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FAMILY LAW AMENDMENT BILL 2000

In Committee

Consideration resumed from 7 October.

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

Senator VANSTONE (South Australia—Minister for Justice and Customs) (9.31 a.m.)—by leave—I table a supplementary explanatory memorandum relating to the government amendments to be moved to this bill. The memorandum was circulated on 6 November. I move government amendments Nos 1 to 18 together.

(1) Schedule 1, item 3, page 3 (line 11) to page 4 (before line 1), omit the item, substitute:

3 Section 60C (after table item 13)

Insert:

13A Division 13A—Enforcement of orders affecting children

• court may do any or all of the following:

(a) require a person who contravenes an order affecting children to participate in an appropriate post-separation parenting program designed to help in the resolution of conflicts about parenting;

(b) make a further parenting order that compensates for contact forgone as a result of the contravention;

(c) adjourned the proceedings to enable an application to be made for a further parenting order;

—stage 2 of parenting compliance regime

• court must take other action in respect of a person who contravenes an order affecting children if the court is satisfied:

(a) where the contravention is an initial contravention—that the person has behaved in a way that showed a serious disregard for his or her parenting obligations; or

(b) where the contravention is a second or subsequent contravention—that it is not appropriate for the person to be dealt with by requiring his or her attendance at a post-separation parenting program;

—stage 3 of parenting compliance regime

(2) Schedule 1, page 6 (after line 2), after item 5, insert:

5A At the end of section 65D

Add:

(3) If the application for the parenting order was made as a result of the adjournment under paragraph 70NG(1)(c) of proceedings under Subdivision B of Division 13A of Part VII:

(a) the court must hear and determine the application as soon as practicable; and

(b) if the court makes a parenting order on the application, the court may, if it thinks it is appropriate to do so, dismiss the proceedings under that Subdivision.

Note: The applicant may apply to the Family Court or to the Federal Magistrates Court for the application for the parenting order or for the proceedings under Subdivision B of Division 13A of Part VII, or both, to be transferred to the Federal Magistrates Court or to the Family Court, as the case requires (see section 33B of this Act and section 39 of the Federal Magistrates Act 1999).

(3) Schedule 1, item 7, page 9 (after line 2), after paragraph (1)(b), insert:

70NBA Application of Division

Despite anything contained in any other provision of this Division, this Division does not apply in respect of a contravention, committed before this Division commences, of an order under this Act affecting children if a court made an order, in respect of that contravention before this Division commences, under this Act as previously in force.

(4) Schedule 1, item 7, page 11 (line 28), omit “without reasonable excuse.”.

(5) Schedule 1, item 7, page 11 (after line 29) after paragraph (1)(b), insert:
(6) Schedule 1, item 7, page 12 (lines 14 to 31), omit subsection (1), substitute:

(1) If this Subdivision applies, the court may do any or all of the following:

(a) make an order in respect of the person who committed the current contravention, or (subject to subsection (2)) in respect of both that person and another specified person, as follows:

(i) directing the person or each person to attend before the provider of a specified appropriate post-separation parenting program so that the provider can make an initial assessment as to the suitability of the person concerned to attend such a program;

(ii) if a person so attending before a provider is assessed by the provider to be suitable to attend such a program or a part of such a program and the provider nominates a particular appropriate program for the person to attend—directing the person to attend that program or that part of that program;

(b) make a further parenting order that compensates for contact forgone as a result of the current contravention;

(c) adjourn the proceedings to allow either or both of the parties to the primary order to apply for a further parenting order under Division 6 of Part VII that discharges, varies or suspends the primary order or revives some or all of an earlier parenting order.

(1A) In deciding whether to adjourn the proceedings as mentioned in paragraph (1)(c), the court must have regard to the following:

(a) whether the primary order was made by consent;

(b) whether either or both of the parties to the proceedings in which the primary order was made were represented in those proceedings by a legal practitioner;

(c) the length of the period between the making of the primary order and the occurrence of the current contravention;

(d) any other matters that the court thinks relevant.

(7) Schedule 1, item 7, page 14 (line 26), omit “without reasonable excuse,”.

(8) Schedule 1, item 7, page 14 (after line 27), after paragraph (1)(b), insert:

(ba) the person does not prove that he or she had a reasonable excuse for the current contravention; and

(9) Schedule 1, item 7, page 16 (line 33), omit “VII”, substitute “7”.

(10) Schedule 1, item 31, page 31 (lines 7 to 13), omit the item, substitute:

31 Saving

The amendments made by the previous items in this Schedule do not affect any act or thing done by a court under Division 2 of Part XIII-A of the Family Law Act 1975 before the commencement of this Schedule, and any such act or thing continues to have effect according to its terms after that commencement as if those amendments had not been made.

(11) Schedule 2, item 10, page 41 (line 32), omit “Court.”, substitute “Court; and”.

(12) Schedule 2, item 10, page 41 (after line 32), at the end of section 90KA, add:

(c) in addition to, or instead of, making an order or orders under paragraph (a) or (b), may order that the agreement, or a specified part of the agreement, be enforced as if it were an order of the court.

(13) Schedule 2, page 42 (after line 2), at the end of the Schedule, add:

11 After subsection 105(2)

Insert:

(2A) Subsection (2) does not prevent a court from making an order under paragraph 90KA(c).

(14) Schedule 3, item 2, page 44 (line 17), omit “(Enforcement of orders affecting children)”, substitute “(Consequences of failure to comply with orders, and other obligations, that affect children)”.

(15) Schedule 3, item 3, page 44 (line 23), omit “(Enforcement of orders affecting children)”, substitute “(Consequences of failure to comply with orders, and other obligations, that affect children)”.

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(16) Schedule 3, item 66, page 61 (line 18), before “.”, substitute “.”, insert “(first occurring)”.

(17) Schedule 3, item 79, page 65 (lines 13 and 14), omit “(whether instituted by one party, or jointly by both parties, to the marriage) under subsection (1) or”, substitute “under subsection”.

(18) Schedule 3, item 81, page 68 (line 2), omit “109A”, substitute “109B”.

Senator BOLKUS (South Australia) (9.31 a.m.)—As I said in the second reading debate, Labor was concerned that in its original form the bill may have had detrimental consequences for victims of domestic violence with respect to contravention applications. We listed a number of problems. I note that in that contribution the government has picked up quite a number of recommendations from the Senate Legal and Constitutional Legislation Committee, which inquired into this legislation. Much of those amendments goes to those recommendations, and we welcome that.

One of the problems which we believe needs to be addressed in considering contravention applications is that the original orders which are alleged to have been contravened are often consent orders which are made in that way because there is not an alternative in the absence of adequate legal aid where, by virtue of the pressure on the Family Court to move quickly through cases before it, the court has not been involved in proper scrutiny of the orders at the time they were made. Contravention applications have to be seen in this context. Accordingly, in the House of Reps we moved an amendment to include a provision that required the court to turn its mind to whether the contravention application is in fact the best way to proceed. Labor’s amendments would have required a court to make such a determination having regard to a number of factors. Our amendment was defeated in the House. But, in addition to what I said earlier, the government subsequently reconsidered the issue and have put forward amendments which are also reflected in what Senator Vanstone has put forward this morning. Generally, therefore, we support government amendments Nos 1 to 18.

Senator GREIG (Western Australia) (9.33 a.m.)—As I said in my speech in the second reading debate yesterday, we Democrats support government amendments Nos 1 to 18. I would reiterate my commendation of the government for incorporating so many of the suggestions and recommendations that arose from the period of community consultation and Senate Legal and Constitutional Legislation Committee inquiry. They are largely administrative and technical amendments that enhance the quality of the bill, and they have our support.

Amendments agreed to.

Senator HARRIS (Queensland) (9.34 a.m.)—by leave—I move One Nation amendments Nos 1 and 2 on sheet 2015:

(1) Schedule 1, item 3, page 4 (first dot point of table item 13A), omit “do either or both of the following”.

(2) Schedule 1, item 3, page 4 (second dot point of table item 13A), omit “must”, substitute “may”.

The amendments would extend the function of the judiciary to have a greater choice. The government’s bill contains the words ‘the court may do either or both of the following’. These amendments would strike out ‘do either or both of the following’ and include ‘may’, to leave the discretion totally to the judiciary as to how they enforce the orders affecting children. As I have said, the ability to produce legislation that will give an outcome that is suitable to all parties is extremely difficult. But the person who would be best suited to make an assessment in regard to the enforcement of the orders would obviously be the judiciary at the time. The amendments would give the court more scope in applying the legislation as the government has put it forward. I commend the amendments to the chamber.

Amendments not agreed to.

Senator HARRIS (Queensland) (9.36 a.m.)—I move One Nation amendment No. 3 on sheet 2015:

(3) Schedule 1, page 5 (line 19), after item 4A, insert:

4B Paragraph 63H(1)(b)

Repeal the paragraph, substitute:
(b) that any one of the parties wants the plan set aside; or

Amendment No. 3 goes to section 63H of the bill, which refers to the court’s power to set aside, discharge, vary, suspend or review registered parenting plans. The amendment will allow one of the parties to set the plan aside. The way the bill is written at the moment, it requires both parties to want the order set aside. In some circumstances that is difficult to achieve and I believe, in the best interests of both parties, that either of the parties in the action should have the ability to have an order set aside, or the court should be given the power to set an order aside if one of the parties wishes it. As the bill is structured at the moment, both parties have to agree prior to the order being set aside by the court, and I feel it is far more equitable for both parties to have a situation where one of the two parties may have that set aside. I commend the amendment to the chamber.

Senator VANSTONE (South Australia—Minister for Justice and Customs) (9.39 a.m.)—I indicate for the senator that both parties make the agreements and, in the interests of the whole arrangement, they need to stick to the agreement so that one party cannot, at will, back out of it. There are mechanisms for getting the court to set aside an agreement, as I am advised. I think that provides suitable flexibility for someone who changes their mind, but to allow opting out at will really reduces the strength of the initial agreement to pretty well nothing—‘This is just what we feel today; we might change our mind tomorrow.’ It does not give sufficient certainty. That is the reason we are not supporting this.

Amendment not agreed to.

Senator HARRIS (Queensland) (9.39 a.m.)—by leave—I move One Nation amendments Nos 4 and 5 on sheet 2015:

(4) Schedule 1, item 6, page 6 (line 18), omit “may”, substitute “must”.

(5) Schedule 1, item 6, page 6 (lines 30 and 31), omit subsection (7).

This section of the bill relates to parenting orders. As it stands, the bill says:

The court may cause to be prepared, and given to persons to whom a parenting order is directed, a document setting out particulars of matters mentioned in paragraphs (3)(a) and (b).

The intention of the amendment is to ensure that the court must cause the document to be prepared and given to the person to whom the parenting order is directed. I find it quite amazing that the government would structure a bill in such a way as to have a provision for an order to be made and then for there to be no clear and concise directive that that must be given to both parties. That is amendment No. 4.

Amendment No. 5 is linked to amendment No. 4. Where a legal practitioner is involved in a court proceeding, the way 65DA(7) stands at the moment, if the practitioner does not comply with the request then the order still stands. The amendment will omit subparagraph (7) so that it is compulsory for a legal practitioner working in the court to comply with the request. It says that where a person is represented by a legal practitioner, the court may request a practitioner to assist in explaining to the person the matters mentioned in the paragraph. So it is vitally important that there are very clear and concise directions to any legal practitioner who goes into a court representing a party that they are required under this bill to explain matters to the person they are representing. The first amendment will ensure that the court must prepare and give to the persons involved a document setting out what the parenting order is. Secondly, having done that, if there is a legal practitioner involved in the case representing one of the parties, that legal practitioner is required to convey that to the person. I believe, as the bill stands at the moment, it is not strong enough to ensure that that legal practitioner in actuality will be required to explain matters to the person involved. I commend the amendments to the Senate.

Senator VANSTONE (South Australia—Minister for Justice and Customs) (9.44 a.m.)—The government will not be supporting Senator Harris’s amendments. As I understand it, these amendments are designed to make it mandatory for the court to provide leaflets explaining parenting orders and, if that is not done, the order they make will not be valid. The court order, once made, should...
remain valid and the courts should be relied on to request practitioners to explain it if they think the party needs further explanation of the order. We have to give some credit to the legal profession and to the courts. Once the courts have made an order, the order should be valid.

Amendments not agreed to.

Senator HARRIS (Queensland) (9.45 a.m.)—I move Pauline Hanson’s One Nation amendment No. 6:

(6) Schedule 1, page 7 (after line 5), after item 6, insert:

6AA Subsection 65G(2)
Repeal the subsection, substitute:
(2) The court must not make the proposed order unless:
(a) the parties to the proceedings have attended a conference with a family and child counsellor or a welfare officer to discuss the matter to be determined by the proposed order and have agreed to the proposed order; and
(b) the court has considered a report prepared by the counsellor or officer about that matter.

This amendment goes to the body of the bill itself and refers to special conditions for making resident orders or specific issue orders by consent in favour of a non-parent. The intent here is to amend the bill so that these orders cannot be made unless both parties are in attendance at the conference and unless all parties agree. It has been brought to my attention that, in some cases, orders have been made even without parties being aware of them and most certainly without their agreement. If the court is to attain a situation where both parties consent, how can you have a consent order when one of the parties does not agree to the order? I am not implying that they may object to the entire order; it may be only a portion of the order. It is difficult to understand how an order can be brought down under the guise of being a consent order when both parties may not fully agree with that order. I put forward this amendment so that the consent order can be made only with the agreement of both parties. I commend the amendment to the committee.

Senator VANSTONE (South Australia—Minister for Justice and Customs) (9.48 a.m.)—The government will not be supporting this amendment. Senator Harris, if I understand what you have indicated, you have heard of an occasion where a judge has made a consent order and there is no consent. I think most people would be very interested to hear of that occasion. But the judges do have power to make orders when there is no consent, because that is often the case in family law matters, sadly. Senator Harris, as evidenced by your amendment, you do not want the court to have the discretion to make an order if there has been no conference or report. There will be occasions when it will be appropriate for that to happen and, therefore, the discretion for the court to make that order in the absence of a conference or report should be retained.

Amendment not agreed to.

