. I would have thought that, if the minister had exercised proper due diligence and taken responsibility for this, he could have said when these answers would be given. He did not do that. I now ask him—although he has left the chamber; one presumes he will follow this debate—

Senator Faulkner—He scurried out.
Senator COOK—‘Scurried out’ is indeed a proper description. He should read the Hansard and see these words. He ought to now guarantee that, before this parliament rises for its recess at the weekend, the answers to these questions will be provided to the chamber.

Question resolved in the affirmative.

ANSWERS TO QUESTIONS WITHOUT NOTICE

Goods and Services Tax: Petrol Prices

Senator MACKAY (Tasmania) (3.13 p.m.)—I move:

That the Senate take note of the answers given by the Minister for the Environment and Heritage (Senator Hill), to questions without notice asked today, relating to the goods and services tax and petrol prices.

This government is obviously in total denial mode. Senator Hill said—as has every government minister; and I emphasise that they are ministers, not backbenchers—again today:

Petrol prices did not rise as a result of the GST.

That is wrong—that is the first thing. For Senator Hill’s edification, all you need to do—and I think Senator Cook made it quite clear in an interjection—is work out the price of crude oil internationally; work out the price in Australia; add the excise, which is a percentage; and add the GST, which is a percentage. It is not that difficult. There is not one person in regional Australia—and I know that other government members will be responding—again today:

Petrol prices did not rise as a result of the GST.

That is the first point. Secondly, he said that Labor wants to perpetuate a myth that the price of petrol has increased as a result of the GST. It is not a myth. Every single person in regional Australia knows it; government members opposite who are out in the streets in regional Australia know it.

Senator Hill then said: ‘Where would we get the money if we were to take remedial action and provide some genuine relief for people in regional Australia?’ There are a couple of sources. You might want to have a look at the $13 billion surplus that Treasurer Costello announced the other day, for example. Or you may want to have a look at the windfall the government has as a result of petrol. The estimates in relation to that are variously described as being between $400 million and $1 billion—that is the aggregate of the rent tax, the GST and excise. There is plenty of money there, and to say Labor have not put forward any concrete proposals is simply incorrect; we have. Not only that, we have done the government the great favour of costing them, so the government does not have to go to the trouble.

This government is in real strife in regional Australia, and until such time as somebody has the intestinal fortitude, as Fran Bailey has and as the Speaker in the lower house has, to say, ‘Yes, the GST has been a factor and has exacerbated the situation in regional Australia,’ no action will be taken. Yesterday we had the Prime Minister again saying:

There have been no broken promises in relation to fuel excise by the government. That is a figment of the imagination of the Deputy Leader of the Opposition.

I challenge the people from the government who will follow me in this debate to agree with the Prime Minister and restate that. I would like them to restate that. Senator Hill has done it, but he is the leader and he has to say these things. I would like the government members who follow me in this debate to also restate it—particularly the National Party members. Let us have a look at what the government has said. On 13 August 1998, Mr Howard said in an address to the nation:
The GST will not increase the price of petrol for the ordinary motorist. He does not like the word ‘ordinary’ much these days, but at that time he used the words ‘ordinary motorist’. I have to agree with Laurie Oakes in relation to this. On 7 September the Treasurer said:

The government’s proposed new tax system will not lead to any increase in petrol prices.

In August the Treasurer said—this is in terms of retrospectivity since the introduction of the GST:

As a result of the GST, petrol prices were either stable or overall fell.

That is absolutely incorrect. The reality is that Labor are seizing the initiative. We are instituting a major inquiry into petrol. One of the primary objects of that committee is to establish the nature of the windfall and ensure that the calculations that we have done are correct in relation to petrol. Whilst the government are in total denial mode they will continue to be in real strife in regional Australia. People like Fran Bailey will continue to lobby. People like the Speaker in the lower house will continue to put the truth in their newsletters, and the National Party will continue to decline as a major political force in this country.

Senator TIERNEY (New South Wales) (3.19 p.m.)—This is the big political issue of the moment. It is great that we have got back to politics.

Senator Crowley—It’s an issue, is it?

Senator TIERNEY—Yes, let us debate some real issues in this parliament. The rise in oil prices worldwide is a major issue that impacts on our economy, as it has done a number of times in the past. On a number of occasions—1973, 1979 and now most recently—there has been a considerable rise in the price of crude oil, which has flowed through to affect the economy. What has happened this time as compared with previous times is that the inflation that had been set off previously shows no sign of reappearing as a result of these rises in recent times. We have had a small spike in inflation as a result of the GST. Despite a campaign by the Labor Party, going back many years, in which they said that the GST would lead to a 10 per cent increase in prices, the real figure in the CPI is only a little over three per cent. That includes not only the GST effect but the oil price effect over the last few years. Time and again the opposition tries to put to people that it is somehow the government’s fault that prices have gone up to this extent.

I see Labor senators nodding, so let us go back to the real facts about why the price of petrol has gone up. It has gone up, basically, because the price of crude oil internationally has gone up. It has gone from a figure of $11 a barrel at the start of last year up to $33 a barrel. For every dollar a barrel the price of petrol goes up, the price of crude oil goes up and the price of petrol at the petrol pump goes up by 1c. Obviously a 20-odd cents price rise is the result of what has happened overseas with the oil cartels. This is something that is totally out of the control of the federal government. What has not been out of the control of the federal government, going back over the last 20 years, is petrol excise. Let us have a look at Labor’s record on petrol excise, going back to the early part of the 1980s. In 1983, when they assumed office, it was 6.1c per litre. When Labor left office in 1996, Senator Mackay, do you know what the figure was? It was up from 6.1c to 34.1c. That excise was put up by the Labor government.

Senator Mackay—Did you oppose it? Did you say you would scrap it?

Senator TIERNEY—Tell us, Senator Mackay—it is a pity you do not have a chance to respond, but maybe Senator Murphy will tell us—how much the Labor government compensated the people of Australia for that rise. How much did you compensate them? Nothing—not 1c. You just kept putting it up. You kept using the bowser as the cash cow. You used the motorist as the main way in which to raise money through the petrol pump. So when you come in here and start talking about excise as a component, you should go back to your own shameful record and the way in which you increased it when you were in government. Have a look at what we have done, while in government, to the excise rate. Have we put it up? We have not put the excise rate up at all—not
once since 1996. If you had been in power, because your governments are so cash hungry you would have kept putting it up. We have not done that. Indeed, in relation to one of the base drivers of the economy, diesel fuel—the cost of which, particularly in rural areas, is so important—we have actually reduced it considerably over that time. So, for people driving trucks, for people on farms, a major cushion has been created by the drop in excise on diesel fuel over the last year.

In comparison with the state of the Australian economy at the time of the oil shocks in the 1970s, the economy is in quite good shape this time. I am quite convinced that we will withstand this shock of external oil prices—we will certainly withstand it a lot better than if a Labor government had been in power.

Senator MURPHY—This was in January this year.

Senator Faulkner interjecting—

Senator MURPHY—Yes, he did. Senator Faulkner—he had a bit of a blow-out. But that was not his only blow-out; he had a blow-out again just recently when he made a similar claim. The process moved on. On 9 February 2000, the Prime Minister, when he was questioned about the price of petrol and the GST, again said:

I can only repeat what is patently our case and that is that we’re going to honour our commitment.

I say to Senator Tierney and to Senator Hill that that is the crux of the issue: you made a promise. Senator Hill, as was pointed out by Senator Mackay, came in here today and said that the GST did not impact on the price of petrol—as did the Treasurer in an interview with Steve Liebmann on 23 August this year. Steve Liebmann asked:

Yesterday, BP said, “There never has, never was, never will be that 1.5 cents saving the government suggested there was”. Last night Mobil said “The GST has added between 2.5 and 3 cents a litre to the pump price”. Are they trying to kid the public?

The Treasurer said:

The GST didn’t add anything to the pump price.

And the Treasurer, I must say, made a comment in answer to another question from Mr Liebmann, who asked:

So are they profiteering, the oil companies, and making the Government and the GST the scapegoat?

The Treasurer said:

If there is profiteering, it will be fully investigated.

And he said:

... we’ll have the Australian Competition Consumer Commission looking at that.

The old ACCC looked at a few things, and they made a report. I think Terry McCrann has done their report up very nicely. He said: ‘It’s official: government is cheating on petrol’.

Price-buster Allan Fels and his ACCC have nailed John Howard and Peter Costello for welshing on their petrol price promise.
That is absolutely true, because we went through the process. What does that do? What does that take away from the Australian motorist? In the first instance, Mr McCrann points out:

Now that might not seem much in a world of $1 petrol and where the pump price can change 10c literally overnight.

But it still adds to something like $400 million in the taxman’s pocket rather than yours, the motorist.

Then we come to the movement in excise, on top of which is the GST. What do we end up with? At the end of the process by February next year, the additional tax take will be $1,300 million from Australian motorists. You made a promise that you would not do that to Australian motorists. You said you would not lump them with increased taxes on petrol. That is the promise we want to make you keep, and that is why we have said we will reduce the price of petrol by 2c a litre. You ought to fess up. You ought to keep your promise. You ought to do what Fran Bailey is suggesting you do, and at least make some move towards honouring the commitment you gave back in August 1998.

**Senator McGauran (Victoria)** (3.29 p.m.)—I join this debate by referring back to Senator Hill’s answer in the Senate in question time; that is, what is your policy going to be? What is the proposition that you are putting to the parliament? You say you are going to reduce the excise: by how much—1c or 5c? It would have to be 5c at least, and you are talking about billions of dollars. With your record of expenditure, what will be cut? Where will that money be spent? On extra education and services? I heard Senator Mackay tell us that she would dip into the surplus—

**Senator Mackay**—It is $13 billion.

**Senator McGauran**—the $13 billion surplus. Senator, you should speak to your shadow Treasurer about that. He is the man who wants a bigger surplus. He wants more than $13 billion. He will not let you dip into that, so you have got no policy coherence at all.

In relation to the other question you put about whether we would support John How-ard’s commitments: of course the speakers on this side do, as supported by the ACCC. The ACCC found in its inquiry that for the quarter from the week ending 30 June to the week ending 29 September the actual rise in petrol prices was below the level that was expected, taking into account the main underlying factors that influence petrol prices. The report stated:

The Commission’s analysis suggests that actual fuel prices have not increased as much as expected on the basis of movements in underlying factors including historical wholesale and retail margins. This is not inconsistent with the suggestion that cost savings from the NTS changes have been passed on.

That is from page 2 of the ACCC report. So the ACCC report confirms the government’s position that the petrol prices have been largely driven by international oil prices. So this is not unique to Australia, as you are attempting to suggest in the debate; this is a worldwide problem. We have seen on our news services the blockades that have occurred in France and in England. We did not get the same sort of reaction here in Australia because, quite frankly, the governments overseas have a greater taxing effect on the pump price of petrol than Australia does. In England it is up to 75 per cent of the pump price. In other European countries it is up to 85 per cent of the pump price. Australia actually has one of the lowest taxes on pump price oil in the world. So in this country we simply did not get the same reaction as occurred worldwide.

Senator Mackay suggests that the government are entirely in denial mode. We are not unaware of the volatility of petrol politics, particularly in the rural and regional areas. We know only too well how the rural and regional areas—more than the city areas—rely on fuel for not only their farm businesses and small businesses but also their family households in particular. In relation to rural and regional farm businesses, appropriate tax deductions were brought in with the new tax system—for example, the 100 per cent diesel fuel rebate. Over $2.2 billion, in fact, has been cut from the fuel excise with the new tax system—6.7c per litre was reduced from excise after 1 July. There is a 100 per cent rebate on diesel fuel.
There is also the Fuel Sales Grants Scheme, providing 1c or 2c per litre to retailers to reduce the gap between the city—

Senator Mackay—It’s not being passed on. Where is it?

Senator McGauran—It is operating. Over $500 million over four years has been outlaid. All in all, over $2 billion since 1 July has been taken out of the tax system. So we are not insensitive to the rural and regional areas’ reliance on fuel. We know the volatility of politics, but we put it to you that this is a worldwide phenomenon, totally based on the price of a barrel of oil, which is up to about US$60, a jump from February 1999 of US$11. So you can see the enormous cascading effect on the pump price.

(Time expired)

Senator Hutchins (New South Wales) (3.34 p.m.)—I have to join with my colleagues in taking note of Senator Hill’s answer this afternoon, because I think, as Senators Mackay and Murphy said earlier this afternoon, the government is in denial mode. I just want to get back on the record what this excise is. It is a petrol and diesel excise that is indexed twice a year to movements in the consumer price index, and the reason for that is to maintain its real value. There are no other taxes in this country that are indexed. This is the only one, as I understand, that is indexed. If anything is unique in what we are discussing this afternoon it is that, not anything that Senator McGauran has put to us. These excises are deliberately indexed, as I said, to maintain their real value.

Why are they indexed? As Senator Murphy pointed out, in the next financial year this tax will raise $13 billion for the government, and they may have already allocated how they are going to spend that money. The next time this tax is to be indexed is in February of next year. Along with a number of businesses, communities, trade unions and organisations throughout the country, we have called upon the Prime Minister to not persist with this indexation. The government do not have to index this, but the government have decided, no doubt, that they are going to spend this $13 billion. In the next financial year the GST will raise $24 billion, which they have no doubt allocated for spending.

Think about it: $13 billion with $24 billion: that is a lot of revenue that the government are going to collect from some indirect taxation. That is why it is not going to be reduced; because they are not going to keep their word on it.

I am very interested to have seen a number of the coalition members of parliament parading over the last few weeks about the cost of the diesel and the petrol excise. They have been playing classic home and away games. A number of them have been getting themselves in their local or metropolitan papers saying, ‘We’re going to raise this with the Prime Minister. We’re going to raise this within the party room.’ And what have they done?

We have Senator Winston Crane, who was almost the first cab off the rank. We have Senator Lightfoot, who continues to be a critic of the government. We have: Mr Ross Cameron, who holds the marginal seat of Parramatta; Mr Peter Nugent; Mrs Draper; Mrs Kay Hull; the Chief Minister of the Northern Territory; Fran Bailey; Tony Lawler; Neil Andrew. All these people have played these home and away games and beaten themselves up in the metropolitan and local media. But when they have an opportunity to come down here to try to influence their party, which is in government, what do they do? They cower in some corner—they cower and cringe—and they get up here and try to defend the indefensible. We are not prepared to allow them to get away with it. I can assure you that, particularly in those marginal seats in New South Wales where I come from, we will be highlighting this hypocrisy and cowardice that a number of these government members have been displaying.

To finish on this matter, I repeat: petrol and diesel excise is indexed twice a year to movements in the consumer price index in order to maintain its real value. No other tax is managed like that in this country. So I believe, as we will see exposed over next few months, the government’s inflation strategy will be in tatters. Then we will see how courageous these home and away players are.

Question resolved in the affirmative.
Research and Development: Funding

Senator STOTT DESPOJA (3.38 p.m.)—I move:

That the Senate take note of the answer given by the Minister for Industry, Science and Resources (Senator Minchin), to a question without notice asked by Senator Stott Despoja today, relating to the funding of research and development funding.

Senator Faulkner interjecting—

Senator STOTT DESPOJA—I am not sure if Senator Faulkner is suggesting I should take note of the answer given by Senator Ellison.

Senator Faulkner—You couldn’t, because there wasn’t an answer.

Senator STOTT DESPOJA—There wasn’t an answer—indeed, I accept that on this occasion Senator Ellison’s response to Senator Allison’s question was a sad reflection on the state of mathematical sciences and the funding for careers and courses in that area in Australia.

But more generally I would like to comment on the fact that it is Science Meets Parliament Day, and I commend the role of all members of the chamber who have participated in this day. Certainly this event was acknowledged by Senator Minchin. He also said that he would be meeting with Dr Neal Lane, who—as most people would know, I hope—is adviser on science matters to President Clinton in the United States. He made very perceptive comments yesterday in a wonderful speech at the Press Club in which he talked about the need for investment, particularly in basic research.

My question to the minister today was to see what our government is doing about ensuring that basic research and development and innovation are not only supported but fostered in this country. Unfortunately the minister’s response gave no indication that the CSIRO would be supported or that research on a basic level, in particular, would be promoted. Although he referred to the innovation committee’s report, in relation to the report recommendations—the Innovation Summit’s final recommendations that came out in August this year—unfortunately we were unable to gain a commitment from the minister that he would be implementing some of those recommendations, including a recommendation to increase the tax concession from 125 per cent to at least 130 per cent, and in fact increase it further: up to 170 or 200 per cent in relation to different types of research or research above the threshold. Of most concern, I think, was Senator Minchin’s resort to attacks on not only the Australian Democrats in relation to science policy but the opposition.

Senator Carr—That was unforgivable.

Senator STOTT DESPOJA—Absolutely unforgivable, Senator Carr, in both cases. I think we are all getting a bit sick and tired of this government’s continual misrepresentation of the opposition’s new spokesperson on these matters in relation to biotechnology. But I have to admit that I was a little surprised by Senator Minchin having a go at me on the issue of biotechnology. Of course I welcome any attacks that Senator Minchin thinks he can throw my way, but I think he has really no grounds on which to attack the Democrats when it comes to promotion, analysis and understanding of biotechnology issues.

In fact a cursory search of the Hansard during question time—because it did not take long—to look at Senator Minchin’s own record in relation to biotechnology issues, or to genetics or biotechnology, reveals a stunning zero mentions of those terms in the life of this parliament by the Minister for Industry, Science and Resources, except when it comes to genes, in which case he has made 20 mentions as opposed to the Democrats’ at least 115 mentions. But on all of those issues the minister has been somewhat gloriously silent. So it is a bit odd for the minister to accuse the Democrats, or anyone else for that matter, of hypocrisy when most of his discussions in relation to science or research and development seem to have concentrated on the issue of Lucas Heights and nuclear technology—that is, this government is once again pursuing old economy issues, old technologies; it is not looking at the future. Certainly when it comes to biotechnology this party, the Australian Democrats, at least have focused on the potentially dazzling benefits
of those technologies; as well, we have not been afraid to analyse the ethical, social, political and other implications of such technology.

I would like to finish off by remarking on Senator Minchin’s own comments—not today but earlier as recorded in the <em>Hansard</em>—where he talks about businesses focusing on profits instead of innovation. Why wouldn’t they? Look at the messages that this government is sending them. Cutting the company tax rate suggests: profits, good; innovation, bad. When it comes to encouraging investment in research and development our business level of R&D investment is 20 out of 29 when it comes to the rankings for OECD countries. Again Minister Minchin could today talk only about so-called syndication rorts in relation to R&D, and therefore try to justify this government’s decision to cut the R&D tax concession from its previous 150 per cent to 125 per cent. All the messages that this government is sending business, industry, public institutions and non-profit organisations is that innovation is bad and profit is good. On this day of all days I would have thought the minister would have made some commitment to funding research and development, innovation and education, but instead we had waffling comments from Senator Minchin, as usual. (Time expired)

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

Question resolved in the affirmative.

NOTICES

Presentation

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

(1) That the order of the Senate of 30 November 1999, as amended, relating to hearings by legislation committees on the 2000-01 budget estimates, be modified as follows:

Omit: ‘Wednesday, 29 November and, if required, Friday, 1 December’;

Insert: ‘Wednesday, 22 November and, if required, Friday, 24 November’;

Omit: ‘Thursday, 30 November and, if required, Friday, 1 December’;

Insert: ‘Thursday, 23 November and, if required, Friday, 24 November’.

(2) That the Senate shall sit on Wednesday, 29 November 2000, and Thursday, 30 November 2000.

(3) That on Tuesday, 7 November 2000, Tuesday, 28 November 2000, and Tuesday, 5 December 2000:

(a) the hours of meeting shall be 2 pm to 6.30 pm and 7.30 pm to 11.10 pm;

(b) the routine of business from 7.30 pm to 10.30 pm shall be government business only; and

(c) the question for the adjournment of the Senate shall be proposed at 10.30 pm.

(4) That on Thursday, 9 November 2000, Thursday, 30 November 2000, and Thursday, 7 December 2000:

(a) the hours of meeting shall be 9.30 am to 6.30 pm and 7.30 pm to 11.10 pm;

(b) the routine of business from 7.30 pm to 10.30 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 be proposed at 10.30 pm.

(5) That the Senate shall sit on Friday, 10 November 2000, and Friday, 1 December 2000, and that:

(a) the hours of meeting shall be 9.30 am to 4.25 pm;

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

(c) the sitting of the Senate shall be suspended for 45 minutes from approximately 12.30 pm; and

(d) the question for the adjournment of the Senate shall be proposed at 3.45 pm.

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

That the following matter be referred to the Rural and Regional Affairs and Transport Legislation Committee for inquiry and report by the last sitting day in March 2001:

The administration and management by the Australian Quarantine and Inspection Service and the Department of Agriculture, Fisheries and Forestry Australia’s Biosecurity Australia group of all aspects
of the consideration and assessment of proposed importation to Australia of fresh apple fruit from New Zealand.

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

That the Senate—

(a) notes:

(i) several new developments in Newcastle and the Hunter in the manufacturing sector that have the potential to create thousands of jobs in new areas of steel-making and heavy engineering,

(ii) that these developments include:

(A) plans from Phoenix Technology Corporation for a $600 million manufacturing facility near Maitland, which will produce low cost housing components,

(B) the Hunter Speciality Steel project, which involves a stainless steel mini-mill to produce rod, bar and seamless tube products,

(C) Protech Steel’s $1.5 billion steel mill, which intends to produce a million tonnes of flat rolled steel products per year, and

(D) the launch of OneSteel Ltd, which has made Newcastle its Market Mills headquarters and employs approximately 2000 people locally; and

(b) urges both state and Federal governments to support these initiatives, which represent a new era in heavy engineering and steel-making in Newcastle.

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


Senator Tierney 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 Education Services for Overseas Students Bill 2000 and four related bills be extended to 28 November 2000.

COMMITTEES
Selection of Bills Committee

Report

Senator CALVERT (Tasmania) (3.45 p.m.)—I present the 18th 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. 18 OF 2000

1. The committee met on 31 October 2000.

2. The committee resolved to recommend—

(a) 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>Taxation Laws Amendment (Superannuation Contributions) Bill 2000 (see Appendix 1 for a statement of reasons for referral)</td>
<td>Immediately</td>
<td>Select Committee on Superannuation and Financial Services</td>
<td>4 December 2000</td>
</tr>
</tbody>
</table>
(b) That the provisions of 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>Sex Discrimination Amendment Bill (No. 1) 2000</td>
<td>Immediately</td>
<td>Legal and Constitutional</td>
<td>4 December 2000</td>
</tr>
</tbody>
</table>

(c) That the following bills not be referred to committees:
- Farm Household Support Amendment Bill 2000
- Horticulture Marketing and Research and Development Services Bill 2000
- Horticulture Marketing and Research and Development Services (Repeals and Consequential Provisions) Bill 2000
- National Crime Authority Amendment Bill 2000 (No. 2)

The Committee recommends accordingly.

The committee deferred consideration of the following bills to the next meeting:
- Gene Technology (Consequential Amendments) Bill 2000
- Gene Technology (Licence Charges) Bill 2000
- Indigenous Education (Targeted Assistance) Bill 2000
- Trade Practices Amendment Bill (No. 1) 2000
- Treasury Legislation Amendment (Application of Criminal Code) Bill 2000
- Maritime Legislation Amendment Bill 2000
- Human Rights (Mandatory Sentencing for Property Offences) Bill 2000
- Charter of Political Honesty Bill 2000
- Electoral Amendment (Political Honesty) Bill 2000
- International Monetary Agreements Amendment Bill (No. 1) 2000
- Taxation Laws Amendment Bill (No. 8) 2000

Appendix 1
Proposal to refer a bill to a committee
Name of bill(s):
Taxation Laws Amendment (Superannuation Contributions) Bill 2000

Reasons for referral/principal issues for consideration
The need to examine the use of offshore superannuation schemes for tax evasion.

Possible submissions or evidence from:
Tax planners, Australian Taxation Office, AUSTRAC

Committee to which bill is referred:
Select Committee on Superannuation and Financial Services

Possible hearing date:
Possible reporting date(s): 4 December 2000
(signed) Vicki Bourne

Appendix 2
Proposal to refer a bill to a committee
Name of bill(s):
Sex Discrimination Amendment Bill (No. 1) 2000

Reasons for referral/principal issues for consideration
The need to examine the issues arising from the bill.

Possible submissions or evidence from:
To be advised

Committee to which bill is referred:
Legal and Constitutional Legislation Committee.

Possible hearing date:
Possible reporting date(s): 4 December 2000
(signed) Kerry O’Brien

NOTICES
Postponement

Motion (by Senator Faulkner)—by leave—agreed to:
That general business notice of motion No. 743, standing in the name of Senator Faulkner and relating to an order for the production of documents by the Special Minister of State,
Senator Ellison, be postponed until the next day of sitting.

**LEAVE OF ABSENCE**

Motion (by Senator O’Brien)—by leave—agreed to:

That leave of absence be granted to Senator Schacht for the period 30 October 2000 to 8 November 2000 inclusive, on account of absence overseas on parliamentary business.

**NOTICES**

**Postponement**

Items of business were postponed as follows:

- General business notice of motion No. 741 standing in the name of Senator Carr for today, relating to the Australian Broadcasting Corporation, postponed till 2 November 2000.
- General business notice of motion No. 737 standing in the name of Senator Allison for today, relating to the Advanced English for Migrants Program, postponed till 6 November 2000.
- General business notice of motion No. 732 standing in the name of Senator Murray for today, relating to the auditing of parliamentarians' allowances, expenditures and entitlements, postponed till 2 November 2000.