Senator HARRIS (Queensland) (9.49 a.m.)—I move Pauline Hanson’s One Nation amendment No. 7:

(7) Schedule 1, page 7 (after line 5), after item 6, insert:

6AB Subsection 65K(2)
Omit “cannot require”, substitute “may make an application for”.

Again, this amendment goes to the body of the act itself and refers to what happens when parenting orders—that includes residence orders—do not make provision for the death of the parent with whom the child lives. The intent of the amendment is for the surviving parent to be able to make an application for the child to live with him or her. I will agree that there may be cases where it is not suitable for a surviving parent to have custody of a child—if there are any cases of abuse or anything like that in relation to the surviving parent. But the way the act is written at the moment, it says that the surviving parent ‘cannot require’ the child to live with him or her. This amendment amends the act so that the surviving parent may make an application for the child to live with them and, again, this would then allow the judiciary the ability to assess whether it is appropriate on a case by case basis.
Particularly in their early teenage years, children may rebel. There can be situations where the parent is a loving and caring parent and where the child rebels. This amendment would allow either the court or the appropriate person to whom the application is made to assess that situation on a case by case basis. It does not say that the child must reside with the surviving parent; it clearly states that the surviving parent may make an application for the child to live with him or her. I commend this amendment to the Senate.

Senator VANSTONE (South Australia—Minister for Justice and Customs) (9.53 a.m.)—Senator Harris, the government will not be supporting this amendment either, not because we disagree with what you seek to achieve but simply because we believe that there clearly is a possibility for those applications to be made. This is being disagreed with simply because it is an unnecessary complication and may, in the way that it is framed, produce some unintended consequences. I am simply advising you, Senator, that what you seek to do can already be done; you do not need this amendment to do that. Therefore, we will not be supporting it.

Amendment not agreed to.

Senator Harris—I seek your indulgence for a second, Mr Temporary Chairman. I have been given a new running sheet and I cannot see the difference between the running sheets.

The TEMPORARY CHAIRMAN (Senator Bartlett)—It looks to me as if your amendment No. 12 has been repositioned to be coupled with your amendment No. 19, for reasons which I am sure are clear to us all.

Senator HARRIS (Queensland) (9.54 a.m.)—by leave—I move Pauline Hanson’s One Nation amendments Nos 8 to 11:

(8) Schedule 1, item 7, page 12 (line 14), omit “do either or both of the following”.

(9) Schedule 1, item 7, page 13 (line 26), omit “is not”, substitute “may be”.

(10) Schedule 1, item 7, page 14 (line 15), at the end of section 70NIB, add:

; and (d) is to provide the list by mail to each person covered by an order to attend a program.

I will speak briefly to the amendments. Amendment No. 8 goes to the powers of the court. Its intention is, similar to an earlier amendment, to allow the court greater discretion by deleting ‘do either or both of the following’ so that the court may determine how it will administer that section of the act. Amendment No. 9 goes to 70NI, ‘Evidence’. It omits the words ‘is not admissible’ and replaces them with the words ‘may be admissible’. The section would then read: ‘Evidence of anything said, or of any admission made, by a person attending before the provider of a program for assessment, or attending a program, may be admissible.’

Amendment No 10 goes to 70NIB in the bill, ‘List of programs’, and the requirement of the Attorney-General, as the bill stands, to merely publish a revised list ‘in such a manner as he or she determines’. The amendment would require that, if a person is participating in a program and a change in the program is determined by the Attorney-General, that individual person be individually notified of that change. I believe that that is fair and reasonable. If you are participating in a program, it is reasonable that you, as an individual, are individually notified if there is any change in that program.

Amendment No. 11 goes to 70NJ(2)(A), under ‘Powers of court’. It would remove the word ‘must’ in relation to the action the court must take ‘in respect of the person who committed the current contravention’ to the order. Again, it allows the court the ability to determine. I believe that in lots of ways in this bill we are coming very close to crossing the boundary of the separation of powers, where legislation is binding and fettering the ability of the judiciary to carry out their function—that is, to assess on merit the cases that are before them.

In conclusion, the amendments are very varied in what they set out to do. But I believe that they would lead overall to a far greater acknowledgment of the rights of the individual and, at the same time, balance that with the very difficult judgment that is made by the judiciary in carrying out their function.
Senator VANSTONE (South Australia—Minister for Justice and Customs) (9.59 a.m.)—I think the best thing to say about amendments Nos 8 to 11 is that we have a difference of opinion. We think we take a balanced approach to enforcement. Our regime is based on recommendations of the Family Law Council. We have listened to concerns that the effect of the regime may be unfair in some cases and we have increased flexibility to address that. On that basis, we think we have a balanced approach and will not be supporting the amendments.

Amendments not agreed to.

Senator VANSTONE (South Australia—Minister for Justice and Customs) (10.01 a.m.)—The government would be quite happy for Senator Harris to move amendments Nos 12, 13, 14, 16 to 18 and 19 together.

Senator Bolkus—That is a good idea.

Senator VANSTONE—Senator Bolkus indicates that he would be happy with that and the Democrats are indicating, by the traditional nod, that they agree also. If Senator Harris is happy with that course of action, I give him the option of moving all his remaining amendments accordingly.

Senator HARRIS (Queensland) (10.01 a.m.)—by leave—I move Pauline Hanson’s One Nation amendments Nos 12 to 19:

(12) Schedule 1, item 7, page 15 (lines 27 to 30), omit “; or” and paragraph (e), substitute “.”.

(13) Schedule 1, item 9, page 26 (line 10), omit paragraph (a).

(14) Schedule 1, item 9, page 26 (lines 18 and 19), omit “;” and paragraph (f), substitute “.”.

(15) Schedule 1, item 16, page 28 (lines 9 to 12), omit paragraph (f), substitute:

(f) a bond entered into under an order of a court under this Act other than an order under Division 13A of Part VII;

(16) Schedule 1, item 20, page 28 (line 27), omit “must”, substitute “may”.

(17) Schedule 1, item 20, page 29 (lines 8 to 11), omit “; or” and paragraph (d), substitute “.”.

(18) Schedule 1, item 20, page 29 (lines 12 to 15), omit subsection (2A).

(19) Schedule 1, items 23 and 25, page 29 (line 20) to page 30 (line 7), omit the items, substitute:

23 Section 112AE

Repeal the section.

It is obvious that there is absolutely no support in the chamber for One Nation’s amendments. My remaining amendments pertain largely to the ability either to arrest or to incarcerate a person who is in default of maintenance payments. Amendment No. 12 relates to section 70NJ and the power of the court to impose a sentence or imprisonment in accordance with section 70NO. This is the government’s real purpose in introducing this bill, irrespective of what it says about those provisions already being in the bill. If they are already there, why is the government moving its amendments? It cannot have it both ways. I ask the minister: if the current legislation confers the power to jail a person, why is the government putting that detail into the bill?

The Family Law Act is a law unto itself—as are, to some degree, the assessment provisions of this act. I place very clearly on record the fact that I am not implying any impropriety on the part of the judiciary in administering this legislation. But I am saying clearly that this would have to be the most abused piece of legislation of which I have become aware during my short time in this chamber. It is all very well for the minister to say that people can appeal under certain sections of this act, but it is very clear that they cannot. In the Perryman case, the registrar—who, at the time, was the Australian Commissioner of Taxation—challenged the first appeal and had it ruled out of order. From that point, people working through the Family Law Act have had enormous problems getting their issues addressed.

As I said earlier, the government retains the deeming provision in this act through which people can be put in arrears when their income is assessed as being higher than it really is. I object to the punitive process of incarcerating people for a debt that is assessed on income that they have not earned. As I said yesterday in my speech during the
second reading debate, if the government tried to pull this act on the corporate sector, it would not last two seconds. But because it is being pulled on individuals who, in the majority of cases, are not able to defend themselves or work their way through the convoluted process that is being put in place, those victims find themselves in a difficult situation.

The Family Law Act overrides what I believe to be justice and equity in that it is this government’s intention to jail a person for arrears in child support payments and, after serving that period of jail, that debt will still stand. That is not what happens, I believe, in all other sectors of our community. I would appreciate it if the minister could convey to me any other areas of legislation in this country under which a person is incarcerated for breaking a law and still comes out owing the debt. I am not aware of any, and I would greatly appreciate it if the minister could advise me whether there are any others. But that is the function of this act. If a person is jailed for being in arrears assessed on income they have never earned, that person will serve their time and leave jail still owing that debt. I believe that, if we are going to incarcerate people, their debt will have been paid by the fact that they have lost their freedom. This is the objection that I have to this act. It is this that, without exception, the people who have contacted my office have said is totally unacceptable. It is a social damnation on our society to jail people for a debt that they have not incurred and then, when they come out, to have that debt still stand. I commend the amendments in my name.

You have mentioned the dissatisfaction that some people have with the system—which obviously is constantly, as it should be, under review—as well as your being upset at some of the measures. But can I tell you, Senator—because you have mentioned this as being one of the most disliked bills that the community, you think, has been unhappy with in the time that you have been here—that, when I first came here, I think the percentage was something like 70 per cent of non-custodial parents—and Senator Bolkus might be able to help me, because it was actually his government that set up the Child Support Agency, and this is relevant—were not paying any maintenance for their children. That was the disgrace; that was the real blight upon Australian family law: that 70 per cent of non-custodial parents were not paying any maintenance for their children. That was the disgrace; that was the real blight upon Australian family law: that 70 per cent of non-custodial parents were not paying any maintenance for their children. Was it about that, Senator Bolkus? It might have been 60; it does not matter.

Senator Bolkus—Yes, it was my bill at the time.

Senator VANSTONE—It was apparently Senator Bolkus’s bill at the time. Had I known that I might not have been so generous in my remarks! Yes, I would have, because I do not know anybody who thought that that was a reasonable system. Marriages break up, parties break up; that is one thing. But to have 70 per cent of non-custodial parents not paying up for their children and just saying ‘I’m walking out of this’—

Senator Coonan—It is an absolute disgrace.
Senator VANSTONE—It is, as Senator Coonan says, a disgrace. And I would add an adjective in front of it, if I were not in this place. It was an absolute disgrace. Something had to be done. Things had to be tightened up to make sure that the children were paid for. Too many people were indulging themselves in their own personal animosity and hatred and forgetting their commitments to their children.

So you might be right, Senator. Maybe we have not got the formula perfect. I am not sure that there is a perfect formula. But we have it in a much better situation than we had it, say, 10 years ago. I am just trying to explain to you that I understand your frustration. I have constituents who come to me—as I am sure everyone else does—and who are unhappy with the outcome of the Family Court. And more often than not, it is because they look to the court to say ‘Yes, you’re right and your partner is wrong.’ Any other finding than that they would be unhappy with. They invent conspiracy theories—anything from a conspiracy theory to judges being incompetent, to their lawyers being incompetent. The bottom line is that no law, no judge can deal with matters of the heart, whether they are broken hearts or hearts full of hatred. The courts and the judges cannot fix that.

Amendments not agreed to.

Senator Harris—I ask that my vote be recorded as the only vote for those amendments.

The TEMPORARY CHAIRMAN (Senator Bartlett)—That will be done. Thank you, Senator Harris.

Senator BOLKUS (South Australia) (10.14 a.m.)—by leave—I move opposition amendments (1) and (2):

(1) Schedule 1, item 20, page 28 (line 27), omit “must”, substitute “may”.
(2) Schedule 1, item 20, page 28 (line 31), omit “obligation imposed on”, substitute “power given to”.

These amendments restore judicial discretion in respect of the enforcement of court orders other than parenting orders. Court orders include orders about the treatment of matrimonial property, including orders that a person not dispose of or encumber property or orders which restrain certain conduct, for example, an order that a person not approach the house of the former partner or the school of a child. Mandatory sanctions restrict the court’s capacity to ensure that the response is proportional to the seriousness of the breach. It also restricts the court’s capacity to ensure that consideration is given to more appropriate alternatives. Given the highly emotional context in which family law cases are conducted, the case for judicial discretion determining how to treat breaches of orders, we believe, is overwhelming. So, in our view, discretion should be restored to the court to allow it to deal with breaches of other court orders in a manner appropriate to the circumstances. We believe amendments (1) and (2) will achieve this, and we urge the government to consider supporting them.

Senator VANSTONE (South Australia—Minister for Justice and Customs) (10.15 a.m.)—The proposed amendments really do not deal with the fundamental problem. Orders of the court must be taken seriously. The Family Law Council in its report on the enforcement of child contact orders found that there was a widely held belief in the community that the Family Court does not enforce orders. Senators will be only too well aware from their own dealings with their constituents that that is one of the most common complaints we hear. The opposition proposal gives the court the discretion as to whether a sanction ought be imposed. It needs to be remembered that this refers to a situation when a court order has been made and breached. So if the sanction becomes discretionary we need to ask why the order was made in the first place. If a person wants to vary the order, they can apply to the court for such a variation, not simply announce to themselves that they are not happy with the order and breach it. The court will have a range of options—that is important to bear in mind—ranging from imposing a fine to, for the most serious cases, imposing a term of imprisonment. We think that is appropriate. When an order has been made and it has been breached, there should be some sanction. The opposition has accepted the government’s position in relation to parenting orders and the proposed new subsection
Senator GREIG (Western Australia) (10.17 a.m.)—The Australian Democrats support these amendments. These amendments will restore a court’s discretion as to whether or not to enforce court orders other than parenting orders. In its present form, the bill requires the court to impose a sanction regardless of how trivial the breach may be. As a general rule, the Democrats are very wary of any legislation that removes judicial discretion. Courts have, since Federation and even prior to that time, dispensed justice and applied penalties largely in accordance with a standard that the community considers reasonable and in accordance with legislation that affords them that discretion. It is true that in recent years there has been growing dissatisfaction with sentences dispensed by the courts. But the solution to that cannot be to legislate mandatory sanctions. That has been ably demonstrated by events in the Northern Territory under that government’s regime of mandatory sentencing. Much as I would like to again raise that debate in the chamber, I will refrain from doing so at this time. As I have said, the Democrats are opposed to the removal of judicial discretion in all but exceptional circumstances. We do not believe that those circumstances exist here. Judges have the benefit of being able to examine each set of circumstances as they arise, and this parliament can only speculate on a range of circumstances that might arise and attempt to establish sanctions that might appropriately deal with those circumstances. The Democrats prefer to leave that discretion to the court to allow it to fulfil its role properly.

Senator HARRIS (Queensland) (10.19 a.m.)—I will be supporting Labor’s amendments. I would like to speak briefly to the first amendment, which is identical to amendment (15) of One Nation, which the Labor Party voted down. I seek some guidance as to whether the chamber can actually put an amendment that is identical to one that has been voted down. While the clerks are conferring on that with you, Mr Temporary Chairman, I reiterate that the amendments One Nation moved were so that the court could properly carry out its function—I mean the word ‘properly’ in both senses of the word: that is, it is also proper for the court to have that discretion. I indicate that I most definitely will support Labor’s amendments (1) and (2) and seek your guidance on whether amendment (1) can be put.

The TEMPORARY CHAIRMAN (Senator George Campbell)—Senator Harris, amendment (1) can be put. Whilst the terms of it are identical to your amendment (16), not (15), it is with other amendments and therefore puts it in a different context.

Amendments agreed to.

Senator BOLKUS (South Australia) (10.21 a.m.)—I move opposition amendment (3) on sheet 2012:

(3) Schedule 2, item 10, page 40 (line 27), after “aside”, insert “or varying”.

Amendment (3) introduces an explicit power for a court to vary an agreement in the event that any of the grounds on which the court may set aside an agreement are made out. The bill currently allows a court only to set the whole agreement aside. We have concerns about that. In our view, this approach is not sufficiently sensitive to the circumstances in which an application challenging the validity of a binding financial agreement might be brought. The current approach, which compels a court to choose between letting the entire agreement stand or letting the entire agreement fall, may in our minds result in injustice where all that is required is for the agreement to be varied in some small way. For us it makes sense to include a provision allowing for variations so that justice can be tailored according to the circumstances of the case. This is the same principle as in the previous two amendments. We urge the chamber to support amendment No. 3.

Senator GREIG (Western Australia) (10.22 a.m.)—The Democrats will not be supporting opposition amendment (3) for two reasons. Our primary reason is that the legislation does not specify a basis on which variations by a court would be made. There are no criteria that a court could use to rewrite an agreement or part of an agreement.
Section 79 of the Family Law Act, which empowers a court to make property orders, provides that an order must not be made unless it is just and equitable. This amendment contains no such criteria. Our second concern with this amendment is simply the fact that it will result in courts rewriting contracts. The Democrats are of the view that it would probably be better to simply set aside a defective agreement and then utilise the court’s existing powers to make a just and equitable property order, rather than have courts attempting to patch up imperfect agreements. For those reasons, opposition amendment No. 3 does not attract our support.

Senator VANSTONE (South Australia—Minister for Justice and Customs) (10.23 a.m.)—I want to give Senator Bolkus the courtesy of a quick response, and I indicate that the government is not going to support the amendment. The agreement is a matter for the parties. If there is disagreement between the parties, the choice they have is to have all or nothing. They can change the agreement if they wish by terminating it and making a new one. The advice I have is that if the court sets the agreement aside, then it has jurisdiction over all of the property. However, if the agreement were only varied, then the court would have power over only that part of the property no longer covered by the agreement, not the entire property it would have jurisdiction over if it had set the agreement aside. A further consideration is that the role of the court is one of ensuring fair play and not getting into substance or outcomes; that is a matter between the parties. Ensuring the rules of fair play—disclosure, et cetera—are observed is consistent with setting aside but variation goes to the substance. Finally, the bill does not provide for variation per se because of the problem of reconstructing the agreement by examining the original and any variations that might have been made. The bill only allows one agreement to operate at any point in time to avoid the reconstruction problem. It would be odd to give this to the court and not to the parties.

Amendment not agreed to.

Senator Harris—Mr Temporary Chairman, I rise on a point of order. I would like to go back and, I believe, correct advice that you have given me. I would like to take you back to Labor amendment (1), and I will read clearly what the amendment says. It states: Schedule 1, item 20, page 28 (line 27), omit “must”, substitute “may”.

PHON’s amendment (16) states: Schedule 1, item 20, page 28 (line 27), omit “must”, substitute “may”.

They, I believe, are identical. I am asking: can an amendment that has been defeated be re-put?

Senator Bolkus—On the point of order: we have often had situations where we have put amendments that have been identical. I take your earlier point, Mr Temporary Chairman, that in this particular circumstance, Senator Harris’s amendments were put en bloc and that distinguishes this situation from that previous one. Also, I do ask you to note that on a number of occasions in the past the chamber has revisited amendments and re-put them. I do not think there is a point of order here.

The TEMPORARY CHAIRMAN—Senator Bolkus’s position is correct, Senator Harris. There is no point of order. We now move to opposition amendment No. 4.

Senator BOLKUS (South Australia) (10.26 a.m.)—If I got some indication from the Australian Democrats, we may not be compelled to move our amendment No. 4. I gather the Democrats have an amendment similar to the Labor Party’s amendment No. 4. We share the same attitude in terms of what we need to achieve. Maybe Senator Greig could move his amendment and, in anticipation that the Democrats will be opposing ours and ours will not get up, we can just vote on his. I indicate now that we will support his amendment.

Senator GREIG (Western Australia) (10.27 a.m.)—Under those circumstances, I move Democrat amendment No. 1 on sheet 2013:

(1) Schedule 2, item 10, page 41 (line 4), at the end of subsection (1), add:

; or (e) in respect of the making of a financial agreement—a party to the
agreement engaged in conduct that was, in all the circumstances, unconscionable.

I have already outlined my reasons for this amendment in my speech during the second reading debate, and I know Senator Bolkus was here for that. Our concern remains essentially that Labor’s proposal to expand the definitions for the courts to set aside binding financial agreements is a little too far and perhaps too vague. This amendment will provide a further ground to those which the Labor Party has proposed while at the same time winding back some which Labor has presented. The ground is, as the amendment says, that:
in respect of the making of a financial agreement—a party to the agreement engaged in conduct that was, in all the circumstances, unconscionable.

And ‘unconscionable’ is the term in question. The concept of unconscionable conduct is becoming more and more well known by the courts as that type of conduct is now prohibited by no fewer than three sections of the Trade Practices Act 1974. This provision will not result in disaffected parties being able to apply to the courts en masse to set aside their financial agreements resulting in a lessening of the certainty that the government wishes to derive from the financial agreements themselves. Instead, parties which are genuinely treated unconscionably, as that concept has been interpreted by the courts, will have recourse to have their agreement set aside. The Labor Party amendment No. 4 refers to an agreement that is unconscionable. I do not want to seem like I am splitting hairs here, but we think the focus should be on whether the conduct of one of the parties is unconscionable, and that is the way in which the Trade Practices Act is expressed. It is about judging the conduct and actions of the parties rather than the agreement. To that end, I commend the Democrat amendment to the committee.

Senator BOLKUS (South Australia) (10.30 a.m.)—We will give our support for the amendment, as I indicated earlier. It is similar to the amendment that we would have moved. Our amendment would have expanded the grounds on which binding financial agreements could be set aside. The downside we see with the Democrat amendment is that it contains no reference to concepts of harshness or unfairness and the issue of whether a binding financial agreement is in fact contrary to the public interest by removing such words and leaving only the concept of unconscionability. We believe that the Democrat amendment weakens the power of the courts to set aside agreements, which our amendment would have provided. Nonetheless, given the reality of numbers in the Senate, we will support the Democrat amendment because we see it as an improvement on the narrow range of grounds for setting agreements aside which is currently available in the legislation.

Senator VANSTONE (South Australia—Minister for Justice and Customs) (10.30 a.m.)—We support the Democrat amendment.

Amendment agreed to.
Bill, as amended, agreed to.
Bill reported with amendments; report adopted.

Third Reading
Bill (on motion by Senator Vanstone) read a third time.

TELECOMMUNICATIONS (CONSUMER PROTECTION AND SERVICE STANDARDS) AMENDMENT BILL (No. 2) 2000
Consideration of House of Representatives Message

Message received from the House of Representatives returning the Telecommunications (Consumer Protection and Service Standards) Amendment Bill (No. 2) 2000, acquainting the Senate that the House has agreed to amendments Nos 3 to 16 made by the Senate, disagreed to amendments Nos 1 and 2 but has made amendments in place thereof, and requesting the reconsideration of the amendments disagreed to and the concurrence of the Senate in the amendments made by the House.

House of Representatives amendments—
(1) Schedule 1, item 1, page 22 (line 30), omit “Note:”, substitute “Note 1:”.

Senator BOLKUS (South Australia) (10.30 a.m.)—We will give our support for the amendment, as I indicated earlier. It is similar to the amendment that we would have moved. Our amendment would have expanded the grounds on which binding financial agreements could be set aside. The downside we see with the Democrat amendment is that it contains no reference to concepts of harshness or unfairness and the issue of whether a binding financial agreement is in fact contrary to the public interest by removing such words and leaving only the concept of unconscionability. We believe that the Democrat amendment weakens the power of the courts to set aside agreements, which our amendment would have provided. Nonetheless, given the reality of numbers in the Senate, we will support the Democrat amendment because we see it as an improvement on the narrow range of grounds for setting agreements aside which is currently available in the legislation.

Senator VANSTONE (South Australia—Minister for Justice and Customs) (10.30 a.m.)—We support the Democrat amendment.

Amendment agreed to.
Bill, as amended, agreed to.
Bill reported with amendments; report adopted.
(2) Schedule 1, item 1, page 22 (after line 32), at the end of subsection (1), add:

   Note 2: The Minister can make determinations under this section initially only in relation to pilot areas (see section 11F).

(3) Schedule 1, item 1, page 23 (after line 20), at the end of Division 4, add:

11F  Section 11C temporarily limited to pilot areas

(1) Until the Minister has done both of the following, the Minister can make determinations under section 11C only in relation to pilot areas (as defined in subsection (2)):

   (a) received a comprehensive report, following a public inquiry by the ACA, on whether a net benefit has accrued from the operation, for a period not less than 12 months, of the standard contestability arrangements in each of the pilot areas;

   (b) caused the report to be tabled in each House of the Parliament within 10 sitting days of that House after the Minister receives the report.

(2) A pilot area is an area determined in writing by the Minister for the purposes of this section. The Minister may determine a maximum of 2 pilot areas and cannot later change the boundaries of a pilot area.

(3) Before the Minister can make any determination under section 11C in relation to a pilot area, the Minister must have determined under section 9G one or more universal service areas that cover the whole of the pilot area.

(4) A copy of a determination under subsection (2) must be published in the Gazette.

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

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (10.33 a.m.)—I move:

That the committee does not insist on its amendments Nos 1 and 2 to which the House of Representatives has disagreed and agrees to the amendments made by the House in place of those amendments.

The Telecommunications (Consumer Protection and Service Standards) Amendment Bill (No. 2) 2000, as amended by the Senate on 30 October this year, was considered by our colleagues in the House on 7 November. The House agreed to the majority of the Senate amendments on the basis that they were reasonable refinements to the bill. However, the House disagreed with two Senate amendments—namely, amendments Nos 1 and 2 on sheet 1964 to proposed section 11C. These amendments aim to prevent the extension of USO contestability before it had been reviewed and reported on. In the government’s view, these amendments were technically flawed. They would have caused significant difficulties in the conduct of the contestability pilots which form an important part of the government’s universal service policy reforms and are supported by the Senate. This view received bipartisan support in the House. The government, however, moved replacement amendments to proposed section 11C and the insertion of new proposed section 11F to remedy the technical flaw, while giving effect to the substantive elements of the Senate amendments. The House passed these amendments.

The amendments will enable USO contestability to be restricted to the announced pilot areas until it is reviewed and reported on but will also provide sufficient flexibility within those areas to ensure that pilots are conducted effectively. The House amendments incorporate the key elements of the Senate’s original amendments, namely, that there be a public inquiry conducted by the ACA—the Australian Communications Authority; a judgment be made about whether the pilots have accrued a net public benefit compared with the standard arrangements; the comprehensive report may not be tabled for at least 12 months from the operation of the arrangements; and the minister must table the report within 10 sitting days of receiving it. I commend the amendments to the Senate.

Senator MARK BISHOP (Western Australia) (10.35 a.m.)—This matter was considered in the House yesterday and the opposition supported the amendments in that place. I am advised by the shadow minister that the
matters under consideration have been con-
sidered by the opposition. They go to techni-
cal matters that were not anticipated when
amendments Nos 1 and 2 on sheet 1964 were
originally passed in the Senate. The opposi-
tion is satisfied that the original purpose of
our amendments passed in this place is still
being complied with and, accordingly, the
opposition will not oppose passage of the
amendments as outlined by Senate Camp-
bell.

Senator ALLISON (Victoria) (10.36
a.m.)—The Democrats are also happy to
support those amendments; I understand they
are technical in nature. We will be voting for
them.

Question resolved in the affirmative.

Resolution reported; report adopted.

GENE TECHNOLOGY BILL 2000
GENE TECHNOLOGY
(CONSEQUENTIAL AMENDMENTS)
BILL 2000
GENE TECHNOLOGY (LICENCE
CHARGES) BILL 2000
Second Reading

Debate resumed from 7 November, on
motion by Senator Ian Campbell:

That these bills be now read a second time.

Senator McLUCAS (Queensland) (10.37
a.m.)—The introduction of the Gene Tech-
ology Bill 2000 is welcomed as an im-
provement in the regulation of the release of
genetically modified organisms in our envi-
ronment and agricultural sector, although it
should be noted that the ALP intend to move
amendments which we believe will
strengthen the bill. It follows considerable
discussion about whether we should allow
GMOs into Australia, how the release should
be regulated and what impact that decision
may have on the environment and on human
health.

I am fortunate to have been one of the
participating members of the recent Senate
I was very fortunate to have the opportunity
to read the many submissions and to hear the
witnesses to the inquiry. As part of the com-

munity debate over GMOs and their release,
there have been a number of parliamentary
reports done on gene technology, including
Work in progress: proceed with caution, the
report of the House of Representatives
Standing Committee on Primary Industries
and Regional Services, and the recently re-
leased Senate report, A cautionary tale: fish
don’t lay tomatoes. These reports have simi-
lar recommendations even though they had
very different sets of terms of reference, and
there is a sense of unanimity over the need
for improved regulation of the industry.