**AUDITOR OF PARLIAMENTARY ALLOWANCES AND ENTITLEMENTS BILL 2000**

**First Reading**

Motion (by Senator Faulkner) agreed to:

That the following bill be introduced: A Bill for an Act to establish the Office of Auditor of Parliamentary Allowances and Entitlements, and for related purposes.

Motion (by Senator Faulkner) agreed to:

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

Bill read a first time.

**Second Reading**

Senator Faulkner (New South Wales—Leader of the Opposition in the Senate) (3.49 p.m.)—I move:

That this bill be now read a second time.

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

Leave granted.

The speech read as follows—

This is a Bill to establish an office of Auditor of Parliamentary Allowances and Entitlements. The Auditor will investigate complaints relating to the use of entitlements; inquire into any matter referred by the Minister or Parliament; undertake sample audits of the use of entitlements by members of parliament; undertake inquiries on his or her own initiative; make recommendations for changes to the entitlements system and provide advice to members of parliament on ethical issues associated with the use of parliamentary entitlements. The Bill defines parliamentary allowances and entitlements broadly to encompass those provided to both members of parliament and their staff under all relevant legislation.

The Auditor of Parliamentary Allowances and Entitlements will be an independent officer of the Parliament with a wide range of powers, modelled on those of the Auditor-General and the Ombudsman. These include powers to enter premises, access and copy documents and report to Parliament on any MP who refuses to cooperate with an inquiry or on any other matter.

This Auditor is no toothless tiger. The office will constitute a very powerful deterrent against abuse of taxpayer-funded entitlements and will have a salutary effect on the administration of entitlements by Government departments and members of parliament.

It is clear that action to create such an office is long overdue. Other countries have recognised the need for similar offices and have acted years ago. The Americans have their Office of Government Ethics. In Canada it’s the Ethics Counsellor. In the United Kingdom, the Parliamentary Commissioner for Standards. These models vary in the emphasis they place on investigation, interpretation and advice. While the model we are proposing places a heavy emphasis on the auditing and investigative role for reasons I will address shortly, it also incorporates a recommendatory role, a capacity to address any matter referred by either the Government of the day or either House of Parliament and an important advisory function. It is our intention that the Auditor will become a reliable, independent and authoritative source of advice to members of parliament on the varied ethical dilemmas they face in the discharge of their responsibilities.

Why the emphasis on the auditing role? Well, regrettably we must acknowledge that the level of public trust and confidence in politicians is at a very low level and declining. It is not enough that the vast majority of members of parliament are conscientious about their use of entitlements. We are members of a profession which Hugh
MacKay tells us is ranked second lowest in terms of honesty and ethics – just above car salesmen. According to a poll in Mr Reith’s electorate in last weekend’s Herald Sun newspaper, 54 per cent of voters believe politicians often make improper use of their entitlements, and 42 per cent believe politicians sometimes misuse them. This lack of public trust erodes our capacity to perform effectively as elected representatives. It undermines our credibility in playing the leadership role we are elected to perform. It is time for us to take action to restore that public trust, to enhance our credibility, and to improve our effectiveness as parliamentarians.

Let me point out that this initiative to create an office of Auditor of Parliamentary Allowances and Entitlements was first put forward by the Opposition three years ago. At the same time we proposed that details of all parliamentary entitlements, not just travel and travel allowance as is currently the practice, be tabled in both houses of Parliament twice yearly. We continue to believe that this expansion of current practice would be an extremely effective, practical and inexpensive way to curb any possible misuse or abuse of entitlements. Transparency is a powerful incentive to do the right thing. If details of all entitlements are placed regularly on the public record and thus made available for public scrutiny, members of parliament will be truly accountable for their expenditure of taxpayer funds. Expenditure can be compared. Excessive use will have to be justified and irregularities explained.

These proposals were incorporated into the ALP Platform in 1998. The relevant section reads: “In order to enhance the accountability of parliamentarians for their expenditure of allowances, Labor will table details of expenditure of travel and other allowances annually and will establish an independent auditor of parliamentary allowances and entitlements with appropriate powers of investigation.”

The Howard Government has not only ignored these proposals, it has exacerbated the situation by presiding over a series of scandals which have further diminished the already low levels of public trust and confidence in members of parliament. Those scandals began on 20 August 1996, the day of the first Howard budget, when former Senator Colston quit the ALP, then won the Deputy Presidency of the Senate, along with a $16,344 pay rise, with the support of the Coalition parties. Later in the year, the Prime Minister intervened to over-rule the Senate President and approve funding for a staff upgrade for Colston worth about $75,000. The very next day the Senate passed the Government’s controversial legislation to privatise one third of Telstra, with Colston casting the decisive vote in favour of the Government.

Then, on 3 February 1997, the Parliamentary Secretary to the Minister for Health, Bob Woods, announced his decision to retire from politics for ‘family reasons’. It emerged he was under police investigation for travel rorts.

Three other Howard Government Ministers (Sharp, Jull and McGauran) and two senior Howard staffers were forced to resign in September 1997 over allegations of false travel claims, mismanagement and cover-ups. In 1998, a former National Party MP, Michael Cobb, was found guilty of fraud in relation to his use of travel entitlements.

More recently we have had the Reith telecard scandal. Mr Reith breached the Remuneration Tribunal determination governing the use of telecards by allowing his son to use the card. That led to a $50,000 bill for unauthorised calls. The matter was only exposed by a leak to the press and Mr Reith only repaid the money when forced to do so by an unprecedented public outcry.

The telecard affair remains murky and the tabling yesterday of a ministerial protocol, which purports to set up a process for the investigation of complaints relating to entitlements raises serious doubts about the Government’s competence to deal with these matters. It appears that both the Minister and his department failed to follow their own guidelines, which were drawn up in response to the original travel rorts scandal. Flimsy protocols are not the answer. What is needed is an independent authority with appropriate statutory powers.

The people of Australia have had enough of the Government’s shameful record over MPs’ entitlements.

It’s time to clean up the mess. It’s time for an independent umpire on parliamentary entitlements. It’s time for complete transparency of all entitlements.

The Opposition believes these initiatives will restore the public’s confidence in their parliamentarians. They will go a long way towards ending the perception of hypocrisy and double standards abroad in the community today, which casts a pall over all of us in Parliament.

I am proud to introduce this Bill. I believe it is a significant initiative and I commend it to the Senate.

Debate (on motion by Senator Calvert) adjourned.
COMMITTEES
Foreign Affairs, Defence and Trade
References Committee

Extension of Time
Motion (by Senator Hogg) agreed to:
That the time for the presentation of reports of the Foreign Affairs, Defence and Trade
References Committee be extended as follows:
(a) economic, social and political conditions
in East Timor—to 7 December 2000;
and
(b) examination of developments in
contemporary Japan and the implications
for Australia—to the last sitting day in

EDUCATION: FUNDING
Senator BROWN (Tasmania) (3.49
p.m.)—I ask that my motion No. 742, which
would have the Senate support a bill to give
the same level of Commonwealth funding
for private and public schools for 2001 as
they have for 2000, be taken as a formal
motion.
The DEPUTY PRESIDENT—Is there
any objection to this motion being taken as
formal?
Senator O’Brien—Yes.
The DEPUTY PRESIDENT—There is
an objection.

Suspension of Standing Orders
Senator BROWN (Tasmania) (3.49
p.m.)—Pursuant to contingent notice, I move:
That so much of standing orders be suspended
as would prevent Senator Brown from moving a
motion relating to the conduct of the business of
this Senate, namely, a motion to give precedence
to general business notice of motion No. 742.
Let me point out that this is a very important
and very contemporary motion relating to the
huge debate over funding of public education
in this country. My motion simply calls for the
Senate to note that there is a high level of
community anger being generated by the
government’s new funding formula for pri-
mary and secondary schools, which will see
some elite private schools granted massive
Commonwealth funding assistance. It notes
also the call by the Australian Education
Union and the Australian Council of State
Schools Organisations for the federal gov-
ernment to pass a schools funding continuity
and stability bill and calls on the Senate to
support such a bill that would give the same
level of funding to private schools as to pub-
lic schools next year as has occurred this
year. I would have thought that this motion
would have Labor Party support and would not
be refused formality by the Labor Party. I
hope that the Democrats would be able to
support this motion as well.

I point out to the Senate that my motion is
an expression of support for that very strong
feeling in the Australian public domain that
education funding from the Commonwealth
should remain at the current levels for the
public school sector as for the private school
sector. Through this mechanism, we are
giving a very early indication to the govern-
ment that the Senate does not support its
contention that some two-thirds or more of
the funding in the coming year will go to the
private school system. We have all heard the
extraordinary excesses of the formula which
would have major private schools—from the
King’s School in Sydney to other so-called
public schools around the country which are
really private schools—being very well en-
dowed while the public school system re-
mains retarded as far as funding is con-
cerned.

I stand as a Green for the principle of a
well-funded public school system. I stand for
the principle of ensuring that everybody has
access to the public school system and that
they find the full facilities that are required
for young Australians to get an education
which will give them the options in the fu-
ture which will not only give them rewarding
lives but make them rewarding citizens as far
as our community is concerned. As this mo-
tion says, there is a great deal of community
anger because this government is moving
massive amounts of taxpayers’ money to the
private school system, not least elite school
systems, while the public school system, to
which most Australian kids still go, is getting
a relative starvation of funding.

Senator Ian Campbell—People who go
to private schools pay tax.

Senator BROWN—I would remind the
interjecting Manager of Government Busi-
ness that all children in Australia have access to the public school system. That is their choice.

Senator Ian Campbell—But not access to private schools.

Senator BROWN—They do not have access to the private school system because they are prevented by income from going there. I would have thought that those on the opposition benches would understand that. Let me not be distracted, because the time is short. I call at this important moment for the Labor Party to look again at this motion. This motion is to support the position of the Australian Education Union and the Australian Council of State Schools Organisations in this debate. We will be dealing with the legislation shortly. I am afraid it will be brought here right on the death knock, at the eleventh hour, just before Christmas, and pushed through this place without the public debate and public input that is required. So I call on the Labor Party to think again about this motion and to iterate its support for the proposal that the motion encapsulates. (Time expired)

Senator CARR (Victoria) (3.55 p.m.)—Senator Brown has asked the chamber today to suspend standing orders on a motion that does three things, essentially. The first issue in his motion goes to the question of the unfairness, the injustice and the lack of due process that has been established in regard to the government’s new funding formula for non-government schools in this country. The second issue goes to the proposal emerging from the Australian Education Union and the Australian Council of State Schools Organisations for a replacement bill in effect that would be entitled the ‘schools funding continuity and stability bill’. It will introduce new measures in regard to targeted equity payments for students in government schools, which will see less money provided for students with disabilities in government high schools. It will introduce whole new measures in terms of the administration of money. So it is a very serious proposition that requires very careful consideration by this parliament. This motion, however, does not allow us to do that. Therefore, I say to Senator Brown that the essence of what you are saying in the first part of your motion is a sentiment we share. We have sought to demonstrate the injustice of the government’s proposals wherever we have gone. The fact that places like Geelong Grammar can attract $2 million extra per year seems to me to be fundamentally unjust at a time when there is such deprivation in our educational institutions in this country and when the local public education facilities are doing so badly. That is a matter that the Senate ought to be considering very carefully.

I think the situation is pretty well summed up by a cartoon I saw recently in the Australian, which had the image of a state school
burning down and the fire brigade arriving, pulling out its hoses and filling up the neighbouring private school’s swimming pool. That sort of contrast demonstrates the sharpness of the division that is emerging on these issues insofar as the elite category 1 schools, as they are called—the 61 most powerful, most elite schools in the country—are getting such an unfair advantage because of the ideological obsessions of those opposite who have the gall to tell us that all of this is being done in the name of social justice—an extraordinary proposition. Senator Brown, I think your motion requires a bit further thought, a bit more consideration. Therefore, we cannot support the suspension of standing orders at this stage.

Senator HARRIS (Queensland) (4.00 p.m.)—I rise to support Senator Brown’s motion. I would like to share with the chamber briefly some of the emails that I have received in relation to this issue. One of them is from the New South Wales Federation of Schools Community Organisations. This is a peak state school parental organisation. In the latter part of their email, they make reference to the fact that—

Senator Ian Campbell—Madam Deputy President, on a point of order: I think the senator should refer his remarks to the proposal that we suspend standing orders. I do not think you can get up and do the Len’s mailbox segment of the Senate. You actually do have to suggest at some stage in your debate why one should suspend standing orders. You simply cannot get up and read out a bunch of emails in this segment. Surely if standing orders are suspended, the One Nation senator, who seems to have gone into coalition with the Greens now, will be able to read out emails from friends and citizens—

Senator Knowles—Birthday cards and Christmas cards.

Senator Ian Campbell—Indeed, Senator Knowles, Christmas cards and letters from Pauline, whatever he wants. You cannot just have a little five-minute segment of Len’s mail when you are discussing a motion, which is a quite serious motion, to throw away the standing orders for the rest of the afternoon to discuss Senator Brown’s proposition.

Senator HARRIS—The reason I referred to the emails is in support of setting aside standing orders.

The DEPUTY PRESIDENT—Let me make a ruling, Senator. The previous two speakers have been given a fair degree of latitude in mentioning the substantive parts of the issue. I will declare that Senator Harris should continue, but he might like to talk about the reason for urgency as well.

Senator HARRIS—Thank you, Madam Deputy President. My reason for referring to the emails—and I was only going to refer to two emails—is in support of the contention that the community is extremely concerned about the government’s proposal. They are expressing that concern, I believe, to all members. Therefore, it is quite appropriate to convey to the chamber the extent of this support. The reason that we should stand aside the business of the Senate is based on that amount of support so that senators will take into consideration the importance of this issue. I indicate again that I will support Senator Brown’s motion.

Senator IAN CAMPBELL (Western Australia—Manager of Government Business in the Senate) (4.04 p.m.)—The government will not be supporting this proposition. The States Grants (Primary and Secondary Education Assistance) Bill 2000, as the Manager of Opposition Business in the Senate has quite accurately said, will be on for debate in the Senate next week. These issues will be properly debated. It is a very important issue. Ensuring that there is equitable, sensible and soundly based funding to the public and private school system is something that is crucial to this government, crucial to the future of Australia. And if populist politicians like the Green politician down the end there and the One Nation senator from Queensland want to grandstand and be populist on this issue on a broadcast afternoon by pulling this stunt, then they will not have the support of the government, which is serious about this policy.

Question put:
That the motion (Senator Brown’s) be agreed to.
The Senate divided. [4.09 p.m.]
(The President—Senator the Hon. Margaret Reid)

Ayes…………… 11
Noes…………… 45
Majority……… 34

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.
Ridgeway, A.D. Stott Despoja, N.
Woodley, J.

NOES
Bishop, T.M. Bolkus, N.
Brandis, G.H. Buckland, G.
Calvert, P.H. Campbell, G.
Campbell, J.G. Carr, K.J.
Chapman, H.G.P. Collins, J.M.A.
Conroy, S.M. Cook, P.F.S.
Cooney, B.C. Crossin, P.M.
Crowley, R.A. Denman, K.J.
Eggleston, A. Evans, C.V.
Ferris, J.M. Forshaw, M.G.
Gibbs, B. Gibson, B.F.
Hogg, J.J. Hutchins, S.P.
Knowles, S.C. Ludwig, J.W.
Lundy, K.A. Mackay, S.M.
Mason, B.J. McGauran, J.J.J.
McKieran, J.P. McLucas, J.E.
Murphy, S.M. O'Brien, K.W.K *
Patterson, K.C. Payne, M.A.
Ray, R.F. Reid, M.E.
Sherry, N.J. Tambling, G.E.
Tchen, T. Tierney, J.W.
Troeth, J.M. West, Watson, J.O.W.

* denotes teller

Question so resolved in the negative.

COMMITTEES

Environment, Communications, Information Technology and the Arts References Committee
Meeting
Motion (by Senator Allison) agreed to:
That the Environment, Communications, Information Technology and the Arts References Committee be authorised to hold a public meeting during the sitting of the Senate on 7 November 2000, from 6.30 pm to 8 pm, to take evidence for the committee’s inquiry into telecommunications and electro-magnetic emissions.

AUSTRALIAN NATIONAL UNIVERSITY

Motion (by Senator Carr) agreed to:
That the Senate—
(a) notes:
(i) that the Vice-Chancellor of the Australian National University (ANU), Professor Terrell, has referred in his October 2000 report, Plan for Growth, to the unique statutory charter of the ANU, which is characterised by its national role in teaching, postgraduate study and research,
(ii) that the Commonwealth Parliament provides in excess of $150 million per annum to the ANU,
(iii) that the alleged funding shortfall for the maintenance of the operation of the Noel Butlin Archives is $150 000 per annum, and
(iv) the explicit national mission of the ANU in research, scholarship and teaching;
(b) asks the university to justify its proposal to cut funding to the archives, with the result that they will be effectively inaccessible to the public; and
(c) calls upon the ANU to uphold its responsibility to administer and maintain the Noel Butlin Archives Centre as Australia’s most important archives of business and labour records and a unique repository of information on the history of Australian working life.

CONDOLENCES

Perkins, Dr Kumantjayi
Motion (by Senator Bolkus, also on behalf of Senators Ridgeway and Herron) agreed to:
That the Senate—
(a) expresses its sincere condolences to the family of the late Dr Kumantjayi Perkins who passed away on 18 October 2000;
(b) recognises Dr Perkins as a respected Aboriginal leader at the forefront of indigenous affairs and politics for more than 30 years;
(c) acknowledges Dr Perkins’ significant contribution in promoting broad community recognition of the interests and rights of indigenous Australians; and
(d) acknowledges the deep sadness in indigenous and broader Australian communities caused by his passing.

NOTICES

Postponement

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

That general business notice of motion no. 731 standing in his name for today, relating to the Sardar Sarovar project in India, be postponed till the next day of sitting.

ABORIGINAL TOURISM AUSTRALIA

Senator RIDGEWAY (New South Wales) (4.15 p.m.)—I seek leave to amend general business notice of motion No. 736 standing in my name for today, relating to Aboriginal Tourism Australia, before asking that it be taken as a formal motion.

Senator O’Brien—I would just say that I have not been made aware of any agreement to amend, and it may be useful to postpone this matter rather than having to object to formality.

Senator RIDGEWAY—I think today that I would rather continue with the motion. I do not think it is a difficult one for the opposition to support.

Senator Bolkus—Madam Deputy President, I raise a point of order. I am in the same position as Senator O’Brien on this. We have not seen the amendment and I would suggest that maybe Senator Ridgeway could defer moving this at least until the end of this part of the proceedings. We may be in a better position to get instructions by then. But if we are not, then we will have no option but to declare it informal.

Senator RIDGEWAY—Madam Deputy President, I will defer it for the moment, thank you.

COMMITTEES

Federal Parliamentarians’ Entitlements Committee

Establishment

Motion (by Senator Allison) put:

That the Senate requests the Government to set up a three person committee comprising experienced persons from the private, public and non-profit sector to:

(a) make recommendations on Federal parliamentarians’ superannuation, salaries, conditions, benefits and entitlements, taking into consideration community standards and international comparisons;

(b) take no longer than 1 year to report to the Government, which report to be confidential until the government response is tabled, which must be within a further 6 months; and

(c) consult extensively in preparing the report.

The Senate divided. [4.20 p.m.]

(The President—Senator the Hon. Margaret Reid)

Ayes……….. 11
Noes……….. 40
Majority……… 29

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.
Ridgeway, A.D.
Stott Despoja, N.
Woodley, J.

NOES

Bishop, T.M.
Bolkus, N.
Brandis, G.H.
Buckland, G.
Calvert, P.H *
Campbell, G.
Campbell, I.G.
Carr, K.J.
Chapman, H.G.P.
Cooney, B.C.
Crossin, P.M.
Crowley, R.A.
Denman, K.J.
Forshaw, M.G.
Gibbs, B.
Gibson, B.F.
Hogg, J.J.
Hutchins, S.P.
Kemp, C.R.
Knowles, S.C.
Ludwig, J.W.
Lundy, K.A.
Macdonald, J.A.L.
Mackay, S.M.
Mason, B.J.
McKiernan, J.P.
McLucas, J.E.
Murphy, S.M.
O’Brien, K.W.K.
Patterson, K.C.
Payne, M.A.
Ray, R.F.
Reid, M.E.
Sherry, N.J.
Tambling, G.E.
Tchen, T.
Tierney, J.W.
Troeth, J.M.
Watson, J.O.W.
West, S.M.

* denotes teller

Question so resolved in the negative.

ABORIGINAL TOURISM AUSTRALIA

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

That the Senate—

(a) notes that Aboriginal Tourism Australia (ATA):
(i) was formed by Indigenous tourism operators following the national Indigenous tourism operators forum in Darwin in 1995, and
(ii) has as a key objective to do all things necessary to advance the development of Indigenous tourism and enhance economic development opportunities for Aborigines and Torres Strait Islanders in the tourism industry;
(b) recognises ATA as the peak body representing Indigenous tourism in Australia and therefore as a valued contributor on policy and product development to government and industry;
(c) commends ATA on its commitment to promote Indigenous tourism operators who deliver excellence in business management and embrace the principles of product authenticity and cultural integrity, and who encourage respect and consideration of Indigenous customs, practices and spiritual beliefs and values through tourism;
(d) acknowledges that, for many Indigenous communities, cultural tourism could help to provide a greater degree of economic independence and assist in the protection and revitalisation of Indigenous culture and identity; and
(e) calls on the Government to work with ATA, the Tourism Council Australia and the Aboriginal and Torres Strait Islander Commission to fully implement the outcomes of the National Indigenous Tourism Forum held in Sydney in June 2000, which include strategies for future ATA funding.

FEDERAL OFFICE OF ROAD SAFETY

Motion (by Senator Harris) agreed to:
That the Senate—
(a) notes the failure of the Minister representing the Minister for Transport and Regional Services (Senator Ian Macdonald) to comply with the order of the Senate of 5 October 2000 for the production of documents relating to heavy truck specifications; and
(b) orders that:
(i) the documents referred to in paragraph (a) be laid on the table by no later than immediately after question time on 2 November 2000,
(ii) at the same time, the Minister make a statement to the Senate giving an explanation for his failure to comply with the order of 5 October 2000, and
(iii) a motion may be moved without notice to take note of the Minister’s statement.

COMMITTEES

Scrutiny of Bills Committee

Report


Ordered that the report be printed.

GENE TECHNOLOGY BILL 2000

Report of Community Affairs References Committee

Senator CROWLEY (South Australia) (4.25 p.m.)—I present the report of the Community Affairs References Committee on the provisions of the Gene Technology Bill 2000, together with the Hansard record of the committee’s proceedings and submissions.

Ordered that the report be printed.

Senator CROWLEY—I move:
That the Senate take note of the report.

Because I am always afraid I will forget to do it, let me start by thanking those people who have helped with the report, particularly the people in the secretariat: Elton Humphry, Peter Short, Veronica Strkalj and Ingrid Zappe.

This report is extremely timely. The community debate that became very obvious to us during the course of the inquiry has been heightened, and we have been reminded of it again because of the recent report of the BSE disaster. I suppose I would call it, in the UK and the newspaper coverage of it. The fact that scientific and government encouragement suggested that eating beef was safe and it has turned out not to be has only heightened the concern of the community about these sorts of matters. It is a bit hair-splitting to say to the community, ‘Oh, but
we are talking about genetically modified organisms not mad cow disease. The community is, I think properly, very cautious on these matters.

Our report found that a very significant number of senior scientists are very concerned about genetically modified organisms and are certainly urging great caution in the way in which we proceed in this area. The legislation for a regulator in the area of genetic modification of organisms is extremely welcome and very overdue. I believe that is the balance the community is looking for. We need a very strong regulator to deal with the concerns in the community, to give assurance to the community and to also allow the community to enjoy the benefits that genetically modified organisms and genetic research can produce for this country. I think it is also important that Australia be involved in that research, but under very strict regulation.

I would like to briefly talk about why our report is called *A cautionary tale: fish don’t lay tomatoes*. ‘A cautionary tale’ is with fond regard to Hilaire Belloc, who, I believe, wrote a series of admonitions for parents to give to children. Perhaps that is not quite what we are doing here, but I do think the admonition, or the urge for caution, is terribly important and reflects very much the sentiment of the community.

At the same time we were going through our inquiry, we learnt that one of the areas of major concern to people was not so much genetically modified organisms but the moving of genetic material across species. If people wanted to use a rust resistant wheat gene to assist with the modification of wheat, people would not have so much trouble with it. But the idea of taking fish genes to put in our tomatoes or bacterial genes to put in our canola crops and indeed using viral genes to turn on bacterial genes to modify our canola crops was a major concern that came up again and again in our inquiry. While I was being assured one day that I need not worry about genetic material moving between species, I was told I did not understand—to paraphrase the witness—that genetic material was moving between species in the bacteria in my bowel each day. I was, of course, not comforted by this fact. But at the same time it struck me that even if it were—

*Senator Murray*—Spare us!

*Senator CROWLEY*—Senator, it could well be in your bowel too! Floating genetic material indeed! Even if that were the case, as our report title says, fish don’t lay tomatoes. I think we need to recall the concern that people have about trans-species genetic material. Our report is called that to remind us forever that, at least in the year 2000, when this inquiry was conducted, that was the nature of at least some of the major concern. One of the recommendations of our report comes down very strongly on the importance of the precautionary principle and says that this bill, at least in its use of the precautionary principle, should be consistent with the Environment Protection and Biodiversity Conservation Act. It certainly seems odd to us to argue that there should be any less precaution in this bill about a regulator for the genetic modification of organisms than there might be in the Environment Protection and Biodiversity Conservation Act.