It is important that we understand what we
are talking about when we talk about gene
technology. It refers to a number of methods
whereby genetic material or DNA in the cells
of target organisms is altered in specific
ways. It is possible because there is a simi-
arity between the central biochemical sys-
tems of plants, animals, bacteria and fungi. It
is a very precise science. A single foreign
gene can be introduced into host cells which
then decode the new gene along with the
natural genes in the DNA. Through gene
technology, scientists can choose from an
entire gene pool, including taking specific
genes from unrelated species, in order to add
or alter genetic material in the target organ-
ism.

It is very important to note that genetic
manipulation is not plant breeding. This is an
important difference and one that, I must say,
Senator Eggleston seemed to stumble over
last night. It is an important difference which
is fundamental to this debate and which is
sometimes a point of confusion in the com-

munity. Many are saying that this gene tech-

nology will have enormous positive impacts
in agriculture and consequently in feeding
the human population. There are also those
who advocate that, through the use of
GMOs, there will be a positive impact on the
environment through the reduced use of pes-
ticides and through smarter farming. There
are potential positives for human health
through the development of pharmaceuticals.
It is true that it is an industry of significant
potential opportunity, but it should be recog-
nised that it is also an industry of significant
risk.

I would like to make some observations
about the process of the Senate inquiry. For
me, three main themes emerged from the
inquiry process. Firstly, it is very evident that there is enormous concern and distrust within the community about genetic modification. Whilst the measures that have been adopted to label food have been welcomed—although there is still some work to do on the labelling of whole foods—the community is still sceptical about potential human health and environmental impacts of releases of GMOs. This scepticism is not without basis. There have been many examples historically where science has assured us that a proposed change is safe and then subsequently we have found out that the change has had serious and wide-ranging consequences. The committee report recommends the implementation of a factual and unbiased education campaign undertaken by an independent organisation. To encourage effective community participation, people need to be informed of the potential benefits and disbenefits of the technology.

Secondly, the report recommends that the bill be amended to adopt the precautionary principle in its objects. The precautionary principle in essence recognises the need to err on the side of caution when making decisions about the release of GMOs. This recommendation was supported by many farmers, by the conservation sector and broadly by consumer groups. Proponents of gene technology argue that there will be enormous benefits to our community, both from a human health and an economic point of view. This is clearly yet to be proven. The report urges that any development of this technology that is undertaken needs to limit any potential negative impact on the environment, economic wellbeing—especially in the farming community—and on human health. Thirdly, it became extremely evident to me that the current systems in place to regulate the release of genetically modified organisms need strengthening. The report makes a series of recommendations enabling more stringent and rigorous evaluation of applications and monitoring.

The list of those who made submissions to the most recent Senate inquiry provides an indication of those who have an interest in the matter and it is clear that the use of GMOs has a potential effect on all sectors of the community. The concerns held, in many respects, reflect their constituency. In the agricultural sector there are different and in many respects competing concerns held by, say, organic farmers, those who use more contemporary practices and the multinational companies. Generally speaking, the concerns of most genetic researchers are in conflict with those of environmental groups. Ethicists, local government, farmers, producers and suppliers of farm chemicals have a stake as well as us, the consumers. All these players have a stake in the community discussion over the release of GMOs, and it is disappointing that this government and its institutions have not facilitated this necessary and fundamental community discussion. I go so far as to say that the Office of the Gene Technology Regulator has, in fact, stymied public discussion through the overuse of such terms as ‘commercial-in-confidence’.

I turn now to the bill. The object of the bill is to protect the health and safety of people and to protect the environment by identifying risks posed by, or as a result of, gene technology and by managing those risks through regulating certain dealings with GMOs. This is to be achieved through a national regulatory framework through which GMOs will be assessed for risk and, if benefits outweigh the risk, they will be released under conditions designed to manage any risk. As I have said, this bill is a huge improvement on what already exists, but it still does not go far enough. At present, gene technology is regulated in Australia in a complex and convoluted way with many loopholes.

In dealing with the bill, Labor’s objective has been to ensure that this new regulatory regime, as set out in the bill, gives a prime focus to public health and safety, and environmental protection. A key requirement is that the new arrangements command public confidence and be strongly scientifically based. Labor would like to see the regulatory framework strengthened by including a more independent regulator; a more transparent, open and accountable process for approvals; greater community consultation and involvement; a more rigorous system to ensure greater health and environmental safeguards;
and the capacity for increased original research in Australia by not setting additional financial barriers. We also need greater certainty and a more affordable system. Our amendments reflect these concerns.

I wish to focus my comments about the ALP’s amendments on the issues of community participation, the states’ opt-out provision and the precautionary principle. For the reasons I have outlined, I support a much more participatory approach to dealing with the whole GM issue and believe that our amendments will deliver a far more acceptable system for consumers and industry alike. The issue of labelling gained much momentum when it became evident that the government was not going to respond to community pressure. There was a collective sigh of relief when the government responded to that concern and agreed to a formula for the labelling of foods that included genetically modified ingredients.

The introduction of labelling of GM foods will encourage a greater level of community discussion about the safety of such food. Producers and manufacturers of GM food have in the past shied away from their responsibility of playing their part in the food safety debate, instead leaving the role of defending the use of GM product to government or science. The advocates of GM, given that they are the players with the most to win, have the responsibility to placate any potential fears in their consumers.

There is a similar strength of feeling in the community about the release of GMOs as there was about the issue of labelling. To some extent the community’s distrust is a consequence of the attitude of the IOGTR and the proponents of GM product. This was the case during the Mount Gambier incident. The evidence that the Senate inquiry received was extraordinary, to say the least. The first the public knew of there having been a serious breach of the GMAC guidelines was a report in the Age. This was not as a result of a release of information from the IOGTR but through the efforts of a vigilant community member we had the fortune to meet during the inquiry.

Ms Leila Huebner told the inquiry that she was interested in environmental affairs and in ethical and moral applications relating to what ‘should be for the benefit of public health and environmental concerns’. She told the inquiry that she became aware of the existence of the crop through a conversation with her daughter, and she simply got in her car and went and had a look. If it were not for Ms Huebner, it is not clear that the public would ever have known that this breach had occurred. It became clear that the IOGTR knew of the breach some 11 days prior to the Age report and yet did not contact Aventis, the company involved. There was no contact with the journalist from the Age nor with Ms Huebner. Further, the final report of the office was released only after constant pressure from Mr Alan Griffin, Labor’s parliamentary secretary with responsibilities in this area. This passage of events gives no confidence to our community.

The events in Queensland where GM cottonseed was mixed with traditional seed involve a similar story. The public found out that there was a breach, once again through the media, with the report of the breach posted on the web site of the IOGTR some two weeks after the media report. This is simply not good enough, and Labor’s amendments will ensure greater transparency in the monitoring of GM releases. To achieve that end, Labor will introduce an amendment that will improve the consultative process through the three committees of the Office of the Gene Technology Regulator. Further, the position of the regulator will be amended to expand the position to three individuals and establish the Gene Technology Regulatory Authority as a statutory authority.

Associated with the need to provide the public with better information, the Senate committee recommended that information about the location of trial sites should be made public as part of the approval of a release. This is a sensible recommendation. It once again ensures that the proponent is responsible and prepared to defend their activity on their properties. In fact, Mr Harnett of Tasmanian Alkaloids, the company undertaking trials in poppy cultivation for pharmaceutical purposes, told the inquiry that there needed to be transparency in order to develop the trust of the community. He said:
I think we should declare what we are doing. If people have a problem with that, then they have the right to raise those problems and they should be taken notice of. We do not want to proceed in a secret or clandestine sort of a manner. I think it should be open and debated.

Tasmanian Alkaloids are taking the route of transparency, and it should be noted that they have significant support in their state. This is not to downplay the very real threat of environmental vandalism. We had the event in Queensland this year where vandals destroyed $100,000 worth of pineapples that had been genetically modified. However, it is my view that these events would be far less likely to happen if a transparent and inclusive approach to GM were adopted. Secrecy is more likely to heighten community concerns rather than build community confidence.

The other sector of the community that needs to be included, by providing information about the location and extent of trials, is organic farmers. The committee received strong evidence, once again in Tasmania, that the costs of protecting this organic status will be borne by the farmers themselves—those who are not changing their practices. We were advised that the cost for one small organic farmer would be thousands of dollars annually. In my mind, this is an important reversal of the onus of proof, and this issue needs to be addressed.

I turn now to the issue of the states’ opt-out provisions. The discussion of the need to include a provision to allow the states to have the ability to disallow the release of GMOs has been well argued by the Labor government of Tasmania. I am pleased that there has been a resolution of the issue and I congratulate the government for responding to it. I also congratulate the leadership of the Labor Party for facilitating this discussion.

The issue of the precautionary principle has been subject to broad community debate. I am very pleased that my party, the Australian Labor Party, has taken the sensible and responsible option of including the precautionary principle in the objects of the bill. This follows accepted practice in dealing with activities that potentially have disbenefits but cannot be absolutely proven one way or the other. In 1982 the United Nations World Charter for Nature stated:

Activities which are likely to pose a significant risk to nature shall be preceded by exhaustive examination; their proponents shall demonstrate that expected benefits outweigh potential damage to nature, and where potential adverse effect are not fully understood, the activities should not proceed ...

In Australia the precautionary principle has been included in the 1991 Intergovernmental Agreement on the Environment and in 1992 was agreed to by the federal and state governments in the Ecologically Sustainable Development Strategy. It was specifically enacted in legislation in the Environment Protection and Biodiversity Conservation Act 1999. It is not a new concept. The Australian Centre for Environmental Law in their submission to the inquiry said:

Once released freely to the environment, a living organism, or a novel gene that has transferred to an unintended host, cannot be “recalled”. A cautious and conservative approach to risk should be followed where there is insufficient scientific confidence of safety. Successful application of the principle will mean that Australia avoids expensive failures.

There are no absolutes in the game of GM. That was made very clear during the inquiry. It is only sensible and responsible to include the precautionary principle as clear direction to the regulator as to the approach they should adopt.

Yesterday was Melbourne Cup Day, and most Australians had a punt. Most of us lost our money. There was no return, but we were all aware of the ultimate worst outcome—in my case the loss of a few dollars. This is not the case with genetically modified organisms, and that is why the inclusion of the precautionary principle provides some surety to our community and our environment.
the issues about gene technology from Labor’s perspective in a thorough way.

There are a number of issues that surround this area that I wanted to talk to this morning. Particularly I wish to outline some of the issues which are contained within the bill itself. I also wish to deal with some of the recommendations that are contained within the report. Lastly, I wish to take the chamber to a related issue about the Cartagena Protocol on Biosafety. All of these things tend to coalesce into one whole. I guess the underlying phrase that I would use is that it is about ensuring quality control in the new technologies that are being introduced in the world—not only gene technology but others as well.

I will start with the Gene Technology Bill 2000 itself. The Gene Technology Bill 2000 and its related bills seek to regulate gene technology in this country in order to reduce the risk to our society from this new technology. Labor identified some areas of concern with this bill and referred it to the Senate Community Affairs References Committee, as I have stated, for further examination. That committee has now made its report, which contains a substantial number of recommendations. But, more than simply the recommendations themselves, it is a useful report in that it takes us through some of the detail of what gene technology is and it provides an educative process as well.

There are times in the course of human history where technology, invention and innovation leap ahead of social norms and acceptable custom and practice. It does not automatically follow that social mores should move with them. We can safely say that we can examine these issues more closely and get far more considered insight than ever before. That is not to say that we are better placed to be able to do that; perhaps we are better equipped to look at not only the technological aspects of a new invention or innovation but also the wider social, economic and political ramifications.

What is gene technology? Many people have taken a stab at trying to reduce that down to a single phrase, but this morning I will also add to the number of descriptions of what gene technology is. Briefly, it refers to a number of clever methods whereby genetic material—called DNA for short—in the cells of target organisms is altered in very specific ways. Our scientists can choose from the entire gene pool to add, subtract or alter genetic material in the target organism. The result is to strengthen or weaken, as the case may be, genetic coding mechanisms.

A number of issues impact on the outcome. Firstly, matters such as the ethical and religious issues that surround mutilation of DNA, issues about the safety of genetically manipulated foods and the likely effect of genetic modified plants interacting with commercial crops or animal herds and the natural environment need to be considered. There are related issues of privacy. The subsidiary issue related to privacy is commercial-in-confidence and the way that it may be used. This may more appropriately fit into the first issue, ethical and religious issues, but if you take a more holistic view of privacy you will find it pervades the whole debate. People need to be not only confident and knowledgeable about these new technologies but also secure that these issues are being dealt with in appropriate ways and not covered up, hidden or obscured.

Presently, gene technology is regulated in Australia and found in a number of different regulatory bodies. It largely depends on the intended use of the relevant genetically modified organism, or GMO for short. Thus, we have foods regulated under state and territory food acts, and therapeutic goods, including GM therapeutic goods, regulated under the Commonwealth Therapeutic Goods Act 1989, which is administered by the Therapeutic Goods Administration, or TGA.

We have human gene therapy, and both clinical research and marketing of products for human gene therapy. That is also regulated by the TGA. We have agricultural and veterinary chemicals which are regulated through a national scheme, including, but not limited to, industrial chemicals which are regulated through the National Industrial Chemicals Notification and Assessment Scheme. We also have imports and exports of GM products or GMOs which are regulated under the Quarantine Act. We com-
monly call the organisation that administers that AQIS. So there we have it, and I suspect that is not all the regulatory authorities that we have in relation to gene technology. In fact, I suspect I have missed some of them and have only caught half of them.

On top of these, we currently have the Genetic Manipulation Advisory Committee providing advice to these agencies on the biosafety and environmental implications of GMOs. This is a non-statutory body. In addition to the regulatory authorities, the statutory bodies and the non-statutory bodies, the crux of the argument is: where are we now? Nearly 30 per cent of the Australian cotton crop is genetically modified, and millions of hectares are under GM products. There is also the Gene Technology Bill 2000, which seeks to regulate and establish the federal regime of what is hoped to be a nationally consistent scheme for regulating certain dealings with genetically modified organisms. It does not deal with the regulatory regime for therapeutic goods, agricultural, veterinary and industrial chemicals and food containing GMOs. This bill will deal with GMOs, not GM products, as I understand it. Clearly there needs to be a coordinated approach to this issue. Dealing with a very complex matter, the fact is that we are to a large extent heading into uncharted waters.