I do believe it is very important to give an assurance to help allay community concern and also to make it clear that the precautionary principle, as understood by anybody reading properly in this area and as understood by us in making recommendations, does not mean total opposition—anything but. The precautionary principle actually says that, even if there is not absolute scientific evidence that there will be a health threat or an environmental threat, the person approving the licence must require that there be conditions set so that people behave as though there will be a threat to the environment. It does not say, ‘Don’t proceed.’ It says, ‘Proceed with caution and keep doing the research to confirm or substantiate that caution.’

Our committee also heard that the community is not at all helped by the difference between genetically modified organisms, genetically manipulated organisms, genetic engineering or even the new term ‘transgenic processes’. This is a loose set of words, and it is hard to pin down exactly is being referred to. But the lack of precision in the language is actually assisting the concern in
the community. I believe that the more open we can be about what exactly is being described, the more the community will be appreciative of being taken into confidence and provided with facts instead of being asked to cope with slippery language that skids over an area of major concern for the community.

In our report, the majority recommended that, because the regulator will be having an extremely significant responsibility and onus placed upon them, it would therefore be better to have not a single, one-person regulator but a regulator authority of three people so that that burden of responsibility can be shared. We thought it was important that there be third party appeal allowed and also recommended that there be processes to exclude mischievous appeals. We do not believe that this is, in our recommendation, licensing anybody who wants to to complain regularly about prospective damage to the environment or to health. We believe it is possible to weed out the mischievous complainants or litigants, but we also believe it is important that the community have the confidence of knowing that, under the legislation, if there were a properly constituted organisation with credibility in the area, they should have the opportunity for an appeal, should they see evidence to give them great concern.

We believe that discussion of the importance of having a regulator with sufficient powers is very timely. One of the concerns for us was the discovery during our inquiry of, for example, the leakage of the genetically modified organisms in the canola crop in Mount Gambier and the evidence given to us by Aventis when they said on the record that they would have behaved differently if there had been a regulator. Our report is not a witch-hunt on previous inquiries into these areas, but we want to make it clear to companies that this legislation, with the recommendations for amendment that our committee has put in, allows the regulator to say to Aventis or to any other company, ‘If you are licensed to proceed, you should know that your behaviour will be closely supervised, that we have policing powers to check that you are doing what you say you are doing, and that, if you do not do that, there will be significant penalties.’ Companies need to know that this is not the United States when it comes to the genetic modification of organisms.

Finally, I think it is very critical that we continue major research with adequate funding and that, if we are talking to the community and the community want the regulator and want the discussion about these inquiries, it must be a fiercely independent campaign. The protagonists, the scientists doing the research and the investigations, are no longer trusted by the community. They want a very clearly independent education campaign so that they will be able to take comfort in the information and assurances that are provided to them. Our inquiry has been an extremely valuable one. The legislation to introduce a regulator is very timely and very welcome. We can then have the comfort of the benefits of genetic modification but an assurance so that people in this country will know that they need to get a licence and that they need to proceed properly. The community need to be comforted by our behaviour. (Time expired)

Senator KNOWLES (Western Australia) (4.36 p.m.)—There is no doubt that the Gene Technology Bill 2000 represents the strongest, most practical and comprehensive legislation to regulate the risks associated with gene technology yet developed by any country in the world. It is therefore disturbing to think that this report has such a flippant and wrongful heading: A cautionary tale: fish don’t lay tomatoes. In Senator Crowley’s comments just a moment ago, to further exacerbate that misleading title she drew an analogy between mad cow disease and gene technology. I am sorry, but this is now getting quite out of hand.

There has been a requirement in Australia for many years to have labelling laws and a regulator for gene technology. The Labor Party were in office for 13 years and did nothing about this issue. I see Senator Crowley leaving the chamber, and I am sorry, because this is particularly important. The Labor Party gave a commitment to this government that they would see this legislation through the parliament before the end of this year, to be enacted and operational by 1
January 2001. Thanks to the way in which the Labor Party, the Democrats and the Greens have joined forces, this will not be the case.

The opposition decided that the legislation was not going to go to the legislation committee for consideration but that it was going to the reference committee—thus creating the first delay. The second delay was that it extended the reporting date. The recommendations now contained within this report would necessitate a further delay, because the whole thing that has now been negotiated with the states and signed off by the states—with the exception of Tasmania—would need renegotiation. I ask you: what is the logic of that? What about the commitments given by the Labor Party in this regard? I understand that, at a caucus meeting yesterday, Labor decided that it would proceed with this legislation. Here, we still have a report—coming from a Labor dominated committee—making recommendations about a regulator that are already contained in the legislation. This does not come as a surprise to the chair, Senator Crowley. I sent her a copy of the minority report from the government senators, detailing where the recommendations that she was advocating for this legislation were contained within the bill. Did it change anything? It changed not a paragraph, not a sentence, not a word.

I can say with absolute assurance that this does represent the strongest and most practical comprehensive legislation of any country in the world. Why? Because that is the evidence that was provided to the committee. The other thing that mystifies me about the way in which this report has now been presented—advocating all these recommendations for change and renegotiation—is that the committee was also given very strong representations from the premiers of ALP states. They were not equivocal. Premier Bracks and Premier Beattie were not equivocal in any way, shape or form. They said that the legislation was good and that they were happy for it to go ahead sooner rather than later. So the bill is Australia’s best option for identifying risks to human health and safety and the environment and for managing those risks. It addresses a complicated issue but in a measured, cautious and cost-effective way. As I say, the title of the report is so flippant that it is disgraceful. It simply fans the unfounded fears of many in the community—fears that have been promoted by some lunatic fringe that does not want to address this issue properly. That is a very sad reflection on the good quality evidence that was provided to the committee.

Unfortunately, the Labor members of the committee have fallen into the trap of recommending changes to the legislation that clearly add no value whatsoever. The Labor Party members of the committee have proposed changes that will add considerably to the cost of the regulatory system and unnecessarily complicate it. I have pointed this out to the Labor Party members, and they have simply ignored it. I have pointed out the fact that many of their recommendations will not be bought by the states. The states simply will not agree to them, so they cannot come in here and say, ‘We agree that this is a requirement, but we want to have wholesale change.’ Why not sign off on the legislation as it is, as it has been signed off by all the states and territories—with the exception of Tasmania—with many of those states being Labor states?

By contrast, the government’s Gene Technology Bill ensures all the necessary protections from risks in a way that does not unnecessarily hinder the use of technology by our science community. We have to concede that this has been going on for years. This is not something that just happened yesterday. It has been going on for years, it will continue to go on and this country needs a regulator. Let us get on and do it. It is a very serious point of concern to the government. We have an interest and a desire to ensure that the Australian scientists who contribute so much to the health, wellbeing and prosperity of this country are able to continue to make this contribution. Today is science day. Scientists are in Parliament House, seeing members of parliament and encouraging them to make sure there is better R&D funding and everything that is associated with it. The recommendations contained in this report, and the attitude of the opposition, will simply hinder that process.
It will be interesting to see what the Democrats say about this report. Senator Stott Despoja stood up in this chamber not long ago and talked about the science and technology day, advocating just the things that I mention. Yet I am fearful that she will say, ‘This is a pretty good report. This is pretty flash, but we’re going to now put barriers in front of it.’ Everyone can predict what Senator Brown is going to say, so there is no point in canvassing that. The ALP is fully aware of the brain drain crisis facing this country, and yet it blithely recommends changes to this legislation which can only exacerbate the problem. I hope that the Democrats will not join that call. This government, on the other hand, refuses to be party to a de facto moratorium on the use of the technology—something that will be brought about by these recommendations, which will quite simply make it too complicated for our R&D sector to use. They say they do not want a moratorium; what is contained in this report will simply create a moratorium.

The bill was developed in close consultation with the R&D sector. Over 1,000 people who directly use the technology, including every single institutional biosafety committee in Australia, were provided with details and the opportunity for face-to-face discussions throughout the development of the bill. By contrast, I note with concern that there was only a small handful of scientific organisations invited by the committee to give evidence to the inquiry. While CSIRO’s credentials are without dispute, that organisation does not have, and does not purport to have, a monopoly on the issue. Recommendations flowing from the inquiry that impact on the science community must therefore be viewed with concern and scepticism. In total, over 25 public meetings, many bilateral discussions and 300 submissions have informed the development of this bill. No-one can say there has not been any consultation. It has been scrutinised repeatedly and on an ongoing basis by every state and territory, by primary producers, industry, individuals in the community and many others. Everyone from the AMA to the Country Women’s Association has complimented the inclusive, responsive and thorough consultation process by which this legislation has been developed. It therefore amazes me that the Labor members of this committee and, presumably, the Democrats believe that a process that has devoted minimal time and resources to this issue—and with only three days of public hearings outside Canberra—could result in a better legislative system than that developed by all jurisdictions involving over 18 months of extensive consultations. Just the mere fact that these consultations have included everyone and taken 18 months vis-a-vis three days of public hearings stands for itself. This bill should proceed immediately. It is just not acceptable to adopt the recommendations. (Time expired)

Senator STOTT DESPOJA (South Australia—Deputy Leader of the Australian Democrats) (4.46 p.m.)—First of all, I put on record that the job of this parliament and this chamber, which is a house of review, is to analyse, amend and improve legislation if that is desired. Secondly, Senator Knowles is correct: I am going to say that this is a good report. That is not even a reflection of the content. It is a reflection of the fact that, for the first time that I can recall, we have had a comprehensive debate into, and analysis of, the issues of biotechnology and genetic engineering. I know that my party is probably best placed to argue against the simplistic statement that this has involved minimal time and resources because, for a number of years, we have been examining these issues. In fact, in 1992 we were the first party to even mention the issue of, say, labelling for genetically modified foods. That came from the Australian Democrats. I am aware of the public consultations, because I have been in regular contact with the Department of Health and Aged Care for the last year or so while they have been ongoing. I am aware of the draft legislation that led to this bill, because the Australian Democrats read it and analysed it well before the legislation before this chamber today was even finalised.

As for the work of the committee and reflections on the title of the report, there is something that, as legislators, we have to grapple with, and that is that the general community—ordinary Australian citizens—have an interest in and fears about this issue,
with differing levels of understanding of genetic engineering, genetic modification, gene technology or whatever you want to call it. Therefore, we have to respond to those concerns, those needs and those differing levels of understanding. I had a long discussion with a number of geneticists last night—yes, the Democrats talk regularly with geneticists because the Democrats have a biotechnology portfolio and we have staff who are geneticists because we care about this issue. If you want to ask why this committee took so long, it is not a political stunt to defer this process; it is because we wanted the best legislation, but half the members of this place would not be able to define genetic engineering if you put it to them. So I guess I should not lament the politicisation of this debate, because maybe it is time that science got a bit political. Maybe it is time politicians got a little scientific. Yes, FASTS is celebrating Science Meets Parliament today; it is an opportunity for some in this chamber who do not have regular contact with science policy, the portfolio or scientists per se to make contact. Maybe it is time they looked into some of those areas and got a greater level of understanding.

Referring to the conversation I had with the geneticist last night, he acknowledged this: ‘Yes, indeed, it’s a crude science. Anybody in the know understands that we are at the beginnings of this technology. It is not a precise science.’ For those on the other side of the chamber to suddenly say, ‘Yes, it has been here for years; it is well understood. Therefore, this proposed regulatory scheme is fine,’ shows their lack of understanding. I would be surprised if they could give a realistic definition of genetic engineering. I am glad that this report has come before the chamber. I am glad it went to a references committee because, among many other people in my party, I have strongly supported for many years some investigation into the issues before us.

The report is an encouraging development towards achieving protection for Australians and the environment. The Democrats are optimistic and supportive of a majority of the recommendations contained in the report. As I said, for many years we have had on record our concerns about commercial-confidence provisions in the regulation of GMOs for human consumption and in the wider community. The Democrats, as Senator Bartlett and I have stated in our additional comments to the majority report, believe that a successful gene regulatory scheme must contain two elements: firstly, community confidence and, secondly, independent information and education.

Community confidence is a varying and multifaceted phenomenon which is reliant on several factors in a regulatory system. The community, as I have said many times in this place, is naturally sceptical of GMOs. It could be seen by some as a grassroots or even a gut-felt precautionary approach—don’t worry, I do not intend to go as far as Senator Crowley did in relation to anatomy debates in this chamber—to this promising and revolutionary technology. I will never deny the dazzling potential benefits of this technology. Unlike Senator Minchin, who wishes to place such views in the same basket as those held by the flat-earthers, I believe that issues of technological change and its effective regulation will be the greatest challenge this place will have over the coming decades, and isn’t this a good but small start? The Australian people are naturally sceptical, highly questioning people—natural scientists, if you like. With greater community information, education and public awareness the days of ‘Trust me, I’m a scientist’ are perhaps long gone. Despite the attempts of the current government, we are not pretending and cannot pretend that the 1950s still exist. The Australian public requires more than the reassurances of the Ponds Institute and, unfortunately, if the regulatory system that the Gene Technology Bill 2000 currently proposes is implemented then that is what we will be given in several areas of gene technology assessment.

I want to draw specific attention this afternoon to a study, soon to be widely distributed by the Public Health Association of Australia, that shows gaping holes in and inadequacies of current assessment processes under ANZFA. Under the current system, ANZFA is responsible for assessment and approval of genetically modified organisms
for food production and public consumption. However, the food authority has no independent testing facilities to ensure the scientific validity and reproducibility of data provided in applications. The Public Health Association of Australia reviewed several applications from US based Monsanto, the agromultinational, for release of food produced from Bt-corn, roundup ready corn and canola. It was found in the applicant data that canola, when fed to laboratory rats, in one instance caused liver enlargement of up to 16 per cent, though this finding did not warrant further investigation by the company scientist. Can you believe it! Furthermore, the Bt-corn application did not contain testing of the protein, designed to rupture the guts of butterflies, moths and other such insects, on humans. So it was not tested. Nor did it test the transfer of genetic material or protein by other animals ingesting raw GM material and the possible health effects of human consumption of these animals.

Our Ponds Institute of Food Assessment will remain responsible for overseeing such application and approval under the Office of the Gene Technology Regulator, a body which is underresourced to appropriately utilise the scientific knowledge of their employees to properly assess GMOs which are being consumed by the Australian public. To add to this poor scientific assessment of GM foods, there will be no standard risk assessment processes for all GMOs under the scheme. In fact, GMOs will have to comply to very scant requirements or none at all. The Democrats are committed to environmental risk assessment processes at least to the standard of those established under the Environment Protection and Biodiversity Conservation Act. The Minister for the Environment and Heritage—and this is something the Democrats feel strongly about—must be able to assess and provide the final decision on the safety of GMOs for the environment. We maintain that this is essential to ensuring that the environment is protected from the possible adverse effects of GMOs. I note for the record the commitment given on behalf of the government by the environment minister during the original passage of the EPBC Act, when he said:

... matters that affect the environment will be referred to the environment minister for assessment and advice by that independent regulator. That will ultimately be provided for through an amendment to this legislation—in other words, the EPBC Act—when it passes in conjunction with the law that is going to be put in place to set up the new GTR. That deal was reneged upon, but I will leave that for another time.

It is fundamental for the intergovernmental agreement between the states and territories that the environment be adequately protected under the regulatory system. Without such protection, what is the motivation for participating in the scheme? To ensure public and industry confidence, would it not be more effective, for example, to impose state based legislation if the Commonwealth cannot protect the natural resources and market advantages that so many of our regional economies have in agricultural production? Linked to this is the ability for the states to opt out if it is deemed desirable for that jurisdiction. Contrary to the legal advice from the IOGTR, the Tasmanian government’s legal advice suggests that the opt-out clause is in keeping with WTO requirements. Certainly the Democrats will be moving an amendment, which we announced in June, for an opt-out clause for the states and territories. I hope that the support of the community and the minor parties in this place for such an amendment is reflected in the Senate when the time comes. The Democrats believe that a successful gene technology regulatory scheme must allow choice for consumers, and this choice is facilitated most effectively by an opt-out provision for the states with clear interests and concerns primarily in the regulation of agricultural GMOs. An opt-out clause provides domestic market differentiation and clear safe havens for GM-free production which consumers can clearly identify and place confidence in.

There are many other issues that I could raise in the chamber this afternoon, but time is against me. I strongly commend this report to the Australian public and the Senate. I put on record the Democrats’ concerns about this legislation—its loopholes, its flaws. I maintain that it is the role of this parliament to
improve that skeleton legislation. I think many of the recommendations in the committee’s report will do just that. The additional recommendations by the Democrats would do it even better. (Time expired)

Senator BROWN (Tasmania) (4.56 p.m.)—I want to add a word of welcome to this report of the Community Affairs References Committee on the provisions of the Gene Technology Bill 2000. I do not have the trouble that Senator Knowles has with the cover. I think it is bright and entices the public to open up the report and read it. This issue of genetic engineering is one which involves everybody. After all, it is an issue about the food we put in our mouths, the health of the environment around us and the sort of security that the next generation will inherit from us. I am very aware of the cutting edge thinking in the world at the moment which projects forward to try to look at the outcome of the science and technology available now to six billion human beings on the planet. Consider the writings of futurists like Bill Joy, the American thinker who predicts that, within half a century or so, if you put together nanotechnology, robotics and the innovations of genetic technology—the matter at hand here today—it is quite possible to foresee the human species being overtaken by the combined wherewithal of technology and actually becoming subsidiary to the technology we are producing. The very thought of that is beyond most of us—we just do not think about it. But we have to. More immediately, many Australians are alarmed about the prospect of genetic engineering entering the food cycle and the environment—full stop. They want to know that genetic engineering will only be used in a way which is safe.

This report has listened to the people of Australia, from the shoppers to the scientists. It is a very important benchmark in not only the debate about genetic technology but also the search for responsible laws to ensure that we make genetic engineering and its applications safe for the people of Australia and, indeed, through that set a guideline which can be taken on by people around the world who are concerned about the potential impact of genetic engineering.

The recommendations of this report, if carried through by the Senate and applied to the legislation, will give us legislation which very significantly improves on that brought forward by the government. I commend Senator Crowley for her chairing of the Community Affairs References Committee, which has brought forward this report. I have the same complaint to Senator Crowley that Senator Knowles had about bringing forward a very big list of concerns that I felt could have been incorporated into the findings of this report. I was on the other side of the fence to Senator Knowles. I think, however, we have to say—and I differ from Senator Knowles on this—that Senator Crowley has done a magnificent job in coming up with this report while trying to steer a course through these competing objections to anything brought forward to come up with this report.

In particular, I want to commend this report because it adopts the precautionary principle. The precautionary principle, which says we should not unleash technology until it is shown to be safe, was a basic outcome of the 1992 Rio conference, which brought together all of the nations and thinkers of the world to look at the impact on the environment of the way human beings are empowered through technology. It simply says—and I have got a slightly different paraphrase from Senator Crowley’s—that you do not unleash technology on the human community or on the living fabric of this planet and our 30 billion fellow creatures unless you know it is safe, unless you have a mechanism for ensuring that if things get out of hand you can haul them back. There is a very wise fear held by the people of this country about genetic engineering being unleashed in a way which is not safe, in which there are not precautions and safety mechanisms. If there is one great breakthrough in this report it is that it sensibly says—eight years after Rio—that the precautionary principle is the fundamental if we are going to apply genetic technology.

However, on the issue of an opt-out clause for those states, territories and indeed local government areas that want to be GE free, this report does fall short. The report should
have explicitly stated that where a community of people through their elected representatives says, ‘We want to keep our area GE free,’ they should be able to do so. You should not be able to have a multinational corporation walk in across the top of that and start planting GE crops or experimenting with them, as they are doing all over Australia at the moment. As a Tasmanian, I very strongly support the Tasmanian government’s opt out of the current national situation by keeping Tasmanian GE free at least for the current 12 months while an inquiry takes place down there. I hope that leads to Tasmania becoming the GE free state, if no other state or territory does it.

I add—I heard Senator Stott Despoja’s proposed amendment—that the Greens will go one step further than saying that states and territories ought to have an opt-out amenity; we should explicitly have an opt-out for local government areas in Australia as well. This is particularly taking into account rural communities which can see a niche market coming out of being able to sell to the world their produce emblazoned as GE free. In a world that is increasingly concerned about GE products they ought to be able to do that. They should not have that option taken away from them by any doubt over the power of multinational corporations which want to come in and grow their produce within that jurisdiction.

I would also like to have seen—and in our supplementary report the Greens have called for this—a five-year moratorium on the dissemination of genetically engineered crops around the country. I agree with the previous speaker that genetic engineering has very clear potential for alleviating human suffering and indeed for innovations in science which will be of advantage to the community. We are talking about medical innovation there, for a starter. But that is very different from the dissemination of genetic engineering into the environment and into the rural environment where, for example, it threatens the burgeoning organic farming community in Australia, which is largely based on families, very highly job intensive, and with extraordinary potential in the market, domestically and overseas. This needs to be protected, and it will not be protected if that part of our farming community is surrounded by agribusiness which is indulging in genetic engineering. We must ensure that those who involve themselves in using genetic engineering for profit make sure they are insured first, so that they can indemnify those people in their neighbourhood or consumers who are threatened by the potential of genetic engineering going wrong.

Those are some of the matters that I have addressed in the supplementary report, along with recovery provisions for loss and environmental harm through insurance or through a fund, and full site disclosures where genetically modified organisms are being placed. Why shouldn’t the community know about that? Of course they should. That should be explicit. That said, I look forward to the debate on this matter in the Senate, and I look forward to contributing to Australia coming up with the world’s best and safest legislation on genetic engineering.

Senator HARRIS (Queensland) (5.06 p.m.)—I also rise to take note of the report on the Gene Technology Bill 2000 from the Senate Community Affairs References Committee. The knowledge gained from genetic engineering is no doubt of benefit to mankind. It has enormous potential when it is viewed in relation to human illness, and I believe it will, in the years to come, become a substantial process by which we will be able to cope with some of the diseases we do not have answers to today. Having said that, there is not sufficient knowledge of this science, either broadly in the community—or, I believe, to some extent even in the scientific world—to give us clear answers as to what can or will happen.

The period of time that the committee had to assess this bill and take submissions from both scientists and the public was to some degree dictated by the government’s time line. So Senator Knowles’s comment that there were only three days of hearings outside of Canberra implies that in some way this investigation has been rushed. But I would like to very clearly place on record that that time frame sought to take into account the government’s requirements in rela-
tion to getting this report into this chamber and bringing the bill on.

The recommendations of the committee go to many different sections of the bill. The first recommendation on which I would like to comment is that the bill be amended so that the individual who has worked within the regulated industry or entity be precluded from holding the office of Gene Technology Regulator until the expiry of a two-year period. In our hearings around the country this point was raised on numerous occasions, and reference was made to the revolving door that would appear to contaminate the FDA, the Food Drug Authority, of America. So the recommendation of the committee is to address that issue where it could happen in Australia.

References have also been made to the transmission of DNA across the species, from fauna to flora, and also ultimately into the human body. Some examples of that are where we now have strawberries that actually contain DNA from salmon. This DNA has been transferred across in an effort to get them to produce in colder regions and thus extend the period in which they can be grown. But where does that place a person who has an allergy to fish? If they walk into their local store and pick up a punnet of strawberries, are they going to know that that has been genetically modified? There is also sufficient scientific evidence now, I believe, to suggest that DNA might possibly transfer through the wall of the intestine—something that was not considered before, but there are scientific cases where that has been assessed.

I would like to raise another side to gene technology and genetically modified food, and that is that they would hasten and escalate the possibility of corporations having ownership of the food source for the people of the world. I view that with extreme caution. During our committee sittings, evidence was put before us relating to the testing process of certain products. One issue was raised in relation to soy and another issue was raised in relation to the genetically modified cottonseed did not find its way into the food chain.

Another recommendation from the committee is that the bill be amended to require that the Gene Technology Community Consultative Group provide advice on individual licence applications made under the bill. I also believe that the Gene Technology Regulator—which constitutes a single individual or three people, as is recommended—should take into consideration concerns that are related through that community consultative group. One of the concerns raised by the group during the hearings was that the trial process for genetically modified crops in Australia may actually be used in such a way as to proliferate these crops to different areas so that there are very few GM-free areas—that may be the case even at this point in time when we are taking note of this report. The possibility that the trial process was being used in actually to bulk up seed to be used in the process of procuring genetically modified seed was also brought to the committee’s notice.

The committee also recommended that a provision in the bill requiring the regulator to accept state or territory viewpoints to prevent the release of GMOs within their jurisdiction be strengthened. As Senator Brown has also mentioned, I believe that should be extended so that, where a local council prefers, after consulting with the people in that area, to remain genetically free, the bill should also accommodate that. As well as the field trials, reference has been made to laboratory trials and the processes of ensuring that the community could be confident that none of the material from laboratory trials could get into the environment. One only has to look at the proposed facility in the inner Brisbane suburb of St Lucia, where it is proposed to have within that residential area a biotech laboratory of a level 4 stage. So the concerns that the community have brought forward have to be balanced in relation to the benefits that we can derive from this technology. I believe the report goes a long way to doing that and commend it to the Senate. Mr Acting Deputy President, if there are no other speakers to the report, I seek leave to continue my remarks later.
Leave granted; debate adjourned.

COMMITTEES
Public Accounts and Audit Committee

Report

Senator CALVERT (Tasmania) (5.16 p.m.)—On behalf of Senator Gibson, I present the following report of the Joint Committee of Public Accounts and Audit: Report No. 378: Defence Acquisition Projects; Debt Management; Plasma Fractionation; Review of Auditor-General’s Reports 1999-2000, Second Quarter and I move:

That the Senate take note of the report.

I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Membership

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

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

That Senator Hogg replace Senator Cooney on the Legal and Constitutional Legislation Committee for its inquiry into the provisions of the Sex Discrimination Amendment Bill (No. 1) 2000, and that Senator Cooney be appointed a participating member for that inquiry.