The issues have been subject to a number of parliamentary inquiries, which Senator McLucas took us through. The House of Representatives Standing Committee on Industry, Science and Technology reported on genetic technology in a report entitled Genetic manipulation: the threat or the glory? This committee recommended that a parliamentary standing committee be given responsibility for examining and monitoring complex issues involving the overlap between technology, law and the protection of individual rights.

Turning to the Senate Community Affairs References Committee report, which is the latest and, I dare say, not the last references or legislation committee looking at this area, as I said in the opening of my address this morning, I will come to a second area dealing specifically with some of the recommendations rather than try to cover all of them in the time available. Homing in on the areas that particularly interest me, I refer to chapter 3 of the recommendations, where the committee recommended that the risk assessment provisions should be amended to give greater weight to the consideration of the impact of the release of GMOs into the environment, especially given Australia’s unique flora and fauna and the importance of maintaining Australia’s biodiversity. I will come to this issue as well. It is also recognised in the Cartagena Protocol on Biosafety. The same phrase runs through. It is a matter that is extremely important to Australia.

The recommendation also dealt with commercial-in-confidence, as I mentioned earlier, and the problems that might surround that. The committee considered it undesirable that commercial-in-confidence information could compromise the objectives of the bill or the transparency of the regulatory regime. It recommended that the application for an intentional release of a GMO into the environment include the size and location of the proposed release. There is always a concern, and it has to be balanced against the rights of the individual to know what is going on in the environment. There is a concern which was reflected in the bill that perhaps it might lead to people taking adverse positions in relation to crops where they might know the crops are GM, or they might deal with them in an inappropriate manner. But at some point it also has to be not hidden—in other words, there has to be a public release and general information made available to people so that they can effectively understand what is going on.

The committee also recommended that an independent organisation conduct a national public education campaign. When you look at the Senate Community Affairs References Committee report, you can see it has added to that public education campaign. In my view it is not enough. The government needs to ensure that these issues are adequately addressed and well known so that the public debate can continue in an informed and appropriate manner.

I will turn to another area. The committee also recommended that the objects of the bill
contain the same words as appear in the En-
vironment Protection and Biodiversity Con-
servation Act 1999 in relation to the precau-
tionary principle, or what is sometimes
called the ‘precautionary approach’ or the
‘precautionary principle or approach’ as sub-
stituted terms or taken collectively. Turning
to that particular issue, I want to explore, in
the short time that I have available, the inter-
relationship between the precautionary prin-
ciple that is put forward here by Labor—
which is one of the matters that has been dis-
cussed by Senator McLucas this morning—
and the Cartagena Protocol on Biosafety.
That also, on a related topic, deals with gene
technology, and it is a matter which will
interface with the Gene Technology Bill
when it is enacted.

It is axiomatic that Australia is an island
nation and it is also one of the 12 most bio-
logically diverse countries in the world. I
refer particularly to a discussion paper put
out in October 2000 called ‘Preparations for
the Intergovernmental Committee for the
Cartagena Protocol on Biosafety’. The dis-
cussion paper was put out by the Department
of Foreign Affairs and Trade, Environment
Australia and the Department of Agriculture,
Fisheries and Forestry. Without going to the
document in full—it is some 23 pages in
length—I can say it sets out the agenda of
the meeting of the ICCP in Montpellier,
France between 11 and 15 December this
year. The document states:
... the Government is not proposing to consider
the issue of whether or not to sign the Protocol at
this stage. It will be in a better position to do this
when implications of the Protocol for Australia
are clearer. At the time when signature is consid-
ered, there will be public consultation to ensure
that all views are taken into account.

The important point that has to come from
that, of course, is that that treaty has been
signed by a number of countries. I under-
stand Australia has not signed it as yet. It is
open for ratification until June 2001. As of
Monday, only one of the countries that have
signed had ratified it, and that was Bulgaria.

In the short time available, I will see if I
can touch on the essence of what the proto-
col proposes to do. It is an international in-
strument specifically touching on environ-
ment issues relating to trade in living modi-
fied organisms, or LMOs. These are organ-
isms capable of propagation which have
been altered through modern biotechnol-
yogy—that is, genetically modified—such as
a range of plants, animals or micro-
organisms, including grain and canola. It is
not about processed foods derived from
LMOs, such as cornflakes. The objective of
the biosafety protocol is summarised in the
discussion paper:
The objective of the Biosafety Protocol, as set out
in Article I is “to contribute to ensuring an ade-
quate level of protection in the field of the safe
transfer, handling and use of living modified or-
ganisms resulting from modern biotechnology
that may have adverse effects on the conservation
and sustainable use of biological diversity, taking
also into account risks to human health, and spe-
cifically focusing on transboundary movements”.

So, as I understand it, the protocol itself in-
cludes the precautionary principle taken from
the Rio de Janeiro conference. Australia is
considering signing. It is going to the confer-
ence from 11 to 15 December in Montpellier,
France with the position set out in this dis-
cussion paper, which reflects that it is not
going to argue about whether article 1—
which I just quoted from—is correct or not.
The Cartagena Protocol on Biosafety has
been signed by a number of countries.
Australia is considering whether it will sign
it and then, subsequently, ratify it.

At this time, the government has made
known that it will regulate the transboundary
movements of GM foods. Genetically modi-
fied organisms will be dealt with in Australia
under the proposed gene technology bills,
which will become acts, and they will inter-
face with the Cartagena protocol when we
wish to export those products. So, on the one
hand, we have a precautionary principle that
we should look at in terms of the article and
whether we should sign—I will come to the
fact that, even if we do not sign, that protocol
will be out there and we will have to adhere
to it in any event—and, on the other hand,
we have the gene technology bills, which do
not require as an object the precautionary
principle approach.

In my view, you have a clash between the
two. If we wish to export, we are going to be
subject to the precautionary principle and, if
we regulate in our country, we will not. The protocol itself suggests what we should have in Australia in our regulatory approach, which includes a precautionary principle. This government has ignored the issue. Already, we have four LMOs that are currently approved for general release in Australia and that may be exported: a herbicide resistant cotton, a pesticide resistant cotton, a violet carnation and a carnation with a longer life. There is export potential in these commodity areas within five years. Australia may also be exporting genetically modified canola, wheat and other agricultural products.

If we are going to enter the fray in relation to these issues, and if the protocol will be used to support the import regime in major markets abroad, the protocol—as presently ratified by Bulgaria and signed by a number of other countries—will be the overarching protocol that will deal with these areas. This includes, in article 1, a precautionary principle which we have not picked up in our own regulatory scheme in Australia. It is a matter that I hope this government will turn its mind to and will be able to deal with in a meaningful way. The protocol can be expected to have an impact in Australia expressly for exports and for producers of LMOs, irrespective of whether Australia becomes a member or not. (Time expired)

Senator TAMBLING (Northern territory—Parliamentary Secretary to the Minister for Health and Aged Care) (11.14 a.m.)—This gene technology legislation sets a new benchmark for regulatory controls over genetically modified organisms. When passed it will be the standard that other countries aspire to. Australia can be proud to see it enacted. As Senator Knowles mentioned last night, this legislation is the result of extensive consultation. There have been two rounds of public consultation, including public forums, during the bills’ development, and I understand a similar process is currently under way in relation to the regulations to be made under the legislation. The legislation has clearly changed from the initial draft sent out for consultation—for example, through the inclusion of a community consultative group—and I believe that in its present form it certainly addresses the majority of concerns raised during the consultation process.

The legislation before us today is the result of long and successful collaboration between the states, the territories and the Commonwealth. It is agreed by all jurisdictions, including Tasmania, as the preferred system for regulating GMOs in Australia. The importance of state and territory support for the detail of the legislation cannot be underestimated. For this system to work as intended, each state and territory must pass complementary model legislation. It has been important to ensure that all jurisdictions believe this system represents the best way forward for individual states and for the country as a whole. In commenting on a number of points made by senators on this legislation, I am mindful of the position of the states and territories within this scheme. To deviate from an agreed system at this stage would put back any chance of national regulation by a number of years. Just such a delay happened when the Commonwealth-state partnership fell at the hurdles in the 1980s. It is, I believe, a situation that no-one wants to see repeated.

During the debate last night, Senator Crowley raised some useful questions about the intergovernmental agreement in relation to this legislation, as well as about the ministerial council. I am pleased to be able to provide Senator Crowley with answers to her questions. The intergovernmental agreement has been negotiated between the states, the territories and the Commonwealth in the same cooperative vein as the legislation itself. The intergovernmental agreement addresses key issues in terms of the role of states, territories and Commonwealth responsibilities. One of the key roles of the ministerial council will be reviewing the effective operation of the legislation on an ongoing basis. Indeed, some senators have been concerned that it is proposed that the legislation not be reviewed until five years after it takes effect. I am pleased to clarify that the five-year period is a maximum period. The intergovernmental agreement makes it clear that the ministerial council has the responsibility to keep track of the effectiveness of the national regulatory system on an ongoing,
day-by-day basis and that the ministerial council can review the scheme or propose amendments to it at any time. A genuine system of continuous improvement is envisaged.

As I mentioned, Senator Crowley was also interested in the composition of the ministerial council. The IGA indicates that the ministerial council will comprise one minister from each jurisdiction. At the Commonwealth level the government has indicated that the minister will be the Minister for Health and Aged Care, Dr Wooldridge. All states and territories have agreed that the Commonwealth will be the chair of the ministerial council. Dr Wooldridge recognises the importance of bringing a whole of government perspective to the table and intends to continue to work closely with his colleagues the Minster for the Environment and Heritage, the Minister for Agriculture, Fisheries and Forestry and the Minister for Industry, Science and Resources to ensure that this happens. At the state level, jurisdictions are in some cases still deciding which minister will represent them. This is a decision which must be left to each individual state and territory to make. The federal government would not dictate to the states or territories on this important issue. While we have clear and early indications from some jurisdictions about their likely decisions, senators will understand if I do not pre-empt announcements on this issue, which will be made in due course by each state and territory.

I know that Senator Crowley is also very interested in knowing more about how this regulatory system will protect the Australian environment and the Australian people from any risks associated with imported GMOs. This is again an important matter, and I thank Senator Crowley for her interest in it and am pleased to elaborate. The arrangements proposed under this legislation for live viable imported GMOs mirror the rigorous risk assessment process envisaged for GMOs which are domestically produced. The bottom line is that no live viable GMO will be able to be imported into Australia and released into our unique environment without first being subjected to extensive testing within this country. It simply will not be possible for a GMO to be brought into Australia and grown commercially in Australia without the regulator first ensuring that data on the effect of the GMO on the Australian environment is generated. This would, in the usual course of business, involve extensive field trials of the GMO over a number of years before the imported GMO could even be considered for commercial release.

A number of senators last night also raised the issue of the Tasmanians opting out of the national scheme. As many will have noted in the media over the past few days, I am very pleased that Tasmania have agreed to be part of the national scheme and have agreed that the scheme meets their needs. With this decision by the Tasmanian government, all states and territories have committed to this national regulatory system both in broad policy terms and in the detail included in the legislation. We are genuinely delighted with this outcome. Under this national system, the legislation ensures that all applications involving the international release of GMOs into the environment are notified to state and territory governments. The regulator must, under the legislation, seek the advice of the states and territories on risks posed by the GMO. This includes seeking advice on particular regional or geographical environmental issues which may be unique to the states. Having sought this advice, the regulator must take it into account. Finally, the state has the absolute assurance that the regulator cannot fail to take the advice given on the environmental risks into account because the state will be able to appeal such a decision to the Federal Court.

In ensuring that state concerns on environmental issues are comprehensively covered, the government is mindful of the broader concerns of states, such as marketability issues. The legislation also addresses these issues. It creates the capacity for GMO-free zones based on marketing grounds and made through policy principles issued by the ministerial council. I am conscious of the comments made by other senators of the need to ensure that the states’ needs are met. This legislation, including the provisions I have outlined, is supported by
states and territories on the basis that they are satisfied that it does indeed meet their needs.

One change proposed by the ALP that is of particular interest to me is related to the governance arrangements proposed for the gene technology regulator. Under the legislation as drafted, the regulator would be a highly visible regulator, accountable to the Australian people for his actions. This is what ordinary people consulted on this legislation indicated that they wanted. They want somebody responsible for gene technology—someone whom they can identify and someone they can look to for accountable, sensible and considered decisions. What they do not want is another bureaucratic nightmare of boards and committees, and anonymous backroom regulation.

The Australian community wants someone who can make decisions; who is highly independent; who can report directly to parliament, free from political influence; who controls his or her own resources; and in whom, at the end of the day, the Australian community can have faith. This is what the Gene Technology Bill 2000 delivers. This is the model supported by all states and territories and this is the model that the government will continue to push for. We will not be supporting amendments to the government’s arrangements for the GTR.

I note that the ALP supports the inclusion of an explicit reference to the precautionary principle in the Gene Technology Bill. States, territories and the Commonwealth strongly oppose this inclusion. The precautionary principle is inappropriate for application to research, which will make up more than 85 per cent of the GTR’s work. Its application would stymie research and development. Further, uncertainty is created regarding how the precautionary principle should be applied, and Australia strongly opposes the use of the precautionary principle in relation to human health in international forums. Rather, the government, states and territories believe it is more appropriate that the regulation itself reflect—as it does—a cautious approach to the regulation of gene technology. No further value is added through the inclusion of these additional words that, in themselves, will create confusion and uncertainty and have the potential to affect adversely our R&D base in Australia.