ASSENT TO LAWS

A message from His Excellency the Governor-General was reported informing the Senate that he had assented to the following laws:

Criminal Code Amendment (United Nations and Associated Personnel) Bill 2000
Petroleum Excise Amendment (Measures to Address Evasion) Bill 2000
Commonwealth Electoral Amendment Bill (No. 1) 2000
Commonwealth Electoral Legislation (Provision of Information) Bill 2000
Migration Legislation Amendment (Parents and Other Measures) Bill 2000
Renewable Energy (Electricity) (Charge) Bill 2000

TOBACCO ADVERTISING PROHIBITION AMENDMENT BILL 2000

Consideration of House of Representatives Message

Message received from the House of Representatives returning the Tobacco Advertising Prohibition Amendment Bill 2000, acquainting the Senate that the House has agreed to amendment No. 2 made by the Senate, and disagreed to amendment No. 1 made by the Senate, and requesting the reconsideration of the amendment disagreed to by the House.

Ordered that the message be considered in committee of the whole immediately.

Motion (by Senator Tambling) proposed:

That the committee does not insist on its amendment No. 1 to which the House of Representatives has disagreed.

Senator CHRIS EVANS (Western Australia) (5.19 p.m.)—I rise to speak against that proposition. I will not speak at great length, but I think it is important to respond to that. The House has rejected the first amendment moved by the opposition to the Tobacco Advertising Prohibition Amendment Bill 2000, as I understand it, on the grounds of the following advice received from the Australian Government Solicitor:

There are significant risks that the High Court will regard those provisions as invalid, at least insofar as they prohibit an advertisement which promotes a tobacco manufacturer in the context of discussions on political matters.

I also understand from media reports that the Australian Democrats will not continue their support for the Labor amendment and will be voting with the government not to insist on the amendment.

I note also that the Australian Government Solicitor’s opinion which was referred to has not been made available to the opposition. However, I would like to make three basic points. Firstly, the Labor amendment does not prohibit an advertisement which promotes a tobacco manufacturer in the context of discussions on political matters. It explicitly allows a tobacco manufacturer to place advertisements in their own name. The issue raised yesterday by the government was that
perhaps the amendment might stop a group of manufacturers getting together and placing an advertisement together, and this possibility was taken into account by the further amendment made by the opposition. The sole difference between the government’s position and the opposition’s position is that our version requires the tobacco manufacturer to advertise in their own name. The government version allows third parties to advertise on behalf of the tobacco companies—that is, to display banners and other material to promote the name of the manufacturer in exchange for the sponsorship money received. The freedom to communicate by tobacco companies is not infringed by this limitation.

Secondly, advice provided by the shadow Attorney-General makes a relevant point about the application of the Lange High Court decision to this matter. He advises that the effect of the Senate amendment would require tobacco manufacturers to identify themselves in any publication or advertisement that comments on government or political matters. The freedom of political communication is not absolute. Legislation or executive action that constrains the way in which political communications are made is subject to a test of reasonableness. The test was identified by the High Court in the case of Lange as follows:

... if the law effectively burdens that freedom— of communication— is the law reasonably appropriate and adapted to serve a legitimate end the fulfilment of which is compatible with the maintenance of the constitutionally prescribed system of representative and responsible government—

The Senate amendment would arguably not be regarded as an unreasonable restriction on the way in which tobacco manufacturers make political comment. There is ample Commonwealth precedent for the requirement that organisations and individuals identify themselves with particular political communications. It is, for example, part of the fabric of the Commonwealth electoral law that parties and individuals who wish to make political comment are required to identify themselves in a prescribed way on each occasion that political communication is made. Such a requirement is entirely reasonable, as people have a legitimate right to know the source of information and comment on political matters. This information about the source of political comment is necessary in order to properly evaluate the contribution. For this reason, it is my view that the Senate amendment is an entirely reasonable restriction on the freedom of political communication.

The third issue on which I wish to comment is the government’s claim that the legislation as a whole will be imperilled by the prospect of a challenge to section 9(1B). The act contains a detailed provision in section 4A to ensure the validity of each section of the act. This is expressly stated to apply to amendments adopted after the commencement of the act. Accordingly, even if a challenge were mounted to the Senate amendment and found to be partly or wholly invalid in relation to a particular advertisement, this clause means that no other section of the act would be impacted.

The opposition does not believe the government has made out a good case that the proposed amendment is legally defective. It certainly is not the case that if this section were challenged at some stage in the future it would impact on any other measure. I think if the government were genuine in its desire to end political sponsorships in the same way that all other sponsorships are now prohibited, it would have worked constructively with the opposition to redraft the relevant section to end this practice. The bottom line is that there was no political will on behalf of the government to end that practice, and it is unfortunate, therefore, that the bill will proceed without us successfully ending that sponsorship practice. As I say, I am concerned and disappointed that the Democrats have chosen to fold their cards, as it were, so quickly. But I accept that, unless Senator Allison has some more up-to-date information than what I have read in the press, we will not get their support to insist on the amendment.

**Senator Allison (Victoria) (5.25 p.m.)—** I want to emphasise from the start that the Democrats are totally opposed to tobacco advertising in any form. We believe there is no safe level of tobacco use and that
there is no safe level of tobacco advertising either. We therefore do not support tobacco advertising at sporting events such as the grand prix. However, we do recognise that the Tobacco Advertising Prohibition Act has banned almost all forms of tobacco advertising in the electronic and print media and that Australia has led the way in world terms in this general ban on tobacco advertising. We are therefore not prepared to take a risk that this act could be challenged by the tobacco industry due to an ineffective and, in the words of the Australian Government Solicitor, confused amendment by the ALP.

The Democrats did initially support the ALP amendment because it was in line with our own general position of opposing all forms of tobacco advertising, but it needs to be said here and understood that the ALP amendment would not have had any effect on sponsorship of political parties. It is quite disingenuous of Senator Evans to suggest that this is an amendment which would stop sponsorship of political parties. It simply will not do that. In fact, it will result in little, if any, reduction in tobacco advertising in association with sponsorship.

The amendment was provided at the last minute of the debate and amended on the floor of the Senate, and therefore there was very little time at that stage to examine the amendment in detail. However, we have since seen the advice from the Australian Government Solicitor that this amendment could leave the entire act vulnerable to a High Court challenge. Philip Morris has already challenged the act once, and the defence of this challenge cost the government millions of dollars. We think it would be irresponsible to open the door for the tobacco industry to mount a similar challenge in the future. I would also like to point out that yesterday the ALP voted against a Democrat amendment to bring forward the phase-out of tobacco advertising at sporting events. It seems that the ALP is much more interested in opportunistic political gains than reducing tobacco advertising and sponsorship. In fact, the ALP has received significant amounts of money from the tobacco industry in the past.


The CHAIRMAN—Order! I think Senator Evans needs to withdraw some unparliamentary language, please.

Senator Chris Evans—If I used unparliamentary language, Madam Chair, I withdraw.

Senator ALLISON—Senator Evans does not want to hear this, but he must do so because he has put us in this position and he needs to hear the truth.

Senator Chris Evans—You’re trying to twist and turn. You sell out, and then you come in here and try to pretend it’s the principle of the matter.

Senator ALLISON—I will repeat for the benefit of Senator Evans: the ALP amendment will have no effect on sponsorship of political parties. I want to make that absolutely clear, because he said quite the opposite a little while ago. That is going to be very misleading and it is the sort of thing that becomes the truth if you say it often enough. But it is not the truth; it is in fact completely false. This has nothing to do with sponsorship of political parties per se. The fact that the ALP is much more interested in these sorts of opportunistic political games than actually reducing tobacco advertising and sponsorship has been made clear. We need to ask the reason for that. The ALP has received significant amounts of money from the tobacco industry in the past and has made no commitment today or this week to refuse any donations in the future. If Senator Evans were serious about sponsorship and stopping political advantage from receiving tobacco money, I would have expected that a simple announcement today to the effect that the ALP will no longer receive such sponsorship would be perfectly in order. But we have not heard that from Senator Evans and we are not likely to.

In the 1998-99 financial year, the Labor Party accepted donations of $53,060 from Philip Morris and $73,500 from British American Tobacco. During the same period, the coalition accepted $104,050 from Philip Morris and $35,000 from British American Tobacco. Unlike both of the major parties, the Democrats have never accepted any money from the tobacco industry. Nor have I
accepted tickets, Senator Evans, to go to the grand prix and be part of the tobacco industry’s box at the grand prix, but members of the Labor Party have done that. I hope that both major parties will now give a commitment to refuse all donations from the tobacco industry in the future. This is really the only way that the Australian public can be confident that its elected representatives will not be influenced by the power of the tobacco lobby, and that is the key. The Democrats remain steadfastly opposed to tobacco advertising in all its forms and will not support an amendment which leaves Australia’s current general ban on tobacco advertising vulnerable.

Senator TAMBLING (Northern Territory—Parliamentary Secretary to the Minister for Health and Aged Care) (5.30 p.m.)—The government accept this bill, as it is now, without the amendment previously passed in this chamber. I remind senators that the government have negotiated with both the ALP and the Democrats on this bill. Several changes have been made as a result of this. We have brought forward the date after which no new events will be given an exemption, and we have agreed to provide an annual report on the exemptions granted and infringements of the terms of those exemptions. Our objective since announcing our intention to change this act and since introducing this bill in May has remained simple: to remove all remaining options for tobacco advertising in sport. Much has been said in the past couple of days about the possibility of changing the act to end sponsorship of political events. The amendments proposed by the ALP would have done nothing of the sort. If the ALP want to do something about sponsorship of political events, they should turn their attention to the Electoral Act. The amendments would have been a worthwhile addition to the legislation, that it would have closed a loophole in terms of the sponsorship by tobacco companies of political parties’ events. But the Democrats have chosen to fold on that issue. That is for them to explain, and I suspect Senator Allison will have to do better than she has done today.

The key issue from the point of the public debate is that the parliamentary secretary ought to table the Solicitor-General’s advice. The message from the House of Representatives, as I understand it, is based on the Solicitor-General’s advice. Again, the Democrats have been in the privileged position of being consulted and shown that advice. It is not an opportunity that other members of this Senate or parliament have received. I do not know whether, while they were being shown that advice, the minister ordered in some Yellowglen and they celebrated their deal at the taxpayers’ expense. But I think the minister does owe it to the Australian public and to this chamber, if we are being told that a motion carried by this chamber is to be rejected on the legal advice of the Solicitor-General, that we have access to that advice. Why should it be only the government’s close friends and the Democrats who are allowed to see that advice? Why can’t the Australian public see it? Why can’t other senators and parties represented in this place see that advice? As I said, I do not want to prolong this debate overly; I can count. But I urge the minister to make available that advice and give this chamber the courtesy of...
seeing the advice that he says so explicitly requires this chamber to reject this amendment.

The CHAIRMAN—The question is that the motion moved by Senator Tambling, that the Senate does not insist on its amendment No. 1, be agreed to.

Senator CHRIS EVANS—I would ask the parliamentary secretary to at least have the courtesy to respond to me as to whether or not he will table the advice. I assume his silence means no, but I expect the courtesy of him at least advising me of that.

Senator TAMBLING (Northern Territory—Parliamentary Secretary to the Minister for Health and Aged Care) (5.35 p.m.)—I thought the government had made it very clear in the course of this debate that there were a number of legal opinions that were given, particularly with regard to the amendments that were proposed earlier by the Labor Party, and that earlier advice had been made available. But we can go on tracking, ticking and tacking about each and every occasion. I think the intent of the proposals, as sent back from the House of Representatives, has been made very clear at this stage. I do not propose to table any further advice.

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

The committee divided. [5.40 p.m.]
(The Chairman—Senator S.M. West)

Ayes............ 40
Noes............ 26
Majority........ 14

AYES
Bourke, V.W.  Calvert, P.H.*  Chapman, H.G.P.  Campbell, I.G.  Coonan, H.L.  Ellison, C.M.
Eggleton, A.  Ferris, J.M.  Greig, B.  Heron, I.J.  Knowles, S.C.  Gibson, B.F.
Murray, A.J.M.  Patterson, K.C.  Reid, M.E.  Stott Despoja, N.  Tchen, T.  Tierney, J.W.
Trotten, J.M.  Watson, J.O.W.  Vanstone, A.E.  Woodley, J.

NOES
Bishop, T.M.  Brown, B.J.  Campbell, G.  Collins, J.M.A.  Cook, P.F.S.  Crossin, P.M.
Denman, K.J.  Forshaw, M.G.  Hogg, J.J.  Ludwiw, J.W.  Mackay, S.M.  O’Brien, K.W.*

PAIRS
Campbell, G.  Cook, P.F.S.  Crossin, P.M.  Coonan, H.L.  Crowney, B.C.  Faulkner, J.P.

* denotes teller

Question so resolved in the affirmative.

Resolution reported; report adopted.

MIGRATION AMENDMENT REGULATIONS 2000 (No. 5)

Senator McKIERNAN (Western Australia) (5.44 p.m.)—I seek leave of the Senate to move the disallowance motion that I gave notice of earlier today, together with the disallowance motion listed for consideration at this time.

Leave granted.

Senator McKIERNAN—I move:


I have moved these disallowance motions because I believe the introduction of measures that will completely change a system that, by all accounts, is working reasonably well is a disproportionate response to what is really little more than an urban myth about
rorting. The minister announced some weeks ago that the domestic violence provisions in the Migration Amendment Regulations would be changed dramatically. Under the spouse visa category regulations, a person who wishes to be considered for permanent residence in Australia following a marriage must usually demonstrate to the Department of Immigration and Multicultural Affairs that they have been in a genuine and continuing relationship for two years. However, the migration regulations allow someone whose relationship has ended within that two-year period to be granted permanent residence if the relationship ended because of domestic violence.

According to DIMA, there is anecdotal evidence that particularly women from certain countries, including the Philippines, Thailand and Russia, are abusing these provisions. Whilst the department admits that this abuse is minimal, it believes the problem warrants amending the current regulations to tighten the domestic violence evidentiary procedures. At present evidence of domestic violence leading to the granting of permanent residence outside the two-year waiting period can be provided in a number of ways. These include the provision of two statutory declarations by competent persons—such as doctors, police, social workers, women refuge workers and psychiatrists—or a final domestic violence order issued by a court. The department recently completed a report evaluating the domestic violence provisions of the regulations to examine their effectiveness in providing and determining the level of abuse. The department’s evaluation report recommended that a system of assessing claims of domestic violence be replaced by an assessment by the Centrelink social work service as an independent service provider. As I said earlier, the new regulations were tabled on 3 October and will become effective today. Once the regulations become effective, only the Centrelink social work service, as an independent service provider, will assess claims of domestic violence. The department will retain discretionary powers over Centrelink’s assessments. Under the current regulations, DIMA does not have this final discretion and we think it is very dangerous to move down the path that the minister is suggesting. Under the regulations, DIMA will require Centrelink to provide a report on each domestic violence claim. The report must include a history of the domestic violence suffered by the applicant and committed by the perpetrator and an assessment of the risk to the applicant’s safety.

DIMA officers have raised concerns that court orders do not provide satisfactory evidence that domestic violence has occurred, because a substantial number of orders are issued without any evidentiary hearings. Further, the officers of the department have identified a number of concerns with statutory declarations. Those concerns include that they are sometimes provided after a court has refused to make an order; that applicants can shop around for evidence; that there are indications that some 54 per cent of the declarations are being provided after a single interview; and, further, that the sponsor does not have the right to contest the allegations. I can recall the very heavy debates that were had within the then government migration committee on those provisions when those provisions were brought into being in 1991.

DIMA officers are also concerned that the range of competent persons able to provide statutory declarations as evidence of domestic violence include women’s refuges and crisis centres—places that women who are in a domestic violence situation actually go to in the first instance; they know of nowhere else they can go. So it is an odd recommendation indeed to remove that particular area of collecting evidence. DIMA’s evaluation report comments that this group is too subjective in its assessment of whether domestic violence has occurred.

The evaluation report also claims that the way the group of competent persons is structured and defined allows almost any person with decision-making responsibilities to provide statutory declarations, regardless of their opinions and qualifications. That is not my reading of the current provisions, which indicate that it is doctors, police, social workers, women refuge workers and psychiatrists. There is a whole number of
others that possibly could have been added to a list such as that.

While the report indicates that there is minimal evidence of misuse of the current provisions, it nevertheless recommends that the evidentiary system be changed to allow Centrelink’s expert social work staff to determine domestic violence claims. I have no comment—certainly no negative comment—about Centrelink’s expert social work staff. I know of a number and have come into contact with some of them through my work from my electorate office, and I hold them in great stead. But the great fear I have on this is that they are not necessarily the final arbiters in this matter.

From the opposition’s point of view, we have further arguments against the new regulations that the minister has sought to bring in. The report commissioned by the government acknowledges that misuse of the current system occurs only in a small number of cases and that anecdotal evidence by DIMA officers appears to be a weighty factor in the decision to amend the regulations. I would suggest that in the small number of cases where abuse can be identified to have occurred they be addressed in that area. If it is in the area of statutory declarations, I am sure that can be tightened up—rather than going out and cracking the nut with a sledgehammer.

Despite the fact that under the proposed changes Centrelink is considered to be an independent assessor of domestic violence claims, DIMA will retain discretionary power to overturn any Centrelink decision—and we are concerned about that, as I said before. We are further concerned about the independence of Centrelink, which is after all a government department, an instrumentality of government, and how information about benefit payments obtained by social workers assessing domestic violence claims may be used. It is unclear whether Centrelink social workers will receive appropriate training on these regulations prior to commencing assessments.

When compared with the range of competent persons permitted under the current regulations, Centrelink’s assessment system may not be as accessible to migrant women in rural and remote areas. Here I draw attention to the number of spouses who come into Australia, properly sponsored, and move into rural and remote areas, particularly to those towns that service the mining industry like those in states as big as Western Australia. I have not checked the information and am not certain of the number of Centrelink offices located in the Pilbara and Kimberley regions of Western Australia, but I know there is one in Kalgoorlie and that services a huge area of the goldfields.

In small communities the Centrelink worker assessing domestic violence claims is likely to be known to the woman or to the perpetrator. Concerns have also been raised about the fact that the regulations require a woman to self-identify to the department that she has experienced domestic violence. It is difficult, particularly for some nationalities, to raise with counter staff an instance where sexual abuse has occurred as well as domestic violence. We in the opposition have received numerous representations from the community about this provision, which was made known to us early last month. For this reason, we move these disallowance motions here this afternoon. We believe that the measures that have been proposed by the minister to change these regulations are really like using a sledgehammer to crack a nut; it really is overdoing things. If there is evidence of rorting and abuse of the system, it should be tackled at that particular point in time and should not involve throwing out the baby with the bathwater on the way through.

In conclusion, I personally regret not being able to take advantage of an offer of a briefing on this matter from the department. I was out of the country until last weekend and other pressures did not allow me to take advantage of that. I wish I could have taken up that opportunity. Nonetheless, I doubt it would have changed my views from those I have espoused here in the chamber this afternoon. I commend the motion to the chamber.

Senator BARTLETT (Queensland) (5.55 p.m.)—In considering this disallowance issue, it is worth outlining in a bit of detail, as Senator McKiernan has just done, some aspects of the system that this issue surrounds
in terms of assessing domestic violence in cases where people are on temporary visas. Currently, people who enter Australia on a spouse or independent visa or who marry and seek permanent residency must stay married for two years or the conditions of the visa are seen to be broken. That is a reasonable provision in general.

In an effort, however, to ensure that people who were in a situation of domestic violence were not required to stay in that violent situation simply so they did not break the conditions of their visa, a provision was introduced which allowed people to stay on and seek permanent residency if they left a genuine spousal type of relationship for reasons of domestic violence. Under the legislation, a person is deemed to have suffered domestic violence when they can provide evidence of such. This evidence is taken to be a stat dec by a competent person, a court injunction or a court protection order. This amendment that we are debating and considering disallowing today sought to change the definition of evidence by placing the assessment of domestic violence in the hands of Centrelink. They would be contracted to assess domestic violence by interviewing the applicants and providing an assessment to DIMA within a three-week period.

The issue with this decision rests with the legal status of the evidence. Currently the evidence is taken as legal proof if it meets the criteria that I outlined before. In such circumstances the department of immigration has no discretion to decide whether the person suffered domestic violence; it only has discretion to decide whether the relationship was genuine at the time of the original application, which is also an important matter to consider. If those evidential requirements were met, then the department has no discretion and has to accept that the domestic violence is genuine. The new regulations change that. The Centrelink report compiled by a social worker would be prima facie evidence only and DIMA would make the final decision as to whether domestic violence occurred. Concerns about this aspect were raised with me and my office by a number of groups in the community who deal with domestic violence victims in precisely this situation. The Democrats share the concerns that they raised.

The issue in this sense is the expansion, if you like, of discretion on the part of departmental officials. There is a concern that this discretion may be exercised in a way that makes it harder for some women to have their domestic violence situations verified as genuine. Obviously, no-one can say for sure that that is what will happen because it is a discretionary thing. We will have to wait and see how the discretion is exercised. But clearly that is a concern. If part of what is driving this change is that there is some degree of rorting out there, some degree of false claiming of domestic violence, and there is a need to tighten the assessment to catch that rorting, then it is reasonable to assume that the discretion is being exercised from a starting point of believing that there is some significant degree of misuse of this provision.

The report that led to these regulation changes, which Senator McKierman has just referred to, does not identify that there is significant rorting or misuse of the system, and I think those people who work in the community with people who put in applications to the department on the grounds of domestic violence would be the first to weed out rorters. They are very underresourced, overworked, stretched organisations, and the last thing they want to do is waste their time with people who are not genuine. Obviously, women who have experienced domestic violence are often in very vulnerable situations and need significant and urgent assistance. The last thing you want when you need to help a woman in a desperate situation is to have your time diverted by people who are not genuine. I believe that the community sector itself would play a big role in keeping any misuse down to a very low level.

When concerns were raised with my office and me by a range of community organisations, legal centres, et cetera, my staff approached the minister’s office, and the department was able to get a briefing with a number of departmental staff and ongoing assistance from various people to clarify some of the concerns that both the Demo-
crats and groups in the community had. I thank the department and ministerial staff for their efforts in that regard. A fair degree of time was put in trying to explore the possibilities there. Obviously, we are politicians in this place so we engage in politics. But it is important to also remember that part of the role of a politician is legislation, being a legislator and trying not to let the political atmospherics of things impede our ability, our opportunity and indeed our duty to examine the proposed legislation that comes through this parliament to see whether or not we can end up with the outcome of better legislation than was there before.

Because of the concerns we have about the potential use of these new provisions, the Democrats are not able to support this part of the regulations as it now stands, so we will be supporting these disallowance motions. I am disappointed that the opportunity to explore ways of addressing the concerns raised and to end up with an outcome that is better than what we have now will be lost as part of our supporting that disallowance. I believe there was a window of opportunity there. These provisions come into force from today. Obviously, it is neater, cleaner and better to have a decision about whether to proceed with them before they come into force rather than down the track, although I believe that a week or so would not have caused major disruption. Nonetheless, I recognise there is an argument that doing it now, if it is going to be done, is cleaner and better. But I believe there would have been an opportunity to make improvements.

Whilst the level of evidence required in the current system works reasonably well in terms of providing a clear benchmark for deciding outcomes, I think there is potential for an increase in the length of time taken for departmental staff to reach such decisions—if it takes time to collect all that evidence, which it sometimes does. In my discussions with community organisations, the length of time that it takes to make determinations about these matters is a concern about the existing system. In some of the discussions the Democrats had with departmental people about this issue, the length of time and the ability or the potential for this new system to reduce the time that it takes to make determinations were put forward as reasons why this change was being made. That is obviously an attractive proposition, if it would cut the time down.

I would say that the report to which Senator McKiernan and I have referred which led to the consultations that led to these regulations being proposed did not address the issue of the length of time things currently take, as I read it. In that sense, whilst it is an important issue, I think the suspicion of many people that these changes were driven more by perceptions about cracking down on rorting than by speeding up the process is reasonable. Nonetheless, in negotiating with the government, there may have been opportunities to alleviate that suspicion or make changes to prevent that suspicion from being carried through in terms of the implementation of the measure. The length of time that it takes for people’s claims to be assessed is always an important issue in any circumstance. When people apply for anything, they almost always prefer a quicker decision. But, particularly in a circumstance where you have a woman fleeing domestic violence, the longer she is in limbo—if she is in a refuge or something and unsure of her situation—the greater the pressure can be on her to return to that relationship and to that unsafe situation. So length of time is a significant issue.

Obviously disallowing these regulations is going to leave us with the status quo, and in terms of length of time the problems that exist now will continue. I am not saying that I am convinced that these regulations would definitely have resulted in a reduction in the length of time. It is feasible to see how having to refer it to somewhere else and then having it come back again to be finally determined by a DIMA officer could actually lengthen the process and put a step in. That is an argument and a perception people could have. Again, I am sure the government would say that it would operate in a different way—and Senator Patterson probably will say that it would operate in a different way—and would have sped the process up. The difficulty when we are in this situation is that we do not know until it is in place and, once
it is in place, particularly with regulations, it is too late. Again, we are in the situation where we cannot amend regulations and we cannot add extra safeguards to address some of these concerns. We can either accept them as they are or knock them out.

The third path is to raise the concerns and the potential of knocking them out and, through discussion with the government, see if variations can be agreed to that would address the concerns. Again, there was a window of opportunity there. It may not have been a terribly big one—I do not know—but you do not always get windows of opportunity to make improvements to things, and it is unfortunate to miss those opportunities. Having said that, the concerns that have been expressed by people who work with domestic violence victims are certainly genuine and they are, for the most part, soundly based. The coalition government’s approach on women’s issues and their record in recent times is of reasonable concern to many in the community, more broadly than just to the people who work with domestic violence victims.

I am not talking about areas of the migration portfolio; I am talking predominantly about other areas—certainly, the downgrading and reduced effectiveness of the Office of the Status of Women. Other actions have been taken by the government to reduce women’s rights: not supporting United Nations conventions on those issues, changes in the funding of women’s organisations and a whole range of issues that are in many ways outside this debate. For many in the community, the actions of the Howard government on women’s issues have been very poor, and this, quite rightly, concerns many women and men in the community. It is certainly of concern to the Democrats. Their record on, and their approach and attitude towards, women’s issues is informing and affecting the perception of community organisations—and, in this case, people who work with domestic violence victims—as is the difficulty these people have in believing that a genuine concern for the women who suffer domestic violence is what is driving this change.

I am not saying that I necessarily believe there is in this change specifically an agenda of attacking women’s rights or making it harder for domestic violence victims. There may be; there may not be—I do not know. I have not perceived any evidence of that in my dealings with the department. I would simply comment more broadly that perceptions of the actions of other ministers in relation to other women’s issues are a possible contributory factor to groups in the community having a bit more trouble trusting the credentials of the government on this issue.

I should mention also, just for the record—as I have before in this place—that one of my occupations before becoming a senator was as a social worker in the then Department of Social Security, before it became Centrelink. I do not make any comment one way or another about the adequacy of social workers. I think the vast majority of them in Centrelink would be very capable and well placed to assess domestic violence issues. One of the ironies of this situation is that, in many cases, it would be reasonable to assume—with no reflection at all on the DIMA staff who make these determinations—that a social worker would be more likely to have better training in and understanding of domestic violence issues than a DIMA officer who processes visa applications. In that sense, it is ironic that bringing a profession that is more likely to be fully conversant with domestic violence issues into this process is seen as a bad thing. Of course, one of the reasons why that is still problematic for people is that, even though a social worker may make an assessment, it is still the DIMA officer that makes the final decision. That is why it is not necessarily enough to have a social worker in there. Again, in saying that, I do not reflect on the departmental staff per se.

I suppose there are also issues of the accessibility of Centrelink social workers in various areas—as has been raised—and particularly in more remote areas. But the vast majority of social workers in Centrelink—if not all—would be capable of making good assessments in this area. It might be a bit disconcerting for people to think that one day they might end up stuck with someone like me in Centrelink but, apart from me, people who are qualified social workers would be
good at making those assessments. Concerns that the Democrats have with this change should not be seen as a reflection on the ability of social workers, and I know the opposition has said the same thing.

There are clearly potential problems with these changes. The Democrats have put a fair bit of time—as have people from the departmental side of things—into trying to work through those. It is unfortunate that we were not able to reach a satisfactory outcome on that before the regulations came into force. I recognise the opposition’s view that it is best to disallow these before they become operational and, in that context, the Democrats will support this disallowance, which would say to the government—if they are interested, which is up to them—that we are willing to continue to work with them to see if changes can be made in future that are acceptable to community organisations and people who work with domestic violence and that will improve the current situation.

In saying that, I would signal that any changes would need to have the clear support of most of those who work in the domestic violence area before the Democrats would be in a position to support them. People that work on an issue day in, day out at a community level are usually best placed to give an accurate picture of how things are working and how things are affecting people. Their perceptions and views on any future changes would be very significant in terms of influencing the Democrats’ position. But we are still willing to consider in the future any other changes that the government may be wanting to put forward—if they so choose; obviously, that is a decision that they would need to make themselves.

Senator Patterson (Victoria—Parliamentary Secretary to the Minister for Immigration and Multicultural Affairs and Parliamentary Secretary to the Minister for Foreign Affairs) (6.15 p.m.)—The government is disappointed that the Labor Party has seen fit to move the disallowance of item [4108] of Schedule 4 of the Migration Amendment Regulations 2000 (No. 5), as contained in Statutory Rules 2000 No. 259. As has been pointed out by the two previous speakers, the rule deals with the sensitive issue of domestic violence. The new provisions were designed to provide a faster, more simple, more consistent and professional approach which is more supportive of genuine applicants and more impervious to abuse. There has been a comment about whether this is being driven by a perception that there is an abuse of the system. Over the last two program years there has been almost a doubling of the number of applicants. Either there is abuse of the system or there is a very serious increase in domestic violence in these particular populations. Either way, we ought to know about it, and either way we would be better able to assess that if Centrelink social workers were involved. Senator Bartlett has indicated that Centrelink social workers would be more appropriate than some of the other options that exist now. It is indicative that something needs to be done.

I know Senator McKiernan has apologised for not accepting a briefing, but the regulations have been around for a while and there is a shadow minister responsible for this area who has not accepted offer after offer of a briefing on this issue. It is an issue of concern to all of us. If we are being fair dinkum about it, the shadow minister should have accepted the briefings. I accept that Senator McKiernan was overseas—I do not know whether he was overseas for a month—but the offers have been going on for a while. The shadow minister has a responsibility, not just the person who takes it through this place. I want to say to the shadow minister that it would assist the process. As Senator Bartlett said, we are here as legislators. It is all very well to be political, but we are legislators as well and there is a serious issue of concern here: either people are abusing the system or there has been a dramatic increase in the number of people who are exposed to domestic violence in this category. One way or the other, as I said, we need to know more about that and be able to deal with it more speedily and more appropriately.

The provisions would have given a great level of consistency and certainty to people in abusive relationships who wanted to establish their right to remain permanently in Australia. Senator McKiernan said that he did not know how widespread this was or
what happens to people in remote and rural areas. The aim of this was to guarantee the same level of service to applicants wherever they live in Australia, whereas the current provisions favour those who live in cities and have access to refuges and other metropolitan facilities. As I said, there has been an increase in the number of people applying under these categories. We had a recent evaluation, which was referred to earlier, which pointed out shortcomings in the system and made recommendations to improve it. The regulations would have eliminated the need for a lengthy paperchase under the old document based assessment system. When the minister attended a Women speak out meeting in Sydney there were representatives of women’s groups there who acknowledged that there were too many delays in the old system—the system that we will now have after we vote. The new process would have involved a 15-working-day turnaround on the assessment of domestic violence claims, which would have substantially reduced the current average visa processing time of about five months. These people claim they have been subjected to domestic abuse and this old system adds another strain—waiting for up to five months to find out whether you are able to remain in Australia permanently.

The new provisions would have allowed the person who had suffered the violence to establish their claims by talking to a professional social worker in a private interview with an interpreter if necessary. They would have been able to provide statements or any other documents, including legal documents, to support their claims. For those applicants whose lack of English or limited social contacts made it hard for them to find the right people to assist them, under what was to be the new process there would have been no compulsion to furnish documents. The evaluation report noted that it was possible for people to shop around for evidence. This situation arises under the old regulations. A departmental officer had to take at face value any evidence provided and could not assess its validity, so the officer was not able to go behind the documentation. In one case, a person refused a court order was able to obtain two statutory declarations with the result that these documents effectively took precedence over the court findings. In another case, a magistrate refused a court order because the applicant had moved interstate and had, therefore, effectively removed herself from the danger. The evaluation proposed a simple and effective solution to the problem utilising the services of the Centrelink social work service.

Senator McKiernan asked about training. As we know, Centrelink operates an Australia wide agency that employs professional social workers who are skilled in handling issues such as domestic violence. But he asked the question: would the staff have the appropriate training? Senator Bartlett indicated, from his own personal experience, the professional level of those social workers, and the department has been involved in a training program with these very regulations in mind. I hope that we think carefully about the cost of training Centrelink officers, the cost of putting together the forms, the cost of translating the forms, et cetera. Centrelink has 420 sites and 23 call centres across Australia, including in remote, regional and metropolitan areas, and employs 500 social workers.

As a Commonwealth government agency it is open to scrutiny by the parliament, and its practices and procedures are publicly accountable. It would have been able to provide the Department of Immigration and Multicultural Affairs with speedy and consistent assessments of residents’ claims of domestic violence. One of the other things we ought to be looking at, whether somebody making a claim lives in a remote area of Western Australia or whether they live in metropolitan Sydney, is that there should be as much consistency as possible in assessing the claim. People should get the same outcome whether they live in a remote area or in metropolitan Sydney or Melbourne. It is important that we try to ensure that the decision making is as consistent as possible to be fair to all people making these sorts of applications. Centrelink would also have been able to provide valuable services to people who are victims of domestic violence, including personal counselling and support; information about other government or community services such as housing, health and legal
assistance; and direct referrals to other services provided by Centrelink or other agencies. This is not the sort of assistance that you might necessarily get from the person from whom you are seeking a statutory declaration.

It has been suggested that the new provisions would enable DIMA officers to ignore the Centrelink report on domestic violence. I do not think that argument holds—nothing could be further from the truth. The minister would use powers under the Migration Act to direct DIMA officers to give the Centrelink report its proper status in accordance with the law. And he would direct that, if DIMA officers received information subsequent to the Centrelink report that would lead to a different assessment from that of Centrelink, his department go back to Centrelink to ask for a further report. The whole point of the scheme is that DIMA officers would not be acting unilaterally and would act on the Centrelink report. The whole process would be open to independent review by the Migration Review Tribunal. All the benefits of these regulations will go, because it is obvious that the Democrats and the opposition are going to disallow the regulation.

I would ask that Senator McKiernan go back to his shadow minister, ask that he participate in a meaningful dialogue—as Senator Bartlett has agreed to do and has attempted to do; had he had more time, I think we may have come to some arrangement that would deal with this problem—and remind him that there has been a doubling in the last two program years. There are two reasons fuelling this situation: an increase in appropriate applications and/or an increase in domestic violence. Whichever it is, we ought to know and we ought to be dealing with it, and I would ask that the Labor Party consider that. When we put up another set of regulations and there is an offer of consultation, I suggest we do consult, because we need a system that is speedier, more consistent across the country, involves professional people, offers assistance to those who genuinely are in a situation of domestic abuse and reduces the opportunity for people to rort the system. I regret that the regulations will be disallowed, but there is nothing more I can add, and I do not think anything else I could add would change people’s minds.

Senator McKiernan (Western Australia) (6.26 p.m.)—I will be very brief in response—I only want to deal with a couple of issues. In regard to the parliamentary secretary’s last comments about consulting with the opposition on these matters, we are more than happy to undertake those consultations. It was a bit difficult on this particular occasion. I have given a personal explanation as to what has happened with me. It is true that I was not overseas for one month, but I have undertaken a tremendous amount of other work in that period of time while I have been in Australia, and while overseas it is also very difficult to undertake that work. But the door is always open for opportunities to attack and to look at a system which has been rorted and abused. At this stage, regrettably, we have not got the numbers on the alleged abuses.

On the matter of why we are doing the disallowance today—which I think Senator Bartlett addressed in part because of the negotiations that were going on with him—we were very mindful of an earlier disallowance of regulations dealing with the sponsoring of parents into the country a couple of years ago when the disallowance motion on those new parent categories was not moved for some period of time after the new regulations came into being, and the regulations were subsequently disallowed. In that period of time, a number of people had made applications on behalf of their parents, creating a new category of people. What we are doing today by moving on the new regulations the day they were supposed to come into operation hopefully will obviate that problem of having two different categories of people who would have to be treated differently. One would hope that not too many people entered this new regulatory system first thing this morning; a system which, after this vote, probably will not be in existence.

The matter of the training of Centrelink officers was something I referred to in my earlier contribution. I think I was quite laudatory of the officers that work in the Centrelink offices. I accept what the parliamentary secretary has said about the addi-
tional training being given to these people to
deal with the particular provisions of domes-
tic violence. I accept all that but, in accepting
all that, I then wonder why there is an addi-
tional provision to give the department a dis-
cretionary move over the top of those Cen-
trelink reports afterwards; why there is a
need for that if you have got these very
highly skilled, very committed, very dedi-
cated people who are in that position now. I
commend the motions to the chamber.

Senator Patterson—Mr Acting Deputy
President, I would like an opportunity to re-
spend to one thing that Senator McKiernan
said.

The ACTING DEPUTY PRESIDENT
(Senator George Campbell)—I am sorry,
Parliamentary Secretary. The debate is
closed.

Senator Patterson (Victoria—Par-
liamentary Secretary to the Minister for Im-
migration and Multicultural Affairs and Par-
liamentary Secretary to the Minister for For-
eign Affairs) (6.29 p.m.)—I seek leave to
make a short comment.

Leave granted.

Senator Patterson—Thank you. I
just wanted to reply to what Senator
McKiernan said. I have now almost forgotten
the argument I was going to put.

Senator Carr—Sit down.

Senator Patterson—I do not need
your help, Senator Carr. Senator McKiernan
said that the DIMA officers could overrule
Centrelink. What I said very clearly was that
if additional information was to come to the
DIMA officers they would go back to the
Centrelink social workers to look at it again.
I think that needs to be clarified.

Question resolved in the affirmative.

INDIGENOUS EDUCATION
(TARGETED ASSISTANCE) BILL 2000
In Committee

The TEMPORARY CHAIRMAN
(Senator George Campbell)—The com-
mittee is considering the Indigenous Educa-
tion (Targeted Assistance) Bill 2000 and
amendments Nos 1 and 2 on sheet 1996
moved together by leave by Senator Carr.

Senator Carr (Victoria) (6.31 p.m.)—
Mr Temporary Chairman, I notice that there
is no-one here from the government able to
deal with this matter. This is, yet again, re-
markable, I notice there are no officials
available. I trust that they are on their way. I
am pleased to see that the departmental offi-
cials are now entering. It is a pity the minis-
ter is not here.

Senator Lightfoot—Mr Temporary
Chairman, I understand that Senator Ellison
is on his way.

Senator Carr—Do you want to call a
quorum, the standard procedure here? (Quo-
rum formed) It is very good to see that the
government are now ready to deal with this
matter. I trust that they are.

Senator Ellison—We always were.

Senator Carr—That is good to see. Be-
fore the lunch break we were discussing the
Indigenous Education (Targeted Assistance)
Bill 2000. The concerns that the opposition
has with this bill go to the issue of whether
or not appropriate accountability mecha-
nisms have been put in place to ensure that
considerable sums of public moneys are in
fact spent in accordance with the purpose for
which they have been appropriated—namely,
to improve what is truly an appalling situa-
tion in regard to indigenous education in this
country.

The points that were being made went to
some statistical examples of just how deep
the levels of disadvantage are in this country.
I asked the minister a series of questions that
went to the fact that 32 per cent of indige-
nous students were staying on to year 12; for
the rest of the country it was something like
73 per cent. Sixty-eight per cent of indige-
nous students were not completing school,
and that was of course a much higher rate,
particularly indigenous boys. With literacy
and numeracy it remains the situation that
only four per cent of the year 5 students in
the Northern Territory, for instance, were
meeting national benchmarks. The pass rates
in vocational education were something like
27 per cent lower than those for the VET
students as a whole. The number of indige-
nous students engaged in higher education at
research levels was at 0.6 per cent.
The minister corrected me on that. He said, ‘No, you’re wrong.’ The only statistic he mentioned I was wrong on was the number of students who stayed on at school until year 12—not completing year 12 but actually attending year 12. I said 32. He said, ‘You’re wrong. It is 34.7 per cent.’ With that startling revelation I take it that the other statistics that I have used are now being confirmed by the government. It strikes me therefore that the issue at the heart of this matter is whether or not sufficient attention is being given to ensuring that the moneys appropriated by this parliament are properly spent by the states. This ought to be our central concern.

The minister also said before lunch that the reason there had been changes in the bill from the previous act was that the government was in search of modernity. He said that it was a more modern means of administering public moneys to take out of the bill a whole series of measures—quite important measures—and put them into the guidelines; for instance, how much money was going to individual students, a pretty fundamental question I would have thought. He says the government is doing this because it is in search of modernity. I tell you what: in this country one thing that is not particularly modern is the avoidance of responsibility in regard to education, particularly for indigenous students. I put it to you, Minister, that this has nothing to do with modernity; this is an attempt by this government to actually avoid accountability and parliamentary scrutiny.

Presenting to us this morning 31 pages of guidelines which the minister says he cannot table but can give to us on the quiet suggests to me that there is a deep problem here in the way the government is approaching this bill. The fact that it has taken so long to get here, is part of a general package of bills—now up to 10 bills—and is crammed up at the end of the parliamentary session further suggests to me the government is not anxious to examine the detail of these measures. Minister, since we have had so much time, is it now possible for you to give me an answer to the questions I asked you this morning which you took on notice?

Senator ELLISON (Western Australia—Special Minister of State) (6.38 p.m.)—I will check and see where the answers to those questions are—those that I did take on notice. When we were last looking at this in committee Senator Carr moved his amendments, by leave. I just place on the record that the government will be opposing those amendments—just for the sake of neatness, if you like. I will now check and see where those answers are.

Senator CARR (Victoria) (6.39 p.m.)—Minister, while you are doing that, can you also establish for me why it is that this act is being replaced. You have said that it is because of modernity—I am troubled by that, frankly. This new bill replaces the old act and one presumes that all grants under the old act will no longer apply, with the exception of one—that covered by section 13(b) of the old act which goes to the appropriations and which I understand will continue through to 30 June 2001; that is, funds for assistance under 13(b), appropriation for 1 January 1993 to 2001. These figures include moneys from the consolidated revenue fund for a whole series of purposes under that section and I am wondering whether it is necessary to actually have provisions in this bill to repeal the old act—or is it the case that this automatically flows on; that this appropriation automatically applies?

Senator ELLISON (Western Australia—Special Minister of State) (6.40 p.m.)—As I understand it, Senator Carr is saying that we have these appropriations in the current legislation but not in this bill and is asking if it is the case that they will continue. Having taken some instruction from advisers on that, the initial advice seems to be that this is repealed. However, I give that advice to the committee with the caveat that that will have to be checked. We can get that information from the departmental lawyers. It would seem from initial advice that this would be repealed, but that is subject to confirmation.

Senator CARR (Victoria) (6.41 p.m.)—It is quite apparent then that we will need to have this matter held over until that advice is received. It would seem to me that this is quite a substantial issue—that is, if the act is being repealed and yet there are outstanding
appropriations, under what authority is that appropriation continued? Because—and I repeat this—13(b) does appear to me to suggest that there is a continuation of moneys appropriated under the consolidated revenue fund through to the period of 30 June 2001 on which authorisation is based upon the Indigenous Education (Supplementary Assistance) Act, as I understand it was then known. Is that the case, Minister?

Senator ELLISON (Western Australia—Special Minister of State) (6.42 p.m.)—We will have to hold that matter over, Senator Carr. Could you repeat what you were saying about the other matter that you raised?

Senator CARR (Victoria) (6.42 p.m.)—The other matter I raised was in relation to the questions that you took on notice this morning and that you were going to come back to me on. Do you have a response to those yet?

Senator ELLISON (Western Australia—Special Minister of State) (6.43 p.m.)—I understand that inquiries were made in relation to the questions asked about the guidelines and the issuing of the guidelines. I am advised that, as these guidelines are only a draft—they were not scheduled for completion until the bill had been debated, as I mentioned previously—the timetable was brought forward in response to the shadow minister’s request that they be made available before the debate in the Senate. The minister and the department met late last night and the guidelines were delivered to the shadow minister this morning. The guidelines cannot be finalised until the bill has been passed and any further amendments, as requested by DETYA’s legal and fraud group, have been made. The guidelines will then form part of the contract, along with the IEAs that I mentioned earlier, that will go to education providers and other bodies. So in relation to your questions it seems that the timetable was brought forward in response to your shadow minister’s request, and these guidelines were given to him this morning. Bringing forward the timetable seems to have shortened the period of notice.

Senator CARR (Victoria) (6.44 p.m.)—Minister, you really ought to ask your advisers to provide you with a more detailed response than that, obviously there has been some misunderstanding.

Senator Lightfoot—I rise on a point of order, Mr Temporary Chairman. I do not think the minister needs that gratuitous advice and, if he does, it should come through you.

The TEMPORARY CHAIRMAN—There is no point of order.

Senator Lightfoot—I rise on another point of order. Could you ask the speaker to direct his questions and his contribution through you.

The TEMPORARY CHAIRMAN—There is no point of order.

Senator CARR—The request for the guidelines was made on 8 August. The guidelines were provided to the opposition today. They had been in the minister’s office for two weeks. For you to suggest, Minister, that it was a result of the request by the opposition that brought the timetable forward on this matter and therefore, somehow or other, these guidelines could not have been produced is clearly not in accordance with the record. Minister, the question I asked you this morning was: what date did the legal audit group conclude its review of those guidelines? That was the question which you took on notice.

Senator Ellison—It was one of them.

Senator CARR—Yes, it was one of them. I am interested to hear what date that was concluded. We have heard that these guidelines have been in the minister’s office for two weeks. You say that these guidelines, being a core issue in regard to the distribution of moneys, would not be available under normal circumstances unless we asked for them. That is the difference here: we have asked for them. The point that the Labor Party makes in this matter is that we are entitled to know how the government intends to spend the money—the expenditure of some $591 million—particularly given the issue here is that the levels of attainment are so severely under those in the rest of the country that we have a right to expect more of government in this regard. We have a right to expect this government to require the states...
to administer moneys in accordance with the appropriations. They are reasonable points, surely. When it comes to this issue, we asked for the guidelines on 8 August and they are not delivered until the very day that this issue is being debated in the Senate, after having been in this minister’s office for a fortnight. I do not know at what point they actually exited the department—that is what I would like to know now.

Senator ELLISON (Western Australia—Special Minister of State) (6.47 p.m.)—Senator Carr, you were indicating earlier that they made a request for the guidelines by 8 August, if I understand you correctly.

Senator Carr—Yes, that is correct.

Senator ELLISON—My advice is that the guidelines had not even been drafted. In fact, drafting had not even commenced by 8 August. Therefore, that request could not have been complied with at all. That is my advice in relation to that aspect of the guidelines. In relation to the approval by the legal section, I am still getting instructions on that. I can assist Senator Carr with his earlier question in relation to the old act and moneys appropriated under that. Clause 16 of the bill is headed ‘Money appropriated under the old Act to be available under this Act’. Although the previous legislation is repealed, this provides that the amount appropriated out of consolidated revenue under the Indigenous Education (Supplementary Assistance) Act 1989 for the period starting 1 January 2000 and ending on 30 June 2001 is available for the purpose of making non-Abstudy payments during the period starting 1 January 2001 and ending on 30 June 2002. There is in fact a note under clause 16(1) which deals with section 13B(8) of the current act. It states:

... an amount of money was appropriated for the period starting on 1 January 2000 and ending on 30 June 2001. Section 13C of that Act allowed for that amount to be replaced with another amount.

It would seem from that, Senator Carr, that money appropriated under the old act is to be available under this bill when it becomes legislation. I think that should answer your question in relation to that.

Progress reported.

DOCUMENTS

The DEPUTY PRESIDENT—It being 6.50 p.m., I call on government documents.

National Pregnancy and Work Inquiry Report

Senator CROSSIN (Northern Territory) (6.50 p.m.)—I move:

That the Senate take note of the document.

I rise this evening to speak to the government’s response to the National Pregnancy and Work Inquiry Report, which, surprisingly enough, was not available when my office asked for it earlier this morning and became available sometime after question time. I think it is interesting to note that we have been asking for a response to this inquiry, which was conducted by the Human Rights and Equal Opportunity Commission. The inquiry they conducted was called Pregnant and productive: it is a right not a privilege to work while pregnant. The results of that inquiry were released well over a year ago. There have been many members of this party and certainly women around this country who have been waiting for this response. Because it is such an important issue and because there had not been an adequate response, our then shadow minister for the status of women, Jenny Macklin, introduced a private member’s bill into the House to put in place these recommendations.

There were 46 recommendations in this report from HREOC. From my cursory reading of the government’s response today, for 18 of the 46 recommendations the government actually says ‘the government accepts this recommendation’—that is, for those 18 recommendations, it does not dance around the issues by saying that it accepts the recommendation in principle, it does not give some half-hearted excuse as to why it cannot accept the recommendation and it does not try to handball the issue off to other agencies. The government actually blatantly says in writing that it accepts 18 of the 46 recommendations that HREOC produced as a result of this inquiry. So the government cannot trumpet the fact that it is concerned about women’s rights in the workplace and concerned about women’s ability to be able to access opportunities and choice if it is not
prepared to put in place more than half of the recommendations of the HREOC inquiry. The recommendations that it has chosen to endorse go to education, producing guidelines, informing organisations and ensuring organisations are aware of their rights and responsibilities, but the real hard recommendations which would actually put something in place to protect the rights of individuals under law—that is, to actually turn those rights for women from just a matter of promotion or information into something meaningful in an act of law—have not been accepted by this government.

For 16 months, we have been demanding a response to the HREOC report, but in their announcement today in releasing this response, the government have not attempted to explain in any way the delay or the inferiority of their response. The government have now confirmed that they will not empower HREOC to publish enforceable guidelines in relation to pregnancy and potential pregnancy. They will not make provision to ensure that unpaid workers are covered by the Sex Discrimination Act. They will not remove the exemption for education institutions established for religious purposes in relation to pregnancy and potential pregnancy. Nor will this government make provision for punitive damages to be awarded. They are not intending to change the powers of the Sex Discrimination Commissioner to refer discriminatory awards or agreements to the Industrial Relations Commission. They are not intending to amend the Workplace Relations Act to extend unpaid maternity leave to casual employees employed over 12 months. And they do not intend to include provisions in the Sex Discrimination Act to protect employees who intend to adopt a child or are in the process of adopting. (Time expired)

Senator LUDWIG (Queensland) (6.55 p.m.)—I also rise this evening to contribute to the government response to the National Pregnancy and Work Inquiry Report. The government response, in summary—and if I could be so rude to say with a pregnant pause—is bereft of any real and genuine reform. Even in its conclusion, it states:

Many of the recommendations in the National Pregnancy and Work Inquiry Report focus on education, guidance and awareness raising.