Australia already has a proud record of regulating public health and safety and environmental risks. Our systems for therapeutic goods, environmental protection, agricultural chemicals and control of Australia’s borders are all recognised throughout the world for using science based evidence to ensure rigorous regulation. Like those existing systems, this regulatory system for GMOs will be science based. This regulatory system ensures the scientific assessment of risks to the Australian environment and the Australian community posed by, or as a result of, GMOs. We will draw on world-class scientists to provide the molecular biology, ecology, biosafety engineering, public health and other expertise, which will ensure that decisions of the regulator are rational, accountable and well founded. We will guard against any erosion of science based decision making reflected in this legislation and will not support consideration of individual applications by any advisory committee other than the scientific committee.

The ALP and the Australian Democrats have made some strong comments in relation to the proposition that the costs created by this new regulatory system be borne by the user of the system. The government obviously take the issue of cost recovery seriously. We have commissioned an independent study into the costs of the national regulatory system and are in the process of examining the report by KPMG. However, I note that, while bemoaning the effects of cost recovery on our R&D base on the one hand, the ALP is quick to add further to the overall costs of the regulatory system by complicating it without adding value. I note with particular interest Senator Forshaw’s glib comment on Monday night that the ALP amendments to the government’s structure would cost ‘a mere half a million dollars’. Most people I know do not use the term ‘mere’ to describe that amount of money—and never in the context of amendments that complicate rather than enhance what is a very strong, open regulatory system.
To summarise, what more do we need for a regulatory system for GMOs? What is on offer is extremely comprehensive. Ever since the government came to power, we have been dedicated to giving the Australian community the protection it deserves from potential risks associated with GMOs. We have invested significant funds in the current voluntary system of control over GMOs, increasing funding by 500 per cent. We established the Interim Office of the Gene Technology Regulator to administer the current system and develop legislation to regulate GMOs. We also significantly overhauled and improved the system for overseeing general commercial release applications, made the system more transparent, and implemented new and improved investigation, auditing and monitoring arrangements. This dedication has culminated in the introduction of this gene technology legislation into the parliament. I believe the legislation represents best practice regulation of GMOs and is comparable to the strongest systems in the world. I commend these bills to the Senate.

Question resolved in the affirmative.

Bills read a second time.

Ordered that consideration of the bills in committee of the whole be made an order of the day for the next day of sitting.

FAMILY AND COMMUNITY SERVICES AND VETERANS’ AFFAIRS LEGISLATION AMENDMENT (DEBT RECOVERY) BILL 2000

Second Reading

Debate resumed from 3 October, on motion by Senator Patterson:

That this bill be now read a second time.

Senator CHRIS EVANS (Western Australia) (11.28 a.m.)—The Family and Community Services and Veterans’ Affairs Legislation Amendment (Debt Recovery) Bill 2000 gives effect to a measure in the government’s 1999-2000 budget which aims to strengthen the debt recovery provisions available to the Department of Family and Community Services and the Department of Veterans’ Affairs. It is a savings measure, and the government expects to generate savings of $68 million over three years.

The primary purpose of the bill is to amend the Social Security Act 1991 to ensure that, when a person is paid an amount of social security that, for any reason, should not have been paid, that amount is recoverable from the person. The amendments serve to clarify what constitutes a debt and the circumstances in which, and by which, a debt may be recovered. The bill also serves to tighten the application of penalty interest and seeks to introduce a flat $100 administrative charge when an individual fails to repay, or cannot repay, a debt on time.

The bill follows on from amendments made by the government as part of its 1996-97 budget measures. These measures provided that overpayments made as a result of administrative error would be considered a debt and could be recovered. Labor opposed the changes on the grounds that debts would be raised in circumstances where individuals were unaware that a debt had been incurred. Despite our opposition, the measures were passed by the Senate with amendment. At the time of that debate, we could not have envisaged the extent to which the government would shift the focus of its welfare policy to demonising welfare recipients for breaching and welfare fraud.

The 1999-2000 annual report of the Commonwealth Ombudsman makes an important and cutting observation about the government’s rhetoric. It states:

‘There is much rhetoric in the media about overpayments resulting from “welfare fraud”. The majority of complaints we receive about overpayments are from customers who have done their best to comply with their obligations to report earnings, or who find they have been overpaid through no fault of their own. On investigation, we often find that in these cases the error has resulted from Centrelink’s computer programming or from the complex legislative design of the payments themselves. I think a very important point has been made there by the Ombudsman, which must be borne in mind in this and other debates about social security fraud and debt recovery. Centrelink’s own figures show that nearly 40 per cent of breaches applied are overturned following investigation. I would have thought the government should address these sys-

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‘There is much rhetoric in the media about overpayments resulting from “welfare fraud”. The majority of complaints we receive about overpayments are from customers who have done their best to comply with their obligations to report earnings, or who find they have been overpaid through no fault of their own. On investigation, we often find that in these cases the error has resulted from Centrelink’s computer programming or from the complex legislative design of the payments themselves. I think a very important point has been made there by the Ombudsman, which must be borne in mind in this and other debates about social security fraud and debt recovery. Centrelink’s own figures show that nearly 40 per cent of breaches applied are overturned following investigation. I would have thought the government should address these sys-
emic failures before looking at measures to strengthen debt recovery procedures.

There are measures contained within this bill for which Labor is prepared to offer its support. Equitable debt recovery from persons receiving payments intended for others, while always difficult, has been frustrated by ambiguous definitions, and we are supportive of clarifying changes. We also support measures to close a loophole in the application of interest to outstanding social security debts. Currently, debtors can ensure that no interest is payable by repeatedly renegotiating repayment terms when repayments are not, in fact, being made.

Similarly, we accept the government’s argument that, when payments are made incorrectly to financial institutions, recovery of the payment direct from the financial institution is a sensible way to proceed. Measures to enable this approach will be supported by Labor, but we will be vigilant in our monitoring of the circumstances in which this power is used. Being courteous creatures, we will also be moving an amendment to ensure that financial institutions advise the account holder that payments were made incorrectly and recovered.

While there are measures within the bill which are deserving of support—because they promote clarity or are of a technical or beneficial nature—we do have reservations about the intent of the legislation. The government’s preoccupation with breaching, its lack of sympathy for persons experiencing hardship and its willingness to impose it, and the extent to which Centrelink errors account for the growing trade in debt recovery suggest that, as a matter of principle, it would be unwise to withdraw discretion from the system. Labor will thus be moving amendments to codify the circumstances where debts may be raised, and to preserve secretarial discretion in circumstances where people have fulfilled their obligations and received payments in good faith. Additional amendments will address our concerns about the new administrative charge. We are troubled by its size. We are also troubled by its application to persons without the capacity to pay and to persons who have incurred a debt as a result of Centrelink administrative errors.

The Ombudsman’s report I referred to earlier raises some serious concerns about the practice of debt recovery. Of particular concern to Labor are the conflicting pressures faced by Centrelink’s debt recovery units. On the one hand, they are expected to meet financial ‘targets’; but, on the other hand, they must not place customers who are already financially stretched into further hardship. As the emphasis swings to meeting target figures, more pressure will be put on Centrelink customers to repay their debts at a higher level. Indeed, the Ombudsman reports that many of the complaints he receives relate to whether a recovery rate is unreasonable. Centrelink’s use of broad garnishee powers also attracts numerous complaints.

The tensions unpacked by the Ombudsman are a worrying consequence of the government’s attitude to social security recipients. The government has tried to pretend that the process of welfare reform—on which we hear it is embarking—is about creating opportunities for economic and social participation. Yet its attention and public comments centre squarely on welfare fraud as perpetrated by a collective of ‘rorters, cheats and bludgers’. Labor argues that such terms are, at best, unhelpful—at worst, inaccurate, divisive and offensive.

As I listened to the minister speaking just a few days ago during debate on the private trusts and companies bill, I was struck by the different language that the government uses when it talks about different groups within our community. Last week the government argued that persons holding assets in private trusts and companies should be given two years to seek advice and restructure their financial affairs before new means testing provisions were applied. Such latitude, consideration and understanding are never extended to those who have social security debts—even when those debts are Centrelink generated—or to those who miss a Centrelink appointment because the letter was sent to the wrong address, or to families with fragmented work patterns who find it difficult to accurately estimate their annual in-
come. In these cases the government is quick to breach; periods of grace do not apply.

Labor will be moving a number of amendments to this bill so that the practice and scope of debt recovery can be exercised in a way which balances accountability with sensitivity to the circumstances in which debts were incurred and the capacity of the individual to repay. Unless discretionary powers are enacted, we cannot rely on the government to play anything other than hard ball with its customers.

I would also indicate that I have appreciated the agreement of the minister to delay the committee stage of the bill for at least a few hours on the basis that we have a series of amendments—I understand that the Democrats also have a series of amendments—which are all quite technical. Because of the way in which we have been dealing with a lot of legislation in this area in the last few days, some of us have spent the last few days on our feet. We thought it would be wise for us all to be given a bit of time to look at each other’s propositions and consider those and allow discussions to occur between the various parties and their advisers. So I appreciate the cooperation of the minister and the Manager of Government Business to that effect. I think it will allow for a shorter and better informed committee stage than might otherwise have been the case. As I say, we are willing to proceed, but I think a few hours grace before we proceed with that will inform the debate. So with those remarks, as I say, I look forward to contributing during the committee stage.

Senator BARTLETT (Queensland) (11.36 a.m.)—I rise to speak on behalf of the Democrats on the Family and Community Services and Veterans’ Affairs Legislation Amendment (Debt Recovery) Bill 2000. In theory, the bill provides for the simplification, clarification and strengthening of debt recovery. It is important to note, however, that debt recovery is more than simply getting money back from social security and veterans affairs’ clients. Nor is debt recovery always about fraud; indeed, as Senator Evans has indicated, in most cases it is not. Far too often we hear the government beating their chest about how many rorters they are catching based solely on statistics citing recovery of overpayments, which is a very different thing. The reality is that the government are collecting a lot more money from struggling individuals or families who have become victims of poor service offered to them by Centrelink. In saying that, I do not wish to reflect unduly on Centrelink staff. I think understaffing, training and also the frequent changes to and complexity of the Social Security Act inflicted on them by us in this place make it very difficult for them. But the fact remains that in many cases it is Centrelink error that leads to overpayments arising. The myriad rules and red tape that people have to encounter in the payment of their pension or allowance are often very hard for people to navigate, despite their best intentions.

Generally, an overpayment arises when a welfare recipient is paid more than they are entitled to or qualified for under the act. Not all overpayments are the fault of the recipient. Probably the prime example of this is family payment, or family tax benefit, debts which arise because a person is unable to accurately estimate their income for the present or forthcoming tax year. Some overpayments arise because recipients unintentionally fail to comply with their obligations or because they are unaware of these, not having received letters telling them of their obligations. In some cases, the letters either were not sent or went astray.

Social security legislation is complex and recipients frequently cannot keep up with the range of complex notification requirements. They are expected to read and comprehend very complex letters, written only in English much of the time. They may be unable to spend hours on the telephone trying to get through to the call centre system which, despite some improvements, still has significant delays a lot of the time. They may have to wait weeks for an appointment. In this way, customers can fail to tell Centrelink of all the correct information, through no fault of their own, in the appropriate time frame set down by legislation which passes through this place. Some debts arise because of computer, bank or Centrelink error and, in a proportion of these cases, the person is not even
aware that they have been overpaid. In those circumstances, they can rack up quite a significant overpayment or debt completely without their knowledge or awareness. That obviously leaves them in a difficult situation when they have to repay it.

The number of Centrelink welfare convictions fell by 130 in the 1999-2000 year over the previous year’s figure. Compare this to the fact that $50 million of total overpayments recovered in that year were family payment debts. Very few of these people are rorters. Many are ordinary Australian families who are unable to estimate their income to a finite degree and who, because this resulted in a debt, have been branded by the government as cheats. They were required to repay money which they received in good faith to support their children.

On behalf of the Australian Democrats, I raised the question of the legality of some family payment debts in question time in this place a few weeks ago. A significant recent Administrative Appeals Tribunal case, which the department lost and chose not to pursue in the Federal Court, challenged, and found illegal, the basis on which Centrelink have recovered—and are recovering still—thousands of dollars of family payment from Australian families. This also adds to the concern and the doubt that the Democrats have over the extent, the validity and the nature of some of the overpayment statistics put forward by the department. When I raised that question with the Minister for Family and Community Services, she undertook to get back to the chamber with more information about how the department were reacting to that decision and whether they were re-examining all the other family payment debts to see how many other people had debts in the same circumstance. I would very much appreciate it if, by the time we get to the committee stage of the debate, the minister could indicate whether she has further information on that issue or when it might be appearing. I realise the family payment has now changed, but I am sure there are still many people who are repaying debts at the moment.

Certainly, there are some overpayments which arise because a person seeks to disguise their true circumstances to Centrelink. The Democrats accept categorically that provisions should exist to recover these moneys and indeed to prosecute these people where a sufficiently severe breach of the Crimes Act has occurred. We accept legislation which seeks to fairly recover moneys that are overpaid. It is concerning to note that this bill seeks to extend the provisions of debt recovery solely due to administrative error. Risk management in the provision of millions of dollars of income support to disadvantaged Australians should not be about allowing administrative mismanagement to increase in the safe understanding that, whatever happens, the money can be recovered from the hapless recipient, who may not even be aware that she or he was overpaid. The person not only has to suffer the financial detriment of repayment of moneys which they have received and spent in good faith but also has to wear the perceived ignominy of being branded a rorter in media reports and government media releases. Indeed, where the person has difficulty in repayment of these debts which arose through no fault of their own, this bill even proposes to add administrative charges and interest on those debts. That way the government gets back from the poor citizen more than it overpaid them in error in the first place. The citizen is essentially fined for the mistake of the government agency.

The Democrats firmly believe that social security and veterans affairs’ debt recovery legislation must be as much focused on debt prevention measures as getting money back. People must receive full explanatory notices about their obligations, entitlements and rights. They must be able to understand from these notices, in language they can understand, that they have specific notification requirements. When a person does incur a debt, a full notice of explanation should be issued. It is not enough to send out a blue Centrelink ‘utility style’ debt notice saying that the person owes thousands of dollars and must pay up within 21 days. It is important that any notice sent to the person is presented in a way which allows a person to act in an informed manner. It should be clear, be complete with full and appropriate information, allow an appropriate time in which to re-
spond and provide choice of repayment and rights of appeal.