The government has said that it considers the most effective means of promoting and protecting the rights of individuals to be education and the dissemination of information. Time has past for that. We have waited, as Senator Crossin has said, something in the order of 16 months for an appropriate reply, and the reply has not only been disappointing but also failed to adequately address the issues for women in the workplace that need to be addressed. The government should realise that if women are to participate fully in the workplace, discrimination against pregnant workers must be, should be, taken seriously. The government’s response has confirmed that this government is not about helping them balance work and family; it is about providing a general pamphlet and pieces of information. This government is not about ensuring that their rights are adequately protected in legislation. This government is not about ensuring that there is a place for a complaint to be lodged and investigated and for those issues to be brought out into the public and dealt with in an appropriate and reasoned manner. This government is about saying, ‘We will give you a pamphlet or brochure instead.’ It is extraordinarily disappointing to see that the government has taken this approach.

Senator Crossin also went on to say that of the number of recommendations that were made, some 46, the government’s response to something in the order of less than half of them in a reasoned way is disappointing to say the least. In the explanation provided, the government does not appear—and I intend to take some more time to read through the response that has been provided by the government and deal with it at a later stage—to have dealt with a lot of the material in what may be considered a fair way. It has not dealt with some of the recommendations other than by something in the order of the way it dealt with recommendation 10, which states:

Recommendation 10: That the Attorney-General amend section 13 of the Sex Discrimination Act 1984 (Cth) to remove the exemption of employment by an instrumentality of a State.
So we see a positive recommendation and the response from the Commonwealth is:
The Commonwealth understands that most employees of State and Territory instrumentalities enjoy similar protection to that afforded under the SDA. The Attorney-General has written to his State and Territory counterparts drawing their attention to the issues raised in the report and seeking their views on those recommendations.

More of these motherhood type statements are reflected through the report and I will come back at some appropriate time in this chamber to expand on them further. But disappointing for women is the recommendation, in relation to the Workplace Relations Act, to extend unpaid maternity leave to casual employees employed for over 12 months. This government has failed to address this recommendation in the response.

Debate interrupted.

The ACTING DEPUTY PRESIDENT (Senator George Campbell)—Order! It being 7.00 p.m., pursuant to order, the Senate stands adjourned until tomorrow at 9.30 a.m.

Senate adjourned at 7.00 p.m.

DOCUMENTS

Tabling

The following government documents were tabled:


Tabling

The following documents were tabled by the Clerk:

QUESTIONS ON NOTICE

The following answers to questions were circulated:

Australia Week, London: Agriculture, Fisheries and Forestry Portfolio Involvement
(Question No. 2188)

Senator Faulkner asked the Minister representing the Minister for Agriculture, Fisheries and Forestry, upon notice, on 26 April 2000:

Has the department, or any agency within the portfolio, had any involvement, or expect to be involved, in the preparation for the Australia Week trip to the United Kingdom in 2000; if so: (a) what is the nature of that involvement; (b) what is the total cost, or expected total cost, of this involvement; (c) what are the specific components of this cost; (d) how many staff will be involved with these preparations and are these staff based in Australia or overseas; (e) how many portfolio staff are expected to travel overseas, and will this be with the official party, or prior to that party’s travel; (f) what is the purpose for the involvement of these officers; and (g) will the department/agency budget be supplemented for these costs; if not, how will the department/agency involvement be funded.

Senator Alston—The Minister for Agriculture, Fisheries and Forestry has provided the following answer to the honourable senator’s question:

The Department of Agriculture, Fisheries and Forestry has a nil response.

Department of Transport and Regional Services: Transfer of Legislative Drafting Functions
(Question No. 2262)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 30 May 2000:

(1) What resources have been transferred from both the department and its agencies to the Attorney-General’s Department following the Government’s decision to transfer the legislative drafting function to that department.

(2) (a) What legislative drafting resources remain with the department and its agencies following that transfer; and (b) what is the nature of the legislative drafting work that continues to be done within the department and its agencies.

(3) What was the value of the financial transfer to the Attorney-General’s Department as part of the implementation of the Government’s decision to consolidate the legislative drafting function.

(4) Has the Government’s decision to transfer the legislative drafting function to the Attorney-General’s been fully implemented; if not: (a) what resources and functions remain to be transferred; and (b) when are these transfers scheduled to take place.

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

(1) The only resources to be transferred from the Transport and Regional Services portfolio have been from the Civil Aviation Safety Authority (CASA).

In April 1999, CASA was directed to bring its drafting arrangements into line with arrangements for all Commonwealth agencies.

In accordance with this directive, CASA’s legislative drafting function was transferred to the Attorney-General’s Department in July 1999, and 4 legislative drafting positions from CASA’s drafting staff were transferred to the Attorney-General’s Department. In August 1999, CASA and the Attorney-General’s Department signed a service agreement to formally record the transfer. In accordance with the agreement, CASA no longer drafts regulations and operates under the same arrangements as all other Commonwealth agencies.

(2)(a) CASA retained three legislative drafting positions within the Office of Legal Counsel.
(b) The work involved relates to the preparation of legislative instruments such as Civil Aviation Orders, directions, instructions, delegations and exemptions. This is consistent with arrangements for other Commonwealth agencies. The majority of Commonwealth agencies keep in-house legal staff to draft administrative instruments such as delegations and direction, and in some agencies to draft Orders, for example, the Australian Maritime Safety Authority drafts its own Marine Orders.

(3) The agreed value of the transfer was $300,166.

(4) The transfer of the legislative drafting function to the Attorney General’s Department has now been fully implemented.

Aged Care: Aged Care Resident Classification Validations
(Question No. 2397)

Senator Chris Evans asked the Minister representing the Minister for Aged Care, upon notice, on 26 June 2000:

(1) How many residential aged care resident classification validations were carried out by the Department in the 1997-98 and 1998-99 financial years and for the period July-December 1999.

(2) For each of these periods:
(a) how many validations resulted in a downgrading of a resident’s classification;
(b) how many resulted in no change;
(c) how many resulted in an upgrading of a resident’s classification;
(d) what was the total amount recovered by the Government as a result of the downgrading of residents’ classifications; and
(e) how many appeals were lodged by providers against the results of resident classification validations.

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:

(1) The number of Resident Classification Scale (RCS) reviews carried out between the commencement of the RCS and December 1999 is 24,345.

(2) (a) (b) and (c) 11,143 changes were made, 13,202 remained unchanged

(d) The total amount is dependant on the outcome of a number of matters before the Administrative Appeals Tribunal.

(e) 613

Care plans are inspected to ensure the care specified in the plan is in fact being delivered. The subsidy is calculated and paid on the basis of the Residential Classification Scale in accordance with the care that is required to be given and is evidenced as being so delivered.

Department of Family and Community Services: Programs and Grants to the Bass Electorate
(Question No. 2408)

Senator O’Brien asked the Minister for Family and Community Services, upon notice, on 26 June 2000:

(1) What was the level of funding provided through programs and/or grants administered by the department to provide assistance to people living in the federal electorate of Bass in the 1999-2000 financial year.

(2) What level of funding provided through these programs and/or grants has been appropriated for the 2000-01 financial year.

Senator Newman—The answer to the honourable senator’s question is as follows:
(1) and (2) Program and Grant Payments

<table>
<thead>
<tr>
<th>Program/Grant</th>
<th>Funding for 1999-2000</th>
<th>Funding appropriated for 2000-01 financial year.</th>
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<tbody>
<tr>
<td>Commonwealth Childcare Program</td>
<td>$3,780,784</td>
<td>Under the New Tax System</td>
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<td>Childcare Assistance and Grants</td>
<td>$356,540</td>
<td>Childcare Assistance and</td>
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<td>Childcare Rebate</td>
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<td>Childcare Rebate changed to a</td>
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<td>single payment called Childcare</td>
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<td>Benefit. The national</td>
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<td>appropriation for Childcare</td>
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<td></td>
<td>Benefit is $989,383,000.</td>
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<tr>
<td>Disability Employment Assistance</td>
<td>$945,791</td>
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<tr>
<td>Respite for Carers of Young People with Severe or</td>
<td>$34,308</td>
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<td>Profound Disabilities</td>
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<td>Emergency Relief Program</td>
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<td>Volunteer Management Program</td>
<td>$50,750</td>
<td>National Allocation of $1,559,000.</td>
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<tr>
<td>Youth Activity Services and Family Liaison</td>
<td>$106,410</td>
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<td>Workers</td>
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<tr>
<td>Reconnect Services</td>
<td>Nil</td>
<td>$184,107</td>
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<tr>
<td>Family Relationships Services Program</td>
<td>$1,201,283</td>
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<td>*Allocations are made to organisations delivering</td>
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<td>service across the State and are not differentiated</td>
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<td>by outlet. Amounts provided are the total</td>
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<td>Tasmanian allocation for services with outlets in</td>
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<tr>
<td>Bass.</td>
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<tr>
<td>CRS Australia – rehabilitation programs</td>
<td>Funding cannot be broken</td>
<td>Funding cannot be broken down by electorate at</td>
</tr>
<tr>
<td></td>
<td>down by electorate at</td>
<td>this time.</td>
</tr>
<tr>
<td></td>
<td>this time.</td>
<td></td>
</tr>
</tbody>
</table>

The detailed information on income support payments required to answer the honourable senator’s question is not readily available in consolidated form. I do not consider appropriate the expenditure of resources and effort that would be involved in collecting and assembling information for the sole purpose of answering questions of this nature.

Department of Family and Community Services: Programs and Grants to the Kalgoorlie Electorate

(Question No. 2426)

Senator O’Brien asked the Minister for Family and Community Services, upon notice, on 26 June 2000:

(1) What programs and/or grants administered by the department provide assistance to people living in the federal electorate of Kalgoorlie.

(2) What was the level of funding provided through these programs and/or grants for the 1996-97, 1997-98, 1998-99 and 1999-2000 financial years.
What level of funding provided through these programs and/or grants has been appropriated for the 2000-01 financial year.

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

--- | --- | ---
Commonwealth Financial Counselling Program | 1996-97 $55,863; 1997-98 $67,778; 1999-2000 $67,878 | $30,000 \(^3\) (reduced amount due to high carryover from previous year)
Family Relationship Services Program | 1996-97 not available; 1997-98 not available; 1999-2000 $1,288,140 | $1,335,430
Special Disability Employment Assistance | 1996-97 $1,079,820; 1997-98 $1,204,884; 1999-2000 $1,170,353; | $1,200,116
Supported Wage System Payments | 1996-97 not available; 1997-98 not available; 1999-2000 not available | 
Work Place Modifications | 1996-97 not available; 1997-98 not available; 1999-2000 not available | 
CRS Australia – rehabilitation programs | Funding cannot be broken down by electorate at this time | Funding cannot be broken down by electorate at this time

\(^1\) Includes establishment costs
\(^2\) Funding cannot be broken down by electorate at this time
\(^3\) Includes establishment costs
\(^4\) Funding cannot be broken down by electorate at this time
\(^5\) New initiative
\(^6\) Funding cannot be broken down by electorate at this time
Notes
1. The increase in the figure from 1997-1998 to 1998-1999 is attributable to increased funding for the Crisis Assistance Supported Housing (CASH).
2. Funding amounts under this program is calculated on the basis of applications made by individuals. Total amounts for an electorate are, therefore, unavailable.
3. Wage subsidies for 1996/97 and 1997/98 were not paid through Family and Community Services or its predecessors.
4. A bidding round for 2000/01 funding is currently underway. The amount that will be allocated to service providers in Kalgoorlie electorate is unknown at present.
5. These amounts for 2000/2001 are GST exclusive.
6. From 1999/2000, Employment Assistance School Leavers funding was rolled into the Special Disability Employment Assistance grant.
7. The program was the responsibility of Attorney-General’s Department in the years 1996–97 to 1998–99.
8. An organisation funded under this program may have a number of outlets across a range of electorates. These figures do not necessarily show what proportion of funding the organisation allocates to an outlet, or the proportion of the funding that is spent in a particular electorate.
9. Funding amounts under this program may include contributions from Attorney-General’s Department. The Attorney General’s Department provides approximately 50% of the funding for Family Relationships Counselling, and all the funding for Family Relationships Mediation, Children’s Contact Services and the Contact Orders Pilot (Parents Forever Program).

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Recurrence</td>
<td>$4,867,784</td>
<td>$4,882,500</td>
<td>$4,687,713</td>
<td>$4,757,522</td>
<td>$5,516,930</td>
</tr>
<tr>
<td>Capital</td>
<td>$120,233</td>
<td>$121,254</td>
<td>$369,906</td>
<td>$191,127</td>
<td>$80,939</td>
</tr>
<tr>
<td>Total</td>
<td>$4,988,017</td>
<td>$5,003,754</td>
<td>$5,057,619</td>
<td>$4,948,649</td>
<td>$5,597,869</td>
</tr>
</tbody>
</table>

The detailed information on income support payments required to answer the honourable senator’s question is not readily available in consolidated form. I do not consider appropriate the expenditure of resources and effort that would be involved in collecting and assembling information for the sole purpose of answering questions of this nature.

**Department of Family and Community Services: Programs and Grants to the Eden-Monaro Electorate**  
(Question No. 2444)

**Senator O’Brien** asked the Minister for Family and Community Services, upon notice, on 26 June 2000:

1. What programs and/or grants administered by the department provide assistance to people living in the federal electorate of Eden-Monaro.
2. What was the level of funding provided through these programs and/or grants for the 1996-97, 1997-98, 1998-99 and 1999-2000 financial years.
3. What level of funding provided through these programs and/or grants has been appropriated for the 2000-2001 financial year.

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

1. Programs and grants administered by FaCS
   - Emergency Relief Program
   - Youth Programs
- Family Relationship Services Program (FRSP)
- Employment Assistance for people with a disability
- Advocacy for people with a disability
- Carer Respite
- Commonwealth Childcare Programs
- CRS Australia – vocational rehabilitation and injury management programs
- Income Support Payments
- Child Support Agency – services provided from Wollongong
- Commonwealth funds for Supported Accommodation Assistance Program and Housing Programs are administered with state funding by the NSW State Government

(2) and (3) Please refer to the table below.

### Table 1 Programs and Grants

<table>
<thead>
<tr>
<th>Program</th>
<th>Funding 96/97</th>
<th>Funding 97/98</th>
<th>Funding 98/99</th>
<th>Funding 99/00</th>
<th>Funding 2000/01</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emergency Relief Program</td>
<td>$155,675</td>
<td>$158,929</td>
<td>$164,895</td>
<td>$181,478</td>
<td>$192,750</td>
</tr>
<tr>
<td>Youth Programs</td>
<td>$68,416</td>
<td>$134,739</td>
<td>$140,649</td>
<td>$163,042</td>
<td>$180,144</td>
</tr>
<tr>
<td>Family Relationship Services Program (FRSP)</td>
<td>Not available</td>
<td>Not available</td>
<td>Not available</td>
<td>$193,976</td>
<td>$215,361</td>
</tr>
<tr>
<td>Employment Assistance for people with a disability</td>
<td>$1,024,817</td>
<td>$986,987</td>
<td>$1,171,992</td>
<td>$1,104,768</td>
<td>$1,080,124</td>
</tr>
<tr>
<td>Advocacy for people with a disability</td>
<td>$1,000,370</td>
<td>$1,015,848</td>
<td>$1,028,952</td>
<td>$1,363,385</td>
<td>$1,309,601</td>
</tr>
<tr>
<td>Carer Respite</td>
<td>all state wide services Nil</td>
<td>all state wide services nil</td>
<td>all state wide services nil</td>
<td>$1,363,385</td>
<td>$215,361</td>
</tr>
<tr>
<td>Childcare Programs</td>
<td>$5,857,461</td>
<td>$5,412,671</td>
<td>$5,559,272</td>
<td>$5,553,871</td>
<td>Not yet known</td>
</tr>
<tr>
<td>CRS Australia</td>
<td>Data unable to be disaggregated</td>
<td>Data unable to be disaggregated</td>
<td>Data unable to be disaggregated</td>
<td>Data unable to be disaggregated</td>
<td>Data unable to be disaggregated</td>
</tr>
<tr>
<td>Income Support Payments</td>
<td>$800,568</td>
<td>$1,315,462</td>
<td>$1,443,278</td>
<td>$1,507,819</td>
<td>$48,867,434,00</td>
</tr>
<tr>
<td>Supported Accommodation Assistance Program</td>
<td>Includes NSW State Govt. funding</td>
<td>Includes NSW State Govt. funding</td>
<td>Includes NSW State Govt. funding</td>
<td>Includes NSW State Govt. funding</td>
<td>$370,175 Amount paid to date</td>
</tr>
</tbody>
</table>
The detailed information on income support payments required to answer the honourable senator’s question is not readily available in consolidated form. I do not consider appropriate the expenditure of resources and effort that would be involved in collecting and assembling information for the sole purpose of answering questions of this nature.

**Department of Family and Community Services: Programs and Grants to the Gippsland Electorate**

(Question No. 2463)

Senator O’Brien asked the Minister for Family and Community Services, upon notice, on 26 June 2000:

1. What was the level of funding provided through programs and/or grants administered by the department to provide assistance to people living in the federal electorate of Gippsland in the 1999-2000 financial year.

2. What level of funding provided through these programs and grants has been appropriated for the 2000-01 financial year.

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

1. Refer to the tables below.

2. Refer to the tables below.

### Programs and Grants

<table>
<thead>
<tr>
<th>Program/grant</th>
<th>(1) Funding appropriated for 1999-2000 financial year</th>
<th>(2) Funding appropriated for 2000-01 financial year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supported Accommodation Assistance Program</td>
<td>$1,141,699</td>
<td>Funding is currently based on 1999-2000 level. The State Minister has not yet signed off on the new funding level.</td>
</tr>
<tr>
<td>Emergency Relief Program</td>
<td>$167,861</td>
<td>$178,933</td>
</tr>
<tr>
<td>Youth Programs</td>
<td>Nil</td>
<td>$186,000 for a Reconnect (Youth Homelessness Early Intervention) service based in Lakes Entrance.</td>
</tr>
<tr>
<td>Family Relationship Services Program (FRSP)</td>
<td>Total amounts of $2.8m and $673,000 were paid to Relationships Australia (RA) Victoria and Centacare Catholic Family Services (CCFS) Victoria respectively, for the provision of a range of FRSP services. However we do not know exactly the proportions of RA and CCFS funding that were spent in the electorate of Gippsland. There may also be other Victorian organisations which are not located in the electorate of Gippsland, but which may provide services to people who live or work in the electorate.</td>
<td>$3m for Relationships Australia, Victoria and $748,000 for Centacare Catholic Family Services, Victoria for a range of FRSP services.</td>
</tr>
<tr>
<td>Employment Assistance for people with a disability</td>
<td>$1,778,239</td>
<td>$1,825,332</td>
</tr>
</tbody>
</table>
The detailed information on income support payments required to answer the honourable senator’s question is not readily available in consolidated form. I do not consider appropriate the expenditure of resources and effort that would be involved in collecting and assembling information for the sole purpose of answering questions of this nature.

Department of the Prime Minister and Cabinet: Missing Laptop Computers
(Question No. 2496)

Senator Faulkner asked the Minister representing the Prime Minister, upon notice, on 29 June 2000

(1) Since 1 January 1999, have there been any laptop computers lost or stolen from the possession of any officer of the department and/or any agencies within the portfolio; if so: (a) how many have been lost; (b) how many have been stolen; (c) what is the total value of these computers; (d) what is the average replacement value per computer; and (e) have these computers been recovered or replaced.

(2) Have the police been requested to investigate any of these incidents; if so: (a) how many were the subject of police investigation; (b) how many police investigations have been concluded; (c) in how many cases has legal action been commenced; and (d) in how many cases has action been concluded and with what result.

(3) How many of the lost or stolen computers had, on their hard disc drives, or in the form of floppy disc, CD-ROM or any other storage device, departmental documents, content or information other than operating software.

(4) How many of the documents etc. referred to in (3) were classified for security or any other purpose and, if any, what was the security classification involved.

(5) (a) How many of the documents etc. referred to in (3) have been recovered; and (b) how many documents etc. referred to in (4) have been recovered.

(6) What departmental disciplinary or other actions have been taken in regard to the computers referred to in (1) or in relation to the documents etc. referred to in (3) or (4).

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

I am advised by my department that the answer in respect of the portfolio is as follows:
(1) Yes.
(a) Three laptops could not be accounted for by the Australian National Audit Office (ANAO).
(b) Seven laptops (five belonging to the ANAO and two belonging to the Department of the Prime Minister and Cabinet) have been stolen.
(c) Total value of these laptops is $22,375.
(d) Average replacement value is $4,394 per laptop.
(e) None has been recovered; two have been replaced.
(2) Yes.
(a) All seven stolen laptops have been the subject of police investigation.
(b) Nil.
(c) Nil.
(d) Nil.
(3) and (4) Three of the ANAO laptops contained 11 audit documents. No audit documents had national security classifications. All three laptops holding this information were password protected.
(5)(a) Nil.
(b) Nil.
(6) Where appropriate, officers have been counselled in relation to the incidents. Quarterly stocktakes of computer equipment in the Australian National Audit Office have been implemented and additional security processes enacted.

Department of the Environment and Heritage: Missing Laptop Computers
(Question No. 2500)

Senator Faulkner asked the Minister for the Environment and Heritage, upon notice, on 28 June 2000:

(1) Since 1 January 1999, have there been any laptop computers lost or stolen from the possession of any officer of the department and/or any agencies within the portfolio; if so: (a) how many have been lost; (b) how many have been stolen; (c) what is the total value of these computers; (d) what is the average replacement value per computer; and (e) have these computers been recovered or replaced.
(2) Have the police been requested to investigate any of these incidents; if so: (a) how many were the subject of police investigation; (b) how many police investigations have been concluded; (c) in how many cases has legal action been commenced; and (d) in how many cases has action been concluded and with what result.
(3) How many of the lost or stolen computers had, on their hard disc drives, or in the form of floppy disc, CD-ROM or any other storage device, departmental documents, content or information other than operating software.
(4) How many of the documents etc. referred to in (3) were classified for security or any other purpose and, if any, what was the security classification involved.
(5) (a) How many of the documents etc. referred to in (3) have been recovered; and (b) how many documents etc. referred to in (4) have been recovered.
(6) What departmental disciplinary or other actions have been taken in regard to the items referred to in (1) or in relation to the documents etc. referred to in (3) and (4).

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

The following information relates to the department only. No laptop computers were lost or stolen from the possession of any officers of any of the agencies within the portfolio. The details provided below relate to laptop computers only.

(1) Yes.
(a) None
(b) 22 were stolen under the following circumstances:

<table>
<thead>
<tr>
<th>Circumstance</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forced entry into offices</td>
<td>7</td>
</tr>
<tr>
<td>Unlawful entry into offices</td>
<td>10</td>
</tr>
<tr>
<td>Theft from officers’ homes</td>
<td>2</td>
</tr>
<tr>
<td>Theft in transit/ travel /other work venue</td>
<td>2</td>
</tr>
<tr>
<td>Stolen (not reported to police)</td>
<td>1</td>
</tr>
</tbody>
</table>

Details of circumstances follow:

**Environment Australia:** Of the seven laptops reported stolen, four were taken in two forced entries into Departmental premises in June and December 1999 from the IT area where laptops were kept for loan to Branches. One laptop was stolen during a major conference in Melbourne in March 2000, and another was stolen from an officer’s home. All these incidents were reported and investigated by police. In January, a laptop was reported missing, but as no information as to the time or place of disappearance was available, the incident was not reported to police.

**Australian Antarctic Division:** Three laptops have been reported stolen since January 1999 and were taken in forced entries to AAD offices. All incidences were reported and investigated by police.

**Bureau of Meteorology:** Of the twelve laptops reported stolen, eight were taken from BOM offices in Melbourne, an area acknowledged for drug dealing. The building is multi-tenanted and had less than ideal controls over the rear door through which access could be gained to the lifts and subsequently to BOM floors. Two laptops were stolen from other BOM premises, one was stolen from the home of an officer, and another from an officer’s vehicle while on field duties. All incidents were reported to police.

(c) $95,957 (d) $5,500 (e) None recovered, all but one replaced.

(2) Yes. (a) All but one; (b) All; (c) None; (d) Not applicable.

(3) All but one.

(4) Not aware of any documents containing national security or other security classifications.

(5) (a) None; (b) Not applicable.

(6) Departmental security procedures have been reviewed. All departmental officers have been instructed to lock laptop computers away at the close of business each day. Where necessary, blinds have been fitted to ground floor windows which are shut at close of business each day to ensure attractive items of equipment are not in public view. Security patrols are required to report any lapses in policy. One officer was required to contribute to the replacement value.

**Department of the Prime Minister and Cabinet: Missing Computer Equipment**

(Question No. 2515)

Senator Faulkner asked the Minister representing the Prime Minister, upon notice, on 29 June 2000:

(1) Since 1 January 1999, have there been any desktop computers, or any other item of computer hardware, other than laptop computers, lost or stolen from the possession of any officer of the department and/or any agencies within the portfolio; if so: (a) what and how many have been lost; (b) what and how many have been stolen; (c) what is the total value of these items; (d) what is the normal replacement value per item; and (e) have these computers been recovered or replace.

(2) Have the police been requested to investigate any of these incidents; if so: (a) how many were the subject of police investigation; (b) how many police investigations have been concluded; (c) in how many cases has legal action been commenced; and (d) in how many cases has action been concluded and with what result.

(3) How many of the lost or stolen items had, on their hard disc drives, or in the form of floppy disc, CD-ROM or any other storage device, departmental documents, content or information other than operating software.
(4) How many of the documents etc. referred to in (3) were classified for security or any other purpose and, if any, what was the security classification involved.

(5) (a) How many of the documents etc. referred to in (3) have been recovered; and (b) how many documents etc. referred to in (4) have been recovered.

(6) What departmental disciplinary or other actions have been taken in regard to the items referred to in (1) or in relation to the documents etc. referred to in (3) and (4).

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

I am advised by my department that the answer in respect of the portfolio is as follows:

(1) Yes.

(a) Three printers could not be accounted for by the Australian National Audit Office (ANAO).

(b) Two personal computers have been stolen from the Department of the Prime Minister and Cabinet (PM&C).

(c) Total value of this equipment is $6,800.

(d) Average replacement value is $2,400 per personal computer and $500 per printer.

(e) The two computers were recovered; the printers were not recovered or replaced.

(2) Yes.

(a) The incident involving the theft of two personal computers has been the subject of police investigation.

(b) The police investigation of the theft has been concluded.

(c) and (d) Legal action was taken and has concluded in respect of the theft. The person involved in the theft was successfully prosecuted.

(3) Nil.

(4) Not applicable.

(5) Not applicable.

(6) The person involved in the theft of the two computers ceased to be a Commonwealth employee prior to the detection of the theft and the conviction.

Bankstown Airport: Visual Flight Rules
(Question No. 2540)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 28 June 2000:

(1) Do Civil Aviation Safety Authority (CASA) rules prohibit visual flight rules operations at Bankstown Airport when no air traffic control (ATC) services are available.

(2) What is the basis of these CASA rules.

(3) Does the zone covering Bankstown Airport become restricted airspace when no ATC services are available, limiting flights to instrument flight rules aircraft only; if so, why.

(4) Are the above arrangements the subject, or have they been the subject, of any review: if so: (a) what is the reason for the review; (b) who has been, or will be, participating in the review; and (c) if completed, what was the result of the review.

(5) If there has been no review, is there any consideration being given to varying the above arrangement; if so, what variations are being considered.

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) and Airservices Australia (Airservices) have provided the following information:
(1) No.
(2) See answer to (1).
(3) Yes. During normal operating hours, if the Bankstown Tower service becomes unavailable due to unforeseen events, then as a contingency, the zone is declared restricted airspace and, for safety reasons, traffic is limited to Instrument Flight Rules (IFR) flights and helicopters only. During the hours of tower closure, the zone operates as a Mandatory Broadcast Zone (MBZ), and normal MBZ rules apply ie. IFR and Visual Flight Rules flights are able to operate in the appropriate circumstances. (MBZ procedures apply within 15 nautical miles radius of a designated aerodrome, normally up to 5,000 feet above the aerodrome. The use of radio is mandatory for operations in prescribed MBZ airspace, with the frequencies allocated to MBZ allowing pilots to arrange mutual separation.)
(4) No.
(5) No.

Insolvency and Trustee Service of Australia: Notices
(Question No. 2542)

Senator Harris asked the Minister representing the Attorney-General, upon notice, on 29 June 2000:
Is it the practice of the Insolvency and Trustee Service of Australia to issue a bankruptcy notice on behalf of an official receiver with more than one entity on the notice.

Senator Vanstone—The answer to the honourable senator’s question is as follows:
I refer the honourable senator to my answer to question on notice No. 2580 (Hansard, 3 October 2000, page P17736), in which he raised the same issue.

Becker, Mr Andy: Official Travel to South Australia
(Question No. 2543)

Senator Faulkner asked the Special Minister of State, upon notice, on 14 August 2000:
(1) In the period 1 July 1999 to 30 June 2000, on how many occasions did the present Electoral Commissioner, Mr Andy Becker, travel to South Australia on official Australian Electoral Commission business.
(2) Can details be provided of:
   (a) the dates of Mr Becker’s travel;
   (b) the dates of the official business in that state;
   (c) the total number of days or part-days spent in South Australia;
   (d) the nature of the official business transacted while in that state;
   (e) the total costs of the travel; and
   (f) the total travel and any other allowances claimed for travel to South Australia.

Senator Ellison—The answer to the honourable senator’s question is as follows:
(1) 5
     Friday 26 November, arrive Adelaide 5.45pm – Tuesday 7 December 1999, depart Adelaide 6.00am
     Friday 11 February 2000, arrive Adelaide 4.40pm – Tuesday 15 February 2000, depart Adelaide 6.00am
     Wednesday 19 April 2000, arrive Adelaide 9.55am – Wednesday 26 April 2000, depart Adelaide 6.05am
     Tuesday 6 June 2000, arrive Adelaide 12.10pm – Sunday 11 June 2000, depart Adelaide 3.20pm
(b) 19 – 20 July 1999
29 November to 4 December 1999  
14 February 2000  
19 - 20 April 2000  
7-8 June 2000  

(c) 
25 full days; 10 part days; on two further occasions in the period Mr Becker also had 2 short stopovers at Adelaide airport (each less than 2 hours).

(d) 
19-20 July 1999 Attendance at ATSIC pre-election conference;  
29 November 1999 Meet with AEO SA and SA State Electoral Commissioner re Local Government elections;  
30 November 1999 South Australian Local Government Elections Conference;  
1-2 December 1999 Post Referendum Conference;  
3-4 December 1999 SA Electoral Commission Research Conference;  
14 February 2000 Electoral Council of Australia meeting;  
19 April 2000 Meeting with AEC staff re South Australian Local Government elections;  
20 April 2000 Inspect Local Government elections mail insertion house, meet with SA SEO and visit AEC Divisional Office;  
8-9 June 2000 Attendance at South Australian Local Government elections debriefing.

(e) $4,805.07  
Note - in 2 cases, Mr Becker’s travel to Adelaide was in conjunction with other official air travel.

In February, Mr Becker travelled on official business to Brisbane and then to Adelaide and this resulted in a relative airfare saving to the AEC, compared to 2 separate trips. The airfare cost attributed to the Adelaide official trip has been calculated as $771.32, reflecting a proportional attribution of the saving.

In April, Mr Becker travelled from Canberra to Perth and then to Adelaide on AEC business, before returning to Canberra. In this case, the airfare cost attributed to the Adelaide official travel has been calculated as $258.02, the extra cost over the Canberra-Perth-Canberra notional airfare cost.

(f) $904.75  
Note – Since joining the AEC, Mr Becker has not claimed the accommodation component of his travelling allowance entitlement when he is in Adelaide on official AEC business.

Courts: Sitting Days  
(Question No. 2544)

Senator Forshaw asked the Minister representing the Attorney-General, upon notice, on 29 June 2000:

In each of the High Court of Australia, the Federal Court of Australia and the Family Court of Australia, and for each of the 1997-98, 1998-99 and 1999-2000 financial years, how many cases were of: (a) more than two whole sitting days but less than or equal to three whole sitting days duration; (b) more than three whole sitting days but less than or equal to four whole sitting days duration; (c) more than four whole sitting days but less than or equal to five whole sitting days duration; (d) more than one whole sitting week but less than or equal to two whole sitting weeks duration; (e) more than two whole sitting weeks but less than or equal to three whole sitting weeks duration; (f) more than three whole sitting weeks but less than or equal to four whole sitting weeks; (g) more than one whole sitting month
but less than or equal to two whole sitting months duration; and (h) more than two whole sitting months duration.

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

(1) The High Court has advised that statistical records of the Court are not maintained in such a way as to make it possible to answer the question as asked. However, the Court has advised that the vast majority of cases (estimated at 98-99%) are dealt with in less than two days.

(2) The Federal Court’s response to the question is set out at Attachment A.

(3) The Family Court’s response to the question is set out at Attachment B.

**Attachment A**

**FEDERAL COURT OF AUSTRALIA**

<table>
<thead>
<tr>
<th>Q on N 2544: Sitting Days</th>
<th>Cases Finalised During:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1997-98</td>
</tr>
<tr>
<td>(a) &gt;2 but &lt; or = 3</td>
<td>85</td>
</tr>
<tr>
<td>(b) &gt;3 but &lt; or = 4</td>
<td>59</td>
</tr>
<tr>
<td>(c) &gt;4 but &lt; or = 5</td>
<td>52</td>
</tr>
<tr>
<td>(d) &gt;1 week but &lt; or = 2 weeks</td>
<td>52</td>
</tr>
<tr>
<td>(e) &gt;2 weeks but &lt; or = 3 weeks</td>
<td>15</td>
</tr>
<tr>
<td>(f) &gt;3 weeks but &lt; or = 4 weeks</td>
<td>5</td>
</tr>
<tr>
<td>(g) &gt;1 month but &lt; or = 2 months</td>
<td>13</td>
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<tr>
<td>(h) &gt;2 months</td>
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**Attachment B**

**FAMILY COURT OF AUSTRALIA**

<table>
<thead>
<tr>
<th>QoN 2544 Sitting Days</th>
<th>Case finalised during:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1997-98*</td>
</tr>
<tr>
<td>(a) &gt;2 but &lt; or = 3</td>
<td>n/a</td>
</tr>
<tr>
<td>(b) &gt;3 but &lt; or = 4</td>
<td>n/a</td>
</tr>
<tr>
<td>(c) &gt;4 but &lt; or = 5</td>
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</tr>
<tr>
<td>(d) &gt;1 week but &lt; or = 2 weeks</td>
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</tr>
<tr>
<td>(e) &gt;2 weeks but &lt; or = 3 weeks</td>
<td>n/a</td>
</tr>
<tr>
<td>(f) &gt;3 weeks but &lt; or = 4 weeks</td>
<td>n/a</td>
</tr>
<tr>
<td>(g) &gt;1 month but &lt; or = 2 months</td>
<td>n/a</td>
</tr>
<tr>
<td>(h) &gt;2 months</td>
<td>n/a</td>
</tr>
</tbody>
</table>

*Note: Information to enable this question to be answered in respect of the 1997-98 financial year is not available. The Family Court’s Defended Hearing System, which provides this statistical data, commenced in July 1998.

**Palliative Care: Funding and Research**

(Question No. 2581)

Senator Allison asked the Minister representing the Minister for Aged Care, upon notice, on 17 July 2000:

(1) What funding was provided for research into palliative care in the 1997-98, 1998-99 and 1999-2000 financial years.

(2) What is the projected funding for palliative care research for the 2000-01 financial year.

(3) Does this funding adequately reflect the real growth in the ageing Australian population such that the need for palliative care will be significantly greater in the future than in the past.
(4) What action is the Minister taking to redress the imbalance such that population-based rates of admission to palliative care services in regional and rural locations are 30 to 35 per cent lower than the capital cities.

(5) What action is the Minister taking to address the palliative care needs of people dying in nursing homes.

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:

(1) The National Health and Medical Research Council (NHMRC) provides funding, by way of annual grants, for research into palliative care. Funding is provided to grant recipients on a calendar year basis. Expenditure on grants for palliative care has been as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997</td>
<td>Nil</td>
</tr>
<tr>
<td>1998</td>
<td>52,922.20</td>
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<tr>
<td>1999</td>
<td>303,535.54</td>
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<tr>
<td>Total</td>
<td>$356,457.74</td>
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</table>

(2) Total expenditure of $388,046.67 has been allocated, through the NHMRC annual project grant round, for palliative care grants for the calendar year 2000.

(3) The National Health and Medical Research Council advises the Commonwealth Minister for Health and Aged Care on the distribution of grants for research in the fields of medicine and public health.

The Strategic Research Development Committee (SRDC) of NHMRC is responsible for developing a strategic research capability in areas of identified importance to Australian health care, where the research effort is underdeveloped or in areas where there are gaps in the research effort.

In 1999, the SRDC developed a priority setting process to better inform and assist the Committee in determining priorities for strategic research in the new NHMRC triennium. The process involved consultations with key stakeholders to determine their views of the strategic issues and priorities for health and medical research in Australia. Ageing Research was mentioned as one of a number of health issues requiring a more targeted research effort. The particular priorities to be addressed in the next three-year cycle of the SRDC will be decided by the incoming Committee, after consideration of the information and recommendations arising from the consultations.

(4) The source of these figures is not apparent. States and Territories determine the nature and location of palliative care services delivered within their jurisdictions.

(5) Palliative care is addressed under the Accreditation Standards for residential aged care (Schedule 2 of the Quality of Care Principles 1997). Standard 2.9, Palliative Care, requires that the comfort and dignity of terminally ill residents is maintained.

Department of Industry, Science and Resources: Salaries
(Question No. 2615)

Senator Faulkner asked the Minister for Industry, Science and Resources, upon notice, on 25 July 2000:

(1) What was the Department’s total outlay on salaries and salary-related costs in the financial years: (a) 1996-97; (b) 1997-98; (c) 1998-99; and (d) 1999-00.

(2) As a dollar amount and as a percentage of the Department’s total outlay on salaries, what was the cost of contracts for outsourced services and functions in the financial years: (a) 1996-97; (b) 1997-98; (c) 1998-99; and (d) 1999-00.

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

(1)(a) $62,156,000
(b) $82,423,000
Senator Brown asked the Minister for the Environment and Heritage, upon notice on 27 July 2000:

With reference to question on notice no. 2094 (Hansard, 6 April 2000, p.13107):

Can the EIS conclude that Basslink should not proceed because of its environmental, social, economic or other impacts.

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

Yes. The guidelines for the Basslink proposal have been finalised following a period for public comment. The Department is currently reviewing the guidelines and preparing advice to me on their adequacy with regard to Commonwealth environmental interests. The guidelines direct the proponent to examine in the EIS the potential environmental, social and economic impacts and their management. In addition to these matters the proponent is required to evaluate the proposal and alternatives including the impact of the project not proceeding. Finally the proponent is required to prepare a conclusion in the EIS, drawing together the critical environmental, social and economic effects of the project. In undertaking these requirements it is possible for the proponent to conclude that the Basslink proposal not proceed, or for those government decision makers to whom the report will be provided, together with any recommendations from the Minister for the Environment and Heritage, so to do.

Department of Education, Training and Youth Affairs: Value of Corporate Services (Question No. 2642)

Senator Faulkner asked the Minister representing the Minister for Education, Training and Youth Affairs, upon notice, on 9 August 2000:

With reference to the department and each agency in the portfolio, what were the state and city or town location, number of employees and annual salary values of all corporate services as at 30 June 1996 and 30 June 2000, for the following functional areas: (a) human resources; (b) property and office services; (c) financial and accounting services; (d) fleet management; (e) occupational health and safety; (f) workplace and industrial relations; (g) parliamentary communications; (h) payroll; (i) personnel services; (j) printing and photocopying; (k) auditing; (l) executive services; (m) legal and fraud; and (n) any other corporate services (please specify).

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

Department of Education, Training and Youth Affairs (DETYA)

30 June 2000

<table>
<thead>
<tr>
<th>Full Time Equivalent Staffing</th>
<th>ACT</th>
<th>NSW</th>
<th>VIC</th>
<th>QLD</th>
<th>WA</th>
<th>SA</th>
<th>TAS</th>
<th>NT</th>
<th>Total</th>
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<td>0.6</td>
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<td>0.4</td>
<td>0.4</td>
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<tr>
<td>(b) property and office services</td>
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### Full Time Equivalent Staffing

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<td>0.2</td>
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<td>0.1</td>
<td>0.2</td>
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<td>0.1</td>
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### Salary Values (’000s)

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**30 June 2000**
<table>
<thead>
<tr>
<th>Salary Values (‘000s)</th>
<th>ACT</th>
<th>NSW</th>
<th>VIC</th>
<th>QLD</th>
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<th>SA</th>
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<th>NT</th>
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<tbody>
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<td><strong>TOTAL</strong></td>
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<td>147</td>
<td>83</td>
<td>93</td>
<td>15,308</td>
</tr>
</tbody>
</table>

The data are for 30 June 2000 only due to (i) the difficulty in undertaking a meaningful disaggregation of the information in the format required for the period prior to the transfer of employment functions to the Department of Workplace Relations and Small Business in 1998, (ii) closure of old management information systems and their replacement with a new management information system in 1998 and (iii) other structural and financial management changes that would prevent comparative analyses between data sets.

Numbers of employees are expressed in full time equivalent terms. All departmental (DETYA) employees undertaking these functions are located in capital cities.

**Australian Research Council (ARC)**

The Australian Research Council has provided the following response:

It is not possible to provide information in relation to 1996 as at that time the Australian Research Council was one of several Councils of the National Board of Employment, Education and Training (NBEET) and separate data cannot be obtained. In addition, the NBEET no longer exists.

All Australian Research Council staff are located in Canberra. Within ARC, the Finance and Systems Section is responsible for providing a range of corporate services to support the activities of the Council while DETYA provides a number of corporate support services for which no estimate has been made.

Information relating to financial and accounting services includes office services and fleet management functions. Information relating to printing and photocopying includes internet support.

<table>
<thead>
<tr>
<th>30 June 2000</th>
<th>FTE Staff</th>
<th>Salary Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) human resources</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b) property and office services</td>
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<td></td>
</tr>
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</tr>
<tr>
<td>(e) occupational health and safety</td>
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<td></td>
</tr>
<tr>
<td>(f) workplace and industrial relations</td>
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<td></td>
</tr>
<tr>
<td>(g) parliamentary communications</td>
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<td></td>
</tr>
<tr>
<td>(h) payroll</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) personnel services</td>
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<tr>
<td>(m) legal and fraud</td>
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ANTA has provided the following response:

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<td>(f) workplace and industrial relations</td>
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<td>(g) parliamentary communications</td>
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</tr>
<tr>
<td>(h) payroll</td>
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<td></td>
</tr>
<tr>
<td>(i) personnel services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(j) printing and photocopying</td>
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<tr>
<td>(k) auditing</td>
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<td>(m) legal and fraud</td>
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<td></td>
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<tr>
<td>(n) other:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Director Corporate Management</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>TOTAL</td>
<td>15.40</td>
<td>28.00</td>
</tr>
</tbody>
</table>

ANTA previously operated an office in Canberra with some staff performing corporate services functions. The decision was taken to close the Canberra Office in 1996 as part of a restructuring process. As a result of this process, overall staff numbers were reduced including a reduction in the number of staff in the corporate services area. Data for number of employees are based on core operative staff that excludes those on the graduate placement program and trainees.

Department of Health and Aged Care: Market Testing of Corporate Services
(Question No. 2678)

Senator Faulkner asked the Minister representing the Minister for Health and Aged Care, upon notice, on 9 August 2000:

1. Has the department and/or any agency in the portfolio, set a timeframe to market test any of its corporate services; if so, which agency, which functions, and what is the timeframe.

2. In relation to each agency which has, or will, move to market test corporate services, what arrangements have been made to consult with effected employees and their representatives; if such arrangements have not been made, when will these consultations be undertaken.

Senator Herron—The Minister for Health and Aged Care has provided the following answer to the honourable senator’s question:

1. In accordance with the Government’s decision of November 1999, the Department will market test all corporate services over the next 12-24 months. The Department and agencies have agreed to work cooperatively where such activity is undertaken by agencies.
(2) Staff will be consulted through an ongoing communications program and specifically through a Reference Group to the National Staff Participation Forum that comprises staff and union representatives.

**Department of Industry, Science and Resources: Market Testing of Corporate Services**  
*(Question No. 2681)*

**Senator Faulkner** asked the Minister for Industry, Science and Resources, upon notice, on 9 August 2000:

1. Has the Department, and/or any agency in the portfolio, set a timeframe to market test any of its corporate services; if so, which agency, which functions, and what is the timeframe.

2. In relation to each agency which has, or will, move to market test these functions, what arrangements have been made to consult with affected employees and their representatives; if such arrangements have not been made, when will these consultations be undertaken.

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

1. In relation to the Department’s current market testing initiatives, ISR is market testing a range of corporate services. Expressions of Interest have been called and a Request for Tender will be issued by late September 2000. A decision is expected by mid February 2001.

   The functions being market tested are Property Management Services, Employee Support Services, Financial Management Services, Information and Records Management Services, Asset Management Services, Design and Publication Services and Travel Management Services.

   In relation to agencies within the portfolio, I can report as follows:

   - The Australian Geological Survey Organisation (AGSO) is market testing all overhead areas including corporate services, and functions such as Engineering Services and Resource Management. The timeframe for completion is 2000 - 2001.
   - The Australian Sports Drug Agency is seeking market quotes for the contracting out of payroll and accounting functions, and this process will be completed by the end of December 2000.
   - IP Australia has commenced planning for the market testing of its corporate services. It is currently engaging a business adviser for the development of a market testing strategy and timetable.
   - The Australian Tourist Commission has recently completed market testing of its Information Technology section, with the results of the testing currently being assessed by OASITO.

2. Within the Department, both formal and informal consultation is held within the framework of the Corporate Division’s Communication and Consultation Strategy.

   Formal consultation has been held with the ISR Staff Committee which includes national representatives of the Department’s three staff associations. Informal consultations started in December 1999. Further consultation is scheduled as the timetable progresses.

   Within the portfolio agencies:

   - The Australian Sports Commission has implemented a communication strategy, including direct consultation with staff throughout the processes, and with employee representatives at appropriate times.

   In the Australian Geological Survey Organisation (AGSO) staff consultation has commenced and will continue throughout the process.

   The Australian Sports Drug Agency has consulted the 3 staff affected.

   IP Australia is committed to consultation with its employees, and its new Certified Agreement with staff specifically mentions market testing and outsourcing as matters for consultation. Formal consultative mechanisms are established at corporate level, through the IP Australia Workplace Committee, and are in the process of establishment at the Business Unit level.
In the Australian Tourist Commission, consultation with the one staff member affected was undertaken before the market testing commenced.

Department of Health and Aged Care: Market Testing of Functions
(Question No. 2697)

Senator Faulkner asked the Minister representing the Minister for Health and Aged Care, upon notice, on 9 August 2000:

(1) Has the department, and/or agency in the portfolio, set a timeframe to market test any of its functions other than corporate services; if so, which agency, which functions, what is the state and city or town location of staff currently undertaking this function, and what is the timeframe.

(2) In relation to each agency which has or will move to market test these functions, what arrangements have been made to consult with affected employees and their representatives; if such arrangements have not been made, when will these consultations be undertaken.

Senator Herron—The Minister for Health and Aged Care has provided the following answer to the honourable senator’s question:

(1) No
(2) No

Department of Industry, Science and Resources: Market Testing of Functions
(Question No. 2700)

Senator Faulkner asked the Minister for Industry, Science and Resources, upon notice, on 9 August 2000:

(1) Has the Department, and/or any agency in the portfolio, set a timeframe to market test any of its functions other than corporate services; if so, which agency, which functions, what is the state and city or town location of staff currently undertaking that function, and what is the timeframe.

(2) In relation to each agency which has, or will, move to market test these functions, what arrangements have been made to consult with affected employees and their representatives; if such arrangements have not been made, when will these consultations be undertaken.

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

(1) In relation to the Department and/or any agency in the portfolio; while a number of services have been market tested in the past, there is no current timeframe to market test any functions other than corporate services.

(2) As there are no current timeframes to market test any functions other than corporate services, no arrangements have been made for consultation. Consultation in relation to any future proposals to market test the functions will be considered at the relevant time.

Artillery Barracks, Fremantle: Sale or Lease
(Question No. 2723)

Senator O’Brien asked the Minister for Defence, upon notice, on 14 August 2000:

(1) Does the Government plan to lease or sell the Artillery Barracks located in Burt Street, Fremantle in Western Australia; if so: (a) at what stage is the process of leasing or selling the building; and (b) what is the planned completion date for the sale or lease of the building.

(2) What is the building currently used for and what revenue, if any, flows to the Government from the use of the building.

Senator Newman—The Minister for Defence has provided the following answer to the honourable senator’s question:

(1) As part of the ongoing review of its property, Defence has recently identified Artillery Barracks as being surplus to Defence requirements. As there is no longer an operational or training requirement for the property, it has been programmed for disposal this financial year.
(a) The Minister for Finance and Administration has agreed in-principle to the priority sale (that is, at market value) to the University of Notre Dame Australia, subject to appropriate protection of the heritage attributes of the property.

As part of the disposal process, Defence is currently carrying out planning, heritage, environment and other studies of the site. These studies will allow Defence to determine how best to protect the heritage values of the site.

(b) Yet to be determined.

(2) The Artillery Barracks site comprises a number of buildings. The Barracks currently houses the Army Museum of Western Australia and the Western Australian University Regiment.

No revenue is received by Defence from the Barracks buildings.

Qantas: Aircraft Investigations

(Question No. 2725)

Senator Brown asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 15 August 2000:

(1) Is it a fact that some Qantas Boeing 747s departing Bangkok for Rome or Frankfurt, depending on total cargo weight and ambient air temperature, experience a critical period of some 25 seconds during takeoff when, if one engine were to fail, the plane would almost certainly crash.

(2) What steps is the Government taking to investigate these claims and what agencies are involved in the investigation.

(3) If these claims are found to be correct, what action will be taken to ensure the safety of the travelling public and crew of these aircraft.

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

(1) For certification, the Boeing 747-300 aircraft is required to be able to sustain an engine failure at or after a specified speed (V\textsubscript{1}) at its maximum take-off weight and safely climb on the thrust of the remaining three engines. V\textsubscript{1} is the decision speed at and below which takeoff can be aborted and the aircraft stopped within the runway confines. It is also the speed at and above which takeoff can safely be continued should the critical engine become inoperative, where the critical engine is the engine that would most adversely affect the performance or handling qualities of the aircraft.

Following an allegation that a Boeing 747-300 did not meet the certified take-off performance criteria, data from that flight and a number of other flights was checked by the ATSB. The data shows that the aircraft met the certification requirements for take-off performance. Nothing in the cases checked suggests that the aircraft would not be able to safely climb from the runway on three engines if an engine had failed at or after reaching V\textsubscript{1} speed. Had an engine failure occurred before V\textsubscript{1}, by definition the aircraft would have been able to stop within the runway confines.