I would also add that, as much as possible—and I realise only so much can be done—there still needs to be improvement in the tone and atmosphere of letters that people get. It is confronting enough to get a letter out of the blue telling you that you owe thousands of dollars and you have to pay within 21 days or face certain consequences. I believe the letters need to be framed in as gentle a way as possible in that situation because clearly in many cases you are talking about people who do not necessarily have a lot of money and who might quite reasonably go into a state of panic at receipt of such a demand out of the blue. In states of panic, people do not necessarily always act as rationally as they should or even in their best interests. So I still think there is room for improvement there, although I acknowledge that, in general, the department have worked hard on improving the personableness of their communications with customers. It is a fact that some correspondence is never received by the intended recipient. The Social Security Administration Act provides that merely demonstrating that a letter was addressed correctly deems the letter to have been received, and that is patently unfair. There must be a satisfaction at law that the person was not prevented from complying with the notice for the reason that it did not reach his or her hand.

Response times to government notices are a significant problem for many people. Rural and remote communities may have poor or unreliable communications services—and we have spoken about that many times in this chamber. In some communities home delivery is unavailable. So they have to rely on road freighting, which raises problems during the wet season. Additionally, people with limited literacy or poor English comprehension may need to seek assistance from agencies, families, advocates or friends to comprehend the content of Centrelink notices. Likewise, people with poor health, limited mobility or restricted access to transport may not be able to undertake the necessary response process to debt notices where an unreasonable time limit of 21 days is set. The Democrats will aim to require that notices meet a minimum standard of information, content and timeliness and have regard to the location and circumstances of the person to whom the notice is issued.

The imposition of administrative charges on debts is punitive and will further push disadvantaged Australians into debt. A person’s inability to comply with unreasonable repayment arrangements made by Centrelink should not incur an extra penalty. Many debts are due to administrative error, and thousands of Australians in receipt of Newstart or Youth Allowance, already suffering financial penalties, are being breached by Centrelink annually. The Democrats believe that adding an administrative charge to these debts is unfair and excessive, and we will oppose the imposition of this charge when we get to the committee stage.

It is not disputed that, where a person has received moneys in excess of their entitlement, an attempt should be made to recover some or all of that debt. The community expects this. There are a number of means of recovery of debts, and this bill proposes that four different means should be available for most debt types which exist in present legislation. These range from deductions from present social security payments to repayments by installment to legal proceedings to garnisheeing. The debtor has the right to a reasonable method of recovery, taking into account their relevant circumstances. In the Democrats’ view, legal proceedings and garnishee notices should be seen as a method of last resort, and we are concerned that Centrelink and the Australian Government Solicitor are increasingly using these means.

Many constituents contact us in significant distress because their Centrelink ‘blue’ debt notice threatens sale of assets for an insignificant amount. We cannot overlook the stress this causes to people with limited resources. I think it is worth stressing again and again that when we are considering legislation in this place, probably across the board but certainly in areas such as social security, it is appropriate we examine things from the point of view of policy principles, financial constraints and overall values such as equity, but it is also important to continue
to remind ourselves that the changes we make, the laws we pass, impact on individual people. What might seem like a nice idea in general policy terms can still impact very severely on innocent people, and we need to be aware of that and continue to remind ourselves that Australians are the end recipients of the laws we pass, such as the legislation we are debating today. We need to try to continue to ensure that laws we pass and changes we make do not unnecessarily cause distress, particularly for people who have limited resources. Sure, if people are overpaid, it is appropriate to get the money back, but there is no reason to be heavy-handed or domineering about such an approach, particularly for the many cases where there is no bad intent or bad faith on the part of the person who has been overpaid, and that would be, without doubt, the majority of overpayments.

A further problem exists for people who are subject to garnisheeing of their wages by Centrelink, despite voluntarily meeting a repayment agreement. It is reasonable that a person might not want it disclosed to an employer that they have a Centrelink debt, particularly given the bad light in which these people are portrayed often by parts of the media. Garnishee should not be undertaken unless there has been no repayment arrangement and should be taken only as a last resort. The Democrats will attempt to improve the legislation in such a manner when we get to the committee stage of this debate.

Finally, where a person receives a custodial sentence due to their unwillingness or inability to make reparation, waiver of the debt is entirely appropriate as provided in the present legislation. Judgments do not generally expressly state in the terms proposed by the bill that the sentence was longer than would otherwise be imposed because of the existence of a debt. Magistrates’ remarks are not generic and the respective jurisdictions cannot be compelled in practice to speak the language required by the Social Security Act. I think it is an interesting precedent, given issues such as separation of powers, to try to put in law a suggestion, if you like, to magistrates that they make specific comments when they sentence people to ensure that certain outcomes do or do not happen completely outside of the issue they are dealing with. I think that is a curious practice. I would be interested to know whether it is done in other legislation. I think it is a dangerous practice and one that is likely to lead to inadvertent injustice. This can lead to the manifestly unfair situation of a longer custodial sentence being imposed to have regard to an inability to repay. However, because the judgment does not expressly state this, that person would suffer the double jeopardy of not having the debt waived. The Democrats will further explore our concerns on that issue in the committee stage.

It is worth reflecting on Senator Harris’s comments earlier today in relation to the family law legislation and his concerns about people being jailed as a consequence of non-repayment of moneys, serving their sentence and still having the debt at the end of it. I think that is a slightly separate matter, but the concerns he raised are valid and I think are parallel to some of the issues raised in respect of this legislation. So, whilst the Democrats as a whole support quite willingly the necessity of recovering overpayments—and doing so in an effective way, requiring people to do so in a reasonably structured way and in a way that is likely to, wherever possible, lead to recovery of that money—we believe it needs to be done in a way that minimises unnecessary distress, that recognises that in many cases it is not the person’s fault. In some cases it is the department’s fault and in many other cases it is simply a matter of innocent error or, indeed, an inability to accurately forecast income, even with the absolute best of intent. Given that very frequent circumstance, we think overpayment issues must be addressed in a sensitive way and in a way that recognises distress and the difficulties it can cause people. In that respect, there are aspects of this bill that we believe could do with improvement, and we will certainly attempt to explore ways of doing that when we get to the committee stage of this debate.

Senator HEFFERNAN (New South Wales—Parliamentary Secretary to Cabinet) (11.52 a.m.)—I would like to thank the speakers—Senator Evans and Senator...
Bartlett—for their eloquent contributions and, in the spirit of that eloquence, I understand that the government has agreed to delay the committee stage of this bill to a later hour.

Question resolved in the affirmative.

Bill read a second time.

Ordered that consideration of the bill be made an order of the day for a later hour of the day.

FUEL QUALITY STANDARDS BILL 2000

Second Reading

Debate resumed from 7 September, on motion by Senator Ian Campbell:

That this bill be now read a second time.

Senator BOLKUS (South Australia) (11.54 a.m.)—I rise to speak to the Fuel Quality Standards Bill 2000, which provides a framework to create national mandatory quality standards for fuels and also creates a regime to be able to enforce them. Improving fuel quality on a national basis will assist with better engine efficiency, but the main objective of this measure is to reduce air pollution. Vehicles are estimated to account for some 70 per cent of total urban air pollution and cleaner fuel, together with tighter vehicle emission standards, should result in significant reductions in emissions of pollutants and air toxicity from vehicles over time.

Urban air pollution is one of the most serious environmental issues in urban areas. It has significant implications for the health of the nation—pneumonia, loss of lung function, asthma, other respiratory problems, heart disease and lung cancer are just some of the health risks associated with urban air pollution. As a largely urbanised nation, Australia generally experiences about the same levels of air pollution as would be expected for any developed country. However, as measured against WHO and national guidelines for ambient air quality, air pollution in Australia often exceeds such desirable levels. A recently launched ACF—Australian Conservation Foundation—document entitled Natural advantage: a blueprint for a sustainable Australia had this to say about the issue:

Although the air quality in Australian cities improved between the 1980s and mid 1990s, urban air pollution remains at unacceptably high levels. Furthermore, air quality is set to deteriorate again unless new measures are found to combat the extra 50,000-200,000 motor vehicles that are being added to our roads each year.

It goes on to say:

Clearly, considerable effort is required of Commonwealth and state governments to ensure that air quality continues to improve. At the forefront of this effort must be a commitment by governments to bring Australian air quality and emissions standards into line with the best in the world. Only then can Australians start to breathe easy.

This ACF report is just the most recent publication addressing this issue; it is not the only one, obviously. For instance, a 1997 government study estimated that the cost of deaths associated with fine particles—just one of many air pollutants to which most Australians are subjected daily—is at least $3.7 billion each year. Diesel exhaust is held responsible for lodging very fine airborne particles in the lungs of city dwellers. On days when particulates are known to be at a high level, there is a recorded increase in mortality rates. More specifically, long- and short-term exposure to ultrafine particles from diesel exhaust is associated with increased deaths from heart and lung disease. Diesel vehicles are believed to contribute about four-fifths of all vehicle-sourced fine airborne particles in cities. In 1998 the California Air Resources Board proposed that diesel exhaust be declared a toxic substance.

So we do have here a serious health and environmental issue. It is an issue which is of concern to many Australians. Public opinion surveys consistently show that air pollution is indeed the number one environmental issue of concern to urban Australians. So we support the introduction of national standards and the objectives of this bill. The main objective, as I said earlier, is to regulate the quality of fuel supplied in Australia to: (1) reduce pollutants and emissions arising from the use of fuel that may cause environmental and health problems; (2) facilitate the adoption of better engine and emission control technologies; and (3) allow the more effective operation of engines. Although fuel
quality standards currently exist, they are inconsistent between states, they are not mandatory, nor are they seriously monitored. In the case of petrol, they have not been reviewed for some 10 years.

New vehicle emission standards harmonising Australian standards with international vehicle emission standards were gazetted in December 1999. However, the quality of the fuel has been a key constraint to the introduction of vehicle emission standards as the emerging technologies, we are told, are affected by the quality of the fuel. Although the actual standards are set out in regs under the act, Labor support the structure outlined in the legislation in order to enable the federal government to establish standards nationally. We support the provisions in the bill which: (1) create offences relating to the supply of fuel that does not comply with a standard made under the act, (2) relate to the alteration of fuel which is subject of a fuel standard and (3) relate to the supply or importation of a fuel additive that is entered into the Register of Prohibited Fuel Additives. We also support measures that set out an enforcement regime for the purpose of monitoring compliance and enabling the prosecution of offences under the act, that set out record keeping and reporting obligations on fuel suppliers and importers, and that allow for review of decisions under the act and review of the operations of the act.

Standards under this proposed legislation will be determined by the Minister for the Environment and Heritage after a process which does involve consultation with Commonwealth, state, territory, industry, environment and consumer protection stakeholders. I understand that the consultation process is already well under way on standards for petrol and automotive diesel, which we are informed will be in place shortly after the bill is enacted. We further understand from the government that it is their intention to progressively set standards for a range of fuels. Under this legislation, the minister will also be able to grant an approval to exempt a person from compliance with a fuel standard, or to vary a fuel standard in respect of fuel supplied by a person. This is to provide some flexibility for special events, such as car rallies, or special applications, in Antarctica for instance. We have a concern that this provision provides excessive discretion for the minister and may lead to an uneven playing field in industry. We will address this concern in our amendments.

Further, the bill makes no provision for consultation with the Fuel Standards Consultative Committee nor does it provide for public consultation on the issue of variations and exemptions. There is no provision for the reasons for such a decision to be made, and there are no limits on the duration of such an exemption. Where an exemption is given, rather than a variation on a standard, there is effectively no standard whatsoever imposed on that person. We will be moving amendments that limit such an approval to a variation of a standard rather than a complete exemption from the standard, that limit the time for which such an approval remains valid, that require consultation with the Fuel Standards Consultative Committee, that require the consultative committee to recommend a time limit on the approval and that require public disclosure of the reasons for such an exemption.

The register of prohibited fuel additives is kept by the Minister for the Environment and Heritage, and substances can be listed by the minister. Although the minister is currently required to consult the consultative committee in determining standards, he does not have to do so for listing prohibited fuel additives. We will therefore move an amendment to require the minister to consult the consultative committee in granting approvals for exemptions and listing prohibited fuel additives.

Some states have already regulated standards which are more stringent than the proposed Commonwealth standards, and that is a concern. The bill allows for differentiated standards in areas where stricter standards are warranted on the basis of specified criteria, which might relate, for example, to ambient air quality. There is some concern that the provision in the bill to impose stricter standards might be interpreted as stricter in relation to a measure other than the objectives of the bill. A simple amendment would
clarify this and ensure that the stricter standard was one that ensures a higher quality of fuel to reduce emissions harmful to environmental and human health.

Although independent criteria are designed to ensure that the provision for stricter standards does not impinge on section 99 of the Constitution, there is a concern that the requirement for the minister not to give preference to one state over another will not allow a state to instigate the consideration of stricter standards. We understand that the government will include clarification in this regard in the guidelines under section 21(2) and 21(3) and, on the basis of that undertaking, we will not press the matter in the committee stage.

There is currently a provision in the bill that allows a six-month exemption from consultation with the Consultative Committee for Fuel Standards. My understanding is that this is to allow the standards that are currently under way for diesel and petrol to be introduced as soon as possible, as they have already been through a wide-ranging consultation process. Although we recognise that the exemption is desirable in this case, we place on the record that we would be concerned if the exemption were to be used to introduce other standards during that time. I understand this is not the intention of the government and that the legislation included a six-month exemption for drafting reasons. I further understand that other standards currently under development have budgeted to include consultation with the fuel consultative committee. It is on the understanding that all additional standards, beyond the petrol and diesel standards, will be subject to consultation that Labor will support this exemption. We will also move an amendment to establish standing for appeal for injunctive relief and for review of decisions to be consistent with the standing under the EPBC legislation.

Although the ability to delegate powers is a standard provision in many acts, given the extent of discretion involved in setting standards and granting approvals it would seem appropriate for the minister to retain the ministerial power in those applications. We will therefore move an amendment to exclude setting standards and granting approvals from the delegation of ministerial powers. Overall, Labor support the objectives of the bill and consider it a positive step towards greater protection of the environment and human health. In essence, Australians deserve to breathe easy. It is now up to the government to introduce standards that will provide for just that.