(2) The ATSB, the operator and the aircraft manufacturer have independently analysed data recorded from a specified Boeing 747-300’s take-off from Bangkok. CASA aircraft performance engineers have also assessed recorded data. The ATSB has found no evidence to suggest that the aircraft did not meet the scheduled performance.

(3) The ATSB’s independent analysis of recorded data from other B747-300 departures from Bangkok has not revealed evidence that the aircraft type does not meet its scheduled performance requirements.

Alternative Energy Sources: Funding

(Question No. 2737)

Senator O’Brien asked the Minister for Industry, Science and Resources, upon notice, on 16 August 2000:

(1) What level of funding was allocated for research into alternative energy sources in the 2000-01 financial year.
Senator Minchin—The answer to the honourable senator’s question is as follows:

(1) and (2) The Department of Industry, Science and Resources (ISR) does not administer any programs which specifically allocate funding for research into alternative energy sources, but does anticipate expenditure this financial year of $3.15 million on the renewable energy area. ISR does run several programs that provide assistance to firms or organisations that are undertaking research and development. These programs include the R&D Start Program, Commercialising Emerging Technologies (COMET), Technology Diffusion Program, and the Cooperative Research Centres (CRC) Program, all of which are competitive programs.

Each of these programs require applicants to identify into which broad-based Australian Standard Research Classification (ASRC) their main research activity falls. However, this system does not identify alternative energy research as a separate category and it is not possible to isolate figures from renewable energy R&D.

The R&D Start Program has allocated financial assistance of approximately $190 million for 2000-01 but it is not possible to apportion them specifically to the alternative energy industry.

Under the CRC Program, the Australian Cooperative Research Centre for Renewable Energy will receive funding of $1.55 million for 2000-01.

CSIRO expenditure on renewable energy and related energy storage R&D will be approximately $6.9 million for 2000-01. Around two-thirds of this expenditure is funded through CSIRO’s appropriation from the Federal Government.

(3) The effectiveness and the efficiency of the R&D Start Program is currently being evaluated and will focus on the national benefit, additionality, spill over effects and the direct benefit to the firm of their being a recipient.

The performance of activities by CRCs under Commonwealth Agreements are evaluated by independent, expert review panels under evaluation criteria contained in the Program Guidelines at the end of the second and fifth year of Centre operation. The CRC Program was evaluated in 1995 and 1998.

Funding is not specifically allocated to CRCs to assist in the commercial application of research, but commercialisation is part of the CRC mandate.

Funding is provided for a range of activities involving research and development, technology transfer, commercial application and education.

(4) Renewable energy projects are eligible to apply for support under projects like the Commercialising Emerging Technologies (COMET) and Technology Diffusion Programs. Projected expenditure in 2000-01 for COMET will be $8.35 million and $20.458 million for the Technology Diffusion Program.

The Government through the Australian Greenhouse Office (AGO) has also allocated $91.842 million funding for the commercialisation of renewable energy projects in 2000-01 through the following programs:

- Renewable Remote Power Generation Program (RRPGP) has allocated $50.8 million over this financial year;
- Photovoltaic Rebate Scheme (PVRP) has allocated $20.2 million over this financial year;
- Renewable Energy Commercialisation Program (RECP) and the Renewable Energy Industry Program (REIP) have allocated funding of $12.458 million over this financial year;
- Renewable Energy Showcase has allocated funding of $5.5 million over this financial year;
- Renewable Energy Equity Fund (REEF), administered by ISR on behalf of the AGO, has allocated funding of $2.884 million over this financial year.
The Emerging and Renewable Energy Action Agenda was announced in December 1999 to assist commercialisation of renewable technology by setting a national strategic framework for the development of a renewable energy industry. Modest expenditure of $206,000 for 2000-01 belies the fact that the action agenda will provide a growth strategy for Australia industry to capitalises on the opportunity presented by a growing national and international demand for energy with a relatively low environmental impact.

**Australian Businesses: Turnover**

(Question No. 2742)

Senator Faulkner asked the Minister representing the Minister for Employment, Workplace Relations and Small Business, upon notice, on 17 August 2000:

1. How many businesses are there in Australia within each of the following turnover ranges: (a) less than $50 000; (b) $50 000 to less than $500 000; (c) $500 000 to less than $1 million; (d) $1 million to less than $3 million; and (e) greater than $3 million.

2. What was the date and/or period when these figures were collected.

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

1. According to figures supplied by the Australian Bureau of Statistics (ABS), the number of businesses in Australia within each of the following turnover ranges is:

<table>
<thead>
<tr>
<th>Turnover range</th>
<th>No. of businesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than $50 000</td>
<td>404 700</td>
</tr>
<tr>
<td>$50 000 to less than $500 000</td>
<td>485 700</td>
</tr>
<tr>
<td>$500 000 to less than $1 million</td>
<td>96 600</td>
</tr>
<tr>
<td>$1 million to less than $3 million</td>
<td>78 500</td>
</tr>
<tr>
<td>Greater than $3 million</td>
<td>41 400</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>1 106 900</strong></td>
</tr>
</tbody>
</table>

2. Figures are supplied by the ABS for the period 1998–99.

**Regional Forest Agreement: Tasmanian Milestones**

(Question No. 2749)

Senator Brown asked the Minister representing the Minister for Forestry and Conservation, upon notice, on 17 August 2000:

With reference to the agreed milestones in the Tasmanian Regional Forest Agreement, can copies be provided of the following documents together with a statement of how the action has been implemented:

1. Review of legislation relevant to the allocation and pricing of hardwood logs from state forests as part of the Competition Principles Agreement (Clause 87).
2. Appropriate, practical and cost effective sustainability indicators (Clause 91).
3. Compliance audits of the Forest Practice Code and code of reserve management (Clause 94).
4. Digital maps at 1:100 000 scale of all lands in Tasmania listed on the Register of the National Estate (Attachment 1.6).
5. Finalised boundaries of CAR reserves on 1:125 000 maps (Attachments 6.5).
7. Mechanisms to encourage native vegetation retention and management on private land (Attachment 9.8).
8. Threatened Species Protection Strategy (Attachment 10.3).
9. Implementation of Management Plans for all state forest and national parks (Attachment 10.8).
(10) A code of practice for reserve management (Attachment 10.11).
(11) Silvicultural guidelines for the management of commercial forest types (Attachment 11.1).

Senator Hill—The Minister for Forestry and Conservation has provided the following answer to the honourable senator’s question:

The Tasmanian Regional Forest Agreement provides for the parties to report annually on the implementation of agreed milestones. The Tasmanian Government Implementation annual reports for 1998 and 1999 have been published. These reports are publicly available and can be accessed at the following Internet site: http://www dpac tas.gov.au/divisions/policy/rfa/. The 1999 report was also tabled in the Senate on 9 May 2000 and should be available from the Senate Table Office.

In relation to the questions (1-11) the annual reports contain information on action taken to implement the milestones.

In addition, in relation to question (2) a copy of the Tasmanian Regional Forest Agreement Sustainability Indicators can be accessed at the RFA Internet site: http://www rfa.gov.au/rfa/tas/index.html.

In relation to question (4), digital maps of lands listed on the Register of the National Estate can be obtained by contacting the Australian Heritage Commission, GPO Box 787, Canberra 2601.

Home Mortgage Repayments
(Question No. 2758)

Senator Brown asked the Minister representing the Treasurer, upon notice, on 17 August 2000:

Is it a fact that the average amount of mortgage repayments for the average Australian home-purchaser is less than when Labor was in office; if so, by how much.

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

Australian home-purchasers are now paying less on their mortgages than when the previous Government left office in March 1996.

Using the interest only method of calculation, which allows for the comparison of loan amounts without consideration of the term of the loan, the following comparisons can be made of current mortgage payments on a range of loan sizes compared with those in March 1996 when this Government came to office.

Interest only loan

| Absolute monthly payment and differentials - various average interest rates/mortgage sizes |
|-----------------------------------------------|-----------------------------------------------|-----------------------------------------------|
| Size of mortgage | 8.05% | 10.50% | Monthly Payment Differential |
| Current average rate | Average rate as at March 1996 | 8.05% | 10.50% |
| $100,000 | $671 | $875 | $204 |
| $150,000 | $1,006 | $1,313 | $306 |
| $200,000 | $1,342 | $1,750 | $408 |
| $250,000 | $1,677 | $2,188 | $510 |

The monthly payment differential column demonstrates the dollar amount the Australian home purchaser saves in interest costs when compared to the average interest rate as at March 1996.

Clean Development Mechanism: Projects
(Question No. 2760)

Senator Brown asked the Minister for the Environment and Heritage, upon notice, on 17 August 2000:

Would any projects under the Clean Development Mechanism, including those that involve nuclear power, require assessment under the Environment Protection and Biodiversity Conservation Act 1999; if so, under what provisions of the Act.
Senator Hill—The answer to the honourable senator’s question is as follows:

The Clean Development Mechanism (CDM) is an instrument proposed under the Kyoto Protocol to the United Nations Framework Convention on Climate Change. The Kyoto Protocol has not yet entered into force, with a number of major issues still unresolved. The modalities and procedures for the CDM are one such issue, and the negotiations on these are continuing.

Australian involvement in the CDM is expected to largely comprise private sector investments in developing countries in which case it is unlikely that actions under a CDM would be within the jurisdiction of the Environment Protection and Biodiversity Conservation Act 1999.

Natural Heritage Trust: Summer Rains Project  
(Question No. 2761)

Senator Brown asked the Minister for the Environment and Heritage, upon notice, on 17 August 2000:

Has there been any application for, or consideration of, the use of Natural Heritage Trust funds for works associated with the Summer Rains Project in north-eastern Tasmania: if so, can details be provided.

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

An application for Natural Heritage Trust funding for the Summer Rains Project has been submitted under the Community and Industry Water Infrastructure Development Program, which is administered by Agriculture, Fisheries and Forestry - Australia. I suggest that the honourable senator direct his question to my colleague, the Minister for Agriculture, Fisheries and Forestry.

Quarantine: Imported Chilli Products  
(Question No. 2774)

Senator O’Brien asked the Minister representing the Minister for Agriculture, Fisheries and Forestry, upon notice, on 21 August 2000:

(1) Are imported chilli and chilli products considered to present a high, medium or low quarantine risk to Australia.

(2) What level of sampling, for quarantine purposes, is applied to imported chilli and chilli products by the Australian Quarantine and Inspection Service.

(3) On how many occasions since January 1998 has the above sampling identified a potential, or actual, quarantine problem with the imported product.

(4) In each case: (a) what was the nature of the problem: and (b) what action was taken.

(5) Has the level of sampling varied since January 1998; if so: (a) what has been the variation in sampling over this period; and (b) why has the level of sampling been varied.

Senator Alston—The Minister for Agriculture, Fisheries and Forestry has provided the following response to the honourable senator’s question:

(1) Imported fresh chilli presents a high quarantine risk. Imported dried chilli and chilli products present a low quarantine risk.

(2) A 600 unit sample would be inspected for imported fresh chilli. Dried chilli from Khapra beetle countries is sampled on a package basis according to the number of packages in a consignment. Imported cooked chilli and chilli products would not need to be sampled for quarantine purposes unless a tailgate inspection uncovered a possible quarantine problem.

(3) and (4) None.

(5) Yes, for fresh chillies only.

(a) On 1 January 1999 the sampling system for fresh chillies was changed from a number of cartons per consignment to a 600 unit sample.

(b) The sampling system was changed to implement a nationally consistent sampling regime with a scientific basis.
Quarantine: Imported Chilli Products
(Question No. 2775)

Senator O’Brien asked the Minister representing the Minister for Health and Aged Care, upon notice, on 21 August 2000:

(1) Are imported chilli and chilli products considered to present a high, medium or low public health risk to Australia.

(2) What level of sampling, for public health purposes, is applied by the Australian and New Zealand Food Authority, or on its behalf by the Australian Quarantine Inspection Service, to imported chilli and chilli products.

(3) Has this level of sampling varied since January 1998.

(4) On how many occasions since January 1998 has the above sampling identified a potential, or actual, public health problem with the imported product.

(5) In each case: (a) what was the nature of the problem; and (b) what action was taken.

(6) If the level of sampling has varied since January 1998; (a) what has been the variation in sampling over this period; and (b) why has the level of sampling been varied.

Senator Herron—The Minister for Health and Aged Care has provided the following answer to the honourable senator’s question:

(1) Imported chilli and chilli products are currently considered to present a low public health risk to Australia.

(2) Australia New Zealand Food Authority (ANZFA) does not undertake sampling of imported foods, this function is undertaken by the Imported Food Program of the Australian Quarantine and Inspection Service (AQIS) under the Imported Food Control Act 1992. However, ANZFA does recommend sampling levels to AQIS for imported foods. For chilli and chilli products a sampling level of 5% has been recommended. However, if a product fails, the frequency of testing is elevated to 100%.

(3) The level of testing recommended by ANZFA has not varied since 1998.

(4) The Imported Food Program of AQIS holds statistics on sampling and the detailed test results.

(5) The Imported Food Program of AQIS holds information on the nature of the problem and the action taken.

(6) Not applicable.

Department of Immigration and Multicultural Affairs: Grants to Employer Organisations
(Question No. 2792)

Senator O’Brien asked the Minister representing the Minister for Immigration and Multicultural Affairs, upon notice, on 24 August 2000:

(1) What grants or other payments were made to employer organisations by the department or any of its agencies in the 1996-97 financial year.

(2) In each case: (a) what was the purpose of the grant or other payment; (b) what was the actual value of the grant or other payment; and (c) was the grant or other payment made as a result of an application from the organisation.

(3) If the grant or other payment was made in response to an application from the organisation, in each case: (a) how was that application assessed; and (b) who approved the application.

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

(1) to (3) None.
Department of Immigration and Multicultural Affairs: Grants to Employer Organisations
(Question No. 2811)

Senator O’Brien asked the Minister representing the Minister for Immigration and Multicultural Affairs, upon notice, on 24 August 2000:

(1) What grants or other payments were made to employer organisations by the department or any of its agencies in the 1997-98 financial year.

(2) In each case: (a) what was the purpose of the grant or other payment; (b) what was the actual value of the grant or other payment; and (c) was the grant or other payment made as a result of an application from the organisation.

(3) If the grant or other payment was made in response to an application from the organisation, in each case: (a) how was that application assessed; and (b) who approved the application.

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

(1) (2) (3) None.

Department of Immigration and Multicultural Affairs: Grants to Employer Organisations
(Question No. 2830)

Senator O’Brien asked the Minister representing the Minister for Immigration and Multicultural Affairs, upon notice, on 24 August 2000:

(1) What grants or other payments were made to employer organisations by the department or any of its agencies in the 1998-99 financial year.

(2) In each case: (a) what was the purpose of the grant or other payment; (b) what was the actual value of the grant or other payment; and (c) was the grant or other payment made as a result of an application from the organisation.

(3) If the grant or other payment was made in response to an application from the organisation, in each case: (a) how was that application assessed; and (b) who approved the application.

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

(1) to (3) None.

Department of Immigration and Multicultural Affairs: Grants to Employer Organisations
(Question No. 2849)

Senator O’Brien asked the Minister representing the Minister for Immigration and Multicultural Affairs, upon notice, on 24 August 2000:

(1) What grants or other payments were made to employer organisations by the department or any of its agencies in the 1999-2000 financial year.

(2) In each case: a) what was the purpose of the grant or other payment; (b) what was the actual value of the grant or other payment; and (c) was the grant or other payment made as a result of an application from the organisation.

(3) If the grant or other payment was made in response to an application from the organisation, in each case: (a) how was that application assessed; and (b) who approved the application.

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

(1) Living in Harmony Partnership grant to Australian Local Government Association.

(2) (a) Local Symbols of Reconciliation project
Networking the Nation Program: Accountability

Question No. 2857

Senator Ludwig asked the Minister for Communications, Information Technology and the Arts, upon notice, on 28 August 2000:

(1) With reference to the Networking the Nation Program, what accountability measures are in place to ensure that grant recipients fulfil their obligations under the agreed terms of the grant.

(2) Has the department received any complaints regarding the conduct of any grant recipients in Queensland; if so: (a) what parties were involved in the complaint; and (b) what procedures were implemented to address the concerns raised.

(3) Have the accountability measures implemented by departmental staff identified any problems regarding Queensland grant recipients.

(4) What penalties or sanctions are imposed on recipients who do not adhere to the agreed guidelines.

(5) Has any action been taken against any recipient to date for breech of agreed guidelines.

(6) Is it possible for the projects funded under the program guidelines to seek to make profit from their activities; if a profit is made from the activities, should this profit be returned to the Government or can it be retained by the grant recipients.

(7) Are there any surveys or feedback forms provided by the department directly to the participants of grant-provided community education classes or home-based training.

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

(1) Each funded applicant is required to sign a Deed of Agreement with the Commonwealth of Australia (Department of Communications, Information Technology and the Arts). The Deed of Agreement contains a number of standard clauses and a Schedule outlining the specific requirements of the funded project. The detailed contents of the Schedule are negotiated and agreed between the grantee and the Networking the Nation Secretariat.

The Deed of Agreement requires the grantee to provide project reports on the progress and performance against specific activities, milestones and performance indicators for the project. In addition, reports must include discussion outlining proposed activities for the remainder of the project and an acquittal of grant fund payments up to the date of the report.

During the life of the project, in addition to scrutiny of regular progress reports, members of the Secretariat monitor projects and undertake field visits to meet with grantees and other stakeholders to discuss any issues concerning project progress and performance. Each State/Territory Government employs a Networking the Nation coordinator, who also keeps abreast of project progress.

The Deed of Agreement requires that, following the end of the grant period or the grant being expended in full, whichever is the sooner, the grantee must provide the Secretariat with a report certifying that all grant funds received were expended for the purpose of the project and in accordance with the Deed of Agreement. In addition, for grants of amounts of over $100,000 the grantee must...
provide an audited statement of receipts and expenditure in respect of the grant. The audit must be carried out by a person who is eligible to be registered as an auditor under section 1280 of the Corporations Law and cannot be an officer or employee of the grantee.

A separate, random independent audit program has been instituted which will conduct a number of financial audits of projects on an annual basis.

(2) The Networking the Nation program has entered into over 70 grants in Queensland since its inception in 1997. Since that time, the Secretariat has received formal complaints regarding the conduct of four grantees in Queensland. These include complaints: from outside commercial interests over the impact of grantees’ activities, including some activities outside the scope of the funded projects; in-house disputes between contracted parties involved in the projects; and appropriate use of project funds. Action taken to resolve these disputes include discussion with the parties, suggestions to the grantee on how these disputes can be resolved within the requirements of the Deed of Agreement and, in the more protracted disputes, visits to the relevant parties by the Secretariat and discussion of possible solutions.

Of the four complaints, one has been resolved to the relative satisfaction of the parties and the Networking the Nation Secretariat. The other three are still receiving attention from the Secretariat. Further details of each complaint are:

**Complaint 1**

(a) Parties involved are the grantees and a local ISP.

(b) Extensive discussions between the Secretariat, the Queensland Government Networking the Nation coordinator, the complainant and the grantees. The scope of the project has been amended and discussions are continuing.

**Complaint 2**

(a) Parties involved were the grantee and a local Federal Member of Parliament on behalf of a constituent.

(b) The Secretariat investigated the complaint and found it to be unjustified.

**Complaint 3**

(a) Parties involved are a local training provider and the grantee.

(b) The Secretariat has recently received their complaint, has held initial discussions with the complainant and investigations are continuing.

**Complaint 4**

(a) Parties involved are internal to the project’s operations.

(b) The Secretariat has held discussions and exchanged correspondence with the grantee and recently met with the parties. The Secretariat and the grantee are currently formulating arrangements for the resolution of these issues.

(3) Problems identified for Queensland projects through the accountability measures have involved delays in implementation, which frequently occur in community based projects due to a variety of unforeseen circumstances. When projects experience delays in progress against milestones, problems are investigated by the Secretariat. The grantee must justify that a delay is valid and if the justification is accepted by the Secretariat, the outcome is a renegotiation of the Deed of Agreement, with a withholding of grant instalments until milestones are met. Deed of Agreement renegotiations have been required for a number of projects across Queensland and the other states and territories.

(4) A Termination and Reduction clause is standard in the Deed of Agreement and this clause provides for termination of a project or suspension of payments pending a review of the future performance of the project where:

- the terms and conditions have not been complied with by the grantee;
- the grantee has failed to take an action to implement an intended outcome specified in the project;
the purposes and activities of the grantee have not remained compatible with the objectives of the project; or
- the grantee does not maintain and provide information as requested by the Secretariat to enable an assessment of progress in achieving the objectives of the project to be made.

Any payments under the Deed of Agreement may be deferred or suspended if the grantee has outstanding or unacquitted moneys. Grant payments are not made until relevant reports are accepted, progress against agreed activities and milestones is demonstrated to the reasonable satisfaction of the Secretariat and a financial statement shows that previous grant payments have been fully expended or there is evidence these will be fully expended in the near future. Payments may be deferred until these conditions are met.

(5) No action other than renegotiation of Deeds of Agreement as a consequence of delays in project implementation, as referred to in (3) above, has been taken.

(6) Networking the Nation funding is open only to not-for-profit organisations with the legal standing to enter into a legally binding funding agreement with the Commonwealth. One of the key selection criteria against which the Networking the Nation Board makes its decisions is sustainability of services. Applicants must show that they have developed strategies to ensure project outcomes are sustainable, or are aimed at supporting the development of sustainable services. Where revenues are generated, these are used to cover costs and sustain services during and beyond the period of the grant.

Under the program guidelines, while organisations established for profit-making purposes are not eligible to apply for funding, the involvement of commercial organisations in projects is strongly encouraged, particularly in providing services to, or on behalf of, project organisations. The Networking the Nation Board’s general approach is that product and service providers to projects should be selected through fair and open tender processes.

(7) No; this is the responsibility of the grant recipient.

Public Environmental Assessment
(Question No. 2860)

Senator Brown asked the Minister for the Environment and Heritage, upon notice, on 28 August 2000:

(1) What options does the Commonwealth have for public environmental assessment of its own proposals, or of proposals to which it is contributing substantial resources, where the Environment Protection and Biodiversity Conservation Act 1999 is not triggered because there is no significant impact on one of the matters of national significance.

(2) How can the Commonwealth assess the environmental impacts of its contribution to the following proposals: (a) the very fast train between Canberra and Sydney; (b) proposed freeways in Melbourne; and (c) the Derby Tidal Power Project.

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

(1) The Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act) requires a person, including the Commonwealth or a Commonwealth agency, to hold an environmental approval before taking an action that may have a significant impact on a matter of national environmental significance.

Requirements for environmental approval also apply to actions taken by the Commonwealth or on Commonwealth land that may have a significant impact on the environment. Actions taken outside Commonwealth land that may have significant impact on the environment on Commonwealth land also require approval. Therefore Commonwealth actions that may have a significant impact on the environment anywhere in the world will be subject to the environmental assessment and approval process even where the action will not have a significant impact on a specific matter of national environmental significance.
Provision of grant funding is not an ‘action’ for the purposes of the EPBC Act and the requirements for environmental assessment and approval therefore do not apply to Commonwealth funding of proposals.

However in accordance with Subdivision A, Division 4, Part 11 of the EPBC Act, an environmental assessment will be carried out in relation to the provision of foreign aid in certain circumstances. Before a Commonwealth agency or employee authorises the entry by the Commonwealth, under Australia’s foreign aid program, into a contract, agreement or arrangement for the implementation of a project that has, will have or is likely to have a significant impact on the environment anywhere in the world, they must seek my advice. At the conclusion of the environmental assessment, I will provide advice to the relevant Commonwealth agency or employee relating to whether an authorisation should be given, what conditions should be attached to protect the environment, and any other matter relating to the protection of the environment. Similar provisions apply to other Commonwealth authorisations specified in the Act or the regulations.

(2) As in (1), the provision of grant funding is not an ‘action’ for the purposes of the EPBC Act and the requirements for environmental assessment and approval therefore do not apply to Commonwealth funding of proposals.

Should either the very fast train proposal between Canberra and Sydney, a proposed freeway in Melbourne or the Derby Tidal Power Project, have a significant impact on a matter of national environmental significance, or have a significant impact on the environment on any Commonwealth land, the proposal will be subject to the provisions of the EPBC Act.

New Tax System Advisory Board: Business Courses
(Question No. 2887)

Senator Crossin asked the Minister representing the Treasurer, upon notice, on 31 August 2000:

In a media release, dated 12 July 2000, the Chairman of the New Tax System Advisory Board announced new courses to be run at 70 locations Australia-wide for the small to medium business, community and education sector. The following courses were planned to be held in the Northern Territory: NT B1 Darwin, 9 August 2000; and NT B2 Alice Springs, 10 August 2000:

1. Were these courses actually held; if so: (a) where were these courses held; (b) who conducted these courses; (c) what was the cost of each course; and (d) how many people attended each course.

2. How many of the people that attended each of the courses live or work outside of Darwin or Alice Springs.

3. Did anyone attending the courses obtain any assistance or funding to attend the courses.

4. Did anyone attending the courses have to pay a fee; if so, what was that fee.

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

1. Yes.
   (a) The courses were held at the following venues:
   NT B1 Darwin 9 August 2000: Rydges Plaza Darwin, 32 Mitchell Street, Darwin; and
   NT B2 Alice Springs 10 August 2000: Rydges Plaza Alice Springs, Barrett Drive, Alice Springs
   (b) The courses were conducted by TEO Training.
   (c) The seminars within the series have not been individually costed.
   (d) Registrations for the two courses were as follows:
   NT B1 Darwin 9 August 2000: 104; and

   (2) This cannot be precisely determined as at registration people are asked only for their postal addresses. Many living in rural areas give only their postal addresses in their nearest town. Registration
records reveal attendees with postal addresses outside the Darwin area were 33; and outside the Alice Springs area, 2.

(3) No.

(4) No.