**Senator ALLISON (Victoria) (12.04 p.m.)—**The Australian Democrats very much welcome the Fuel Quality Standards Bill 2000. This legislation comes about as a direct result of the Democrats’ negotiations with the government prior to the introduction of the new tax system and is a major step forward in improving human health and quality assurance. For the first time, Australia will have national laws regulating fuel standards and, although the standards are not yet developed, they will be, in conjunction with the states and territories. It does provide a framework for the regulation of fuel standards—standards which are necessary to improve urban air quality and human health. Australia is playing catch up with the rest of the world with regard to fuel standards. Previous governments have shirked their responsibility in legislating for more stringent fuel standards in this country.

The legislation replaces the previous voluntary standards and is necessary, as the minister correctly points out, if Australia is to benefit fully from evolving emission controls and fuel efficiency technologies. This legislation creates offences relating to the supply of fuel that does not comply with the standard made under the act. A new offence is also created for the alteration or adulteration of fuel which is the subject of a fuel standard and for the supply or importation of a fuel additive that is entered on the register of prohibited fuel additives. Modelling undertaken by the Fuel Quality Review established that cleaner fuels and tougher emissions standards will dramatically reduce pollutants and air toxic emissions from vehicles over time. The Democrats thank and congratulate the government for agreeing to bring forward the timetable for the introduction of these tougher fuel standards. Australian fuel motorists and other fuel users will
similarly welcome the high quality assurance that this legislation will bring. Senators will recall the difficulties and the damage experienced by users of substandard and contaminated fuel in recent times with the grounding of light aircraft across the nation for weeks as a result of the contamination of avgas and the adulteration of petrol with toluene by independent fuel distributors in an attempt to avoid excise and maximise profits.

We think consumers have a right to expect to receive what they pay good money for. Modern engines require quality, low sulfur, high octane fuels in order to operate efficiently and to reduce the impact of the motorcar on urban air quality. High octane, low sulfur fuels are the key to reducing vehicle emissions in petrol and diesel powered transport. This is why the Democrats have taken action to pressure the government into adopting tougher standards for transport fuels. An online poll in the *Sydney Morning Herald* in March this year showed that 98 per cent of respondents believed that Australian petrol standards should be compulsory.

The adulteration of fuel was brought to the attention of state governments as early as 1992, and six Sydney service stations were recently found to be selling petrol that had been adulterated with toluene at levels of up to 57 per cent. These fuel stations had been increasing their profits by 26c a litre by selling substandard fuel to unsuspecting motorists. The Australian Bureau of Statistics revealed that in January 1999 imports of toluene had risen sixfold, to top 6.5 million litres. Revenue loss to the government has been estimated at around $100 million as a result of this and other similar schemes—money that should have been invested in better public roads, better public schools and better public hospitals.

Much has already been said about the enormous benefits for health of improving fuel standards. I reiterate that the Democrats are very pleased to have been able to negotiate a timetable with the government that will harmonise Australian vehicle emission standards with international standards by 2006. I also indicate that the Democrats will have just one amendment to this bill. We would like to see the fines for offences under the act increased, and our amendment will address that issue. *(Quorum formed)*

**The ACTING DEPUTY PRESIDENT**  
*(Senator Crowley)*—Senator Ludwig, are you appearing for Senator Sherry or Senator Hutchins?

**Senator LUDWIG** *(Queensland)* *(12.13 p.m.)*—I can be a number of names, I suspect.

**Senator Vanstone interjecting**—

**Senator LUDWIG**—I am sure other senators might say it for me in any event. I rise to speak in relation to the *Fuel Quality Standards Bill 2000*, and I appreciate Senator Hill allowing me to contribute to this important debate in relation to fuel quality. The bill seeks to establish a legal framework for the setting of national fuel quality standards. The objects of the bill, as provided for in the legislation, are—among other things—firstly, to reduce the level of pollutants and emissions arising from the use of fuel that may cause environmental health problems and, secondly, to help with the adoption of improved engine technology and emission control technology. But the heart of the bill—and the area which I wish to spend a few moments of the Senate’s time on—is clause 12, which creates an offence supplying fuel that does not meet the relevant standards under the bill.

One of the issues that concerns me in sitting on the Regulations and Ordinances Committee is that the standards set under this bill are yet to be devised. I understand that they will of course be developed in a consultative way. I sincerely hope it is a matter I will not be complaining about in this chamber at some future time, either as a member of the Regulations and Ordinances Committee or in any other capacity. But in relation to the *Fuel Quality Standards Bill 2000* we are in a position where those matters are yet to be determined.

Subclause 13(b) is also designed so that those persons who can legally supply fuel which varies from the relevant standard are also caught in the net. The government has introduced some flexibility. The government can grant approvals either for persons to be exempt from the relevant standards or for the
fuel to vary from the standard in a specific way. The flexibility within the Fuel Quality Standards Bill 2000 allows not only a standard to be developed by regulation but also the ability to vary from that standard. I hope that that will not be misused or used in a negative way but, rather, in a positive way to ensure that the environment remains safe.

This clause does not leave the government completely unfettered in its decision making role. The government must have regard to a number of factors when granting such an approval. So, to be fair to the government in respect of this, it is not an approvals system at large; there are a number of criteria or factors that the government must have regard to in granting such an approval, such as the protection of the environment, the protection of occupational health and public health and safety, and the interests of consumers—and I underscore that: the interests of consumers.

The Fuel Quality Standards Bill 2000 does not seem to provide sufficient benefit for the consumers. But that is a matter for the government. I raise as a matter of complaint that at the end of the day it is consumers who seek to benefit from this legislation, to ensure that the standard matches the petrol they purchase. In their decision making role the government will also deal with the impact on economic and regional development. The bill seems to—in my view a little unfairly—also provide an outlet in that it provides for matters that the minister considers to be relevant.

Therefore, we have not only the criteria which must be taken into consideration but also the seemingly innocuous provision at the end which allows the minister to consider any other matters. Whether or not that has to be subject to or limited to the aforesaid criteria is still open, in my view. Clearly, what started out as a helpful clause to guide the minister now seems a little bit broader and the discretion left perhaps a little bit at large. But, no matter. It seems, unfortunately, to be a method of drafting that has seen some favour with either parliamentary counsel or the government. It tends to allow a broader latitude than what has gone before. It is a matter that I find a little disconcerting. I have some criticism of the fact that the government has decided to introduce this issue in this bill, but it is a minor matter nonetheless.

I go now to a number of the clauses which provide for the fuel quality standard overall. Clause 19 is a good example of how the bill will operate. It requires that in supplying fuel that is subject to a standard—the standard has not been developed—the supplier must provide a statement to the person receiving the fuel verifying that it conforms with the standard. What happens to the motorist? As I reflected earlier in my submission, you have a public interest being taken into consideration and a consumer, but the motorist, the end user of the fuel, does not seem to have a guarantee or assurance—and I am happy to have this corrected by the minister—that the fuel quality is of the relevant standard and fit for the purpose for which it is intended to be used. Perhaps it is intended to have plaque in the service stations which says that the fuel is of a relevant quality standard and fit for the purpose for which it is being bought, and the motorist will not need to have a kit to check the quality of the fuel, other than perhaps observing the colour of it.

This matter does not seem to be outlined in the Fuel Quality Standards Bill 2000. This might be stated to be a light issue, but it is important for motorists to ensure that they do have a proper and appropriate standard. Having looked at the legislation, I await some clear answer from the government about this issue. If I am mistaken in that and there is the intention for a plaque, then hopefully we can also be told about how big the wording will be and where it will be placed. I assume the answer could be that that is a matter that the government will develop, along with the standards, the regulations and other matters. So it could be a matter that I still await some view on.

Clause 20 may help. The language in the bill is somewhat curious. The term ‘using it’ is a matter that the government could still flesh out in more detail. The problem is that where fuel is altered there does not seem to be an offence created unless it is done in Australia—as I understand the provision—and for the purpose of using it in Australia. I cannot say this is crystal clear. It will need further explanation from the government. I
hope that they will be able to provide some view about a legal definition of ‘using it’ to ensure that if they are going to create a fuel quality standards bill then those people who are using the legislation will be able to have a clear yes or no answer about whether they step within or outside the legislation.

The bill also introduces a fuel standards consultative committee, which is one of those important bridges that has developed between users, end users and producers and the various bodies that represent them. It is helpful to have consultative committees. The composition of the committee is designed to reflect, it seems, a wider group, but the functions of the committee, however, are not prescribed. I hope the government will be able to tell me that this is similar to the standards and regulations and the other matters that I referred to earlier which will be prescribed and outlined in due course. Sometimes it seems to me far more relevant to at least give us some guiding principle within the bill itself as to what the functions and purposes of these committees are. Some idea is exposed in clause 23 where it says that the committee will perform a consultative role. I suggest that the answer will more probably be found in the regulations when they are released.

The bill also deals in part with the plethora of fuel additives that are sold over the counter that do a myriad of wonderful things to the humble engine. Again, as I understand it, guidelines will be developed on how this area will be addressed. It is hoped that the minister will be able to provide those in due course. It seems to me far more relevant to at least give us some guiding principle within the bill itself as to what the functions and purposes of these committees are. Some idea is exposed in clause 23 where it says that the committee will perform a consultative role. I suggest that the answer will more probably be found in the regulations when they are released.

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Of course, the regulations will be reviewable by the ART. Unfortunately I did not participate in the earlier debate this morning, but the last time I read the bill it included the Administrative Review Tribunal as the appropriate body for appeals. The Administrative Review Tribunal does not presently exist. Some weeks ago in Canberra I attended a seminar in relation to the ART where it was indicated that the ART I would not say is in doubt, but it seems it will certainly be a difficult process to get it up and running. One wonders why the current bill does not refer to the present system of administrative review, but again it is a matter that I suspect the government may have better knowledge of and that it will inform the Senate as to the purpose of putting in the ART. As a suggestion, perhaps, the ART may be up and running by the time all these things come together. That will be an encouraging thing, and I suspect that the minister will tell us that that will be the case. What always concerns me is the alternative: if that is not the case, if we do not have the ART, will the rights of people be lost or does the government intend to put an interim measure in place to ensure that at least there will be an appeals mechanism to the AAT in the interim should the ART not come about in the time frame proposed?

In the final analysis, the Fuel Quality Standards Bill 2000 is directed at reducing air pollution. Consumers are equally concerned about this, as I said earlier, and are keen to ensure that the government is doing the right thing about petrol. Consumers are concerned about fuel substitution. As Senator Allison mentioned, recently we had some unscrupulous business operators or parts of the industry substituting toluene for the purpose of, it appears, saving money and short-changing the consumer. The state governments of Queensland, Victoria and New South Wales, as I understand it, want fuel standards and proper testing to ensure consumer protection. I hope the federal government will follow up on those suggestions and enter into meaningful discussions and consultative processes to ensure that standards are developed and that appropriate consumer protection is in place with monitoring and testing to achieve the objectives of the bill.

The consumer is also concerned about the price of petrol. The government should, through this bill, be able to inform us as to whether this bill will impact upon the price of petrol at some point, either because of the regulations, the monitoring or the require-
ments of business to meet the various standards or to participate in monitoring and testing. A matter that also concerns me somewhat is the matter of monitoring. This government may recollect it was an issue which started some time around 22 June 1998 in relation to the blending of fuels. A question was put by Mr Halverson during questions without notice. He said:

My question is to the Minister for Customs and Consumer Affairs. What action has the government taken in relation to the dangerous practice of mixing duty free fuels with petrol and diesel? Mr Truss answered:

I thank the member for Casey for the question. The government has legislated to stop the dangerous and potentially hazardous practice of substituting or blending concessional fuels ...

I will not go on in the limited time I have available, but the drift is, of course, that back on 22 June 1998, when there was a question about this bad practice, the answer was that it was being effectively dealt with, and that was long before the toluene issue came about.

The Australian Customs Service annual report of 1998-99 also deals with fuel monitoring. Page 67 of the annual report talks about a specific provision that dealt with industry monitoring and fuel checking relating to fuel substitution. The report states:

On 31 January 1998, legislation came into effect providing for a range of penalties on persons who sell, use, blend or substitute non-transport fuels (that are subject to low or duty free rates) as transport fuel.

Investigations were carried out, and teams carried out something in the order of 551 tests on distributors, service stations and transport operators during the 1998-99 period. Of these tests, 52 indicated that markers were present in the fuel. The Australian Customs Service then started prosecution action against three distributors. This was some time ago. It seems to have fallen into a black hole. I hope the minister can shed some light on this or correct me if I am wrong in this view. As we know, the monitoring was then taken over by the Australian Taxation Office. Could the government advise the chamber on the progress of these prosecutions? Tests were carried out, 52 indicated that markers were present and there were three prosecutions. Could the government advise the chamber on the way these matters were concluded and what the ATO then did, having taken the monitoring over? Did they set up a monitoring or fuel checking system?

We find that the new Fuel Quality Standards Bill 2000 is another attempt at ensuring that the matter will be addressed in a positive way, and the government can be congratulated on taking this initiative and ensuring that the fuel quality issue is at the forefront and is part of this bill. The government needs to understand—and I suspect it does, but this needs to be pressed, as it was in 1998—that the blending of fuels is a problem. The government needs to make sure that this is addressed by the Australian Customs Service and that, if there is a monitoring process set in place, the process does not lose the plot. If the government is going to start the process again in a practical way, the monitoring and checking of these things should not fall down again. I suspect the government will take that on board, but it would be comforting to hear the reiteration of these issues and the explanation of what happened with those earlier matters.

Senator HUTCHINS (New South Wales) (12.33 p.m.)—The Fuel Quality Standards Bill 2000 is of crucial importance for our nation’s future. It will set quality standards for motor vehicle fuel in Australia, facilitating the eventual implementation of better vehicle emission standards. Urban air pollution is arguably the most crucial ongoing environmental challenge facing this country. The importance that the Australian people place on breathing clean air cannot be underestimated. Polls consistently show that air pollution is the most important environmental concern for people living in cities. Motor vehicle emissions account for up to 70 per cent of urban air pollution. Unclean air in our cities can lead to a multitude of health problems, including pneumonia, asthma, lung cancer and heart disease.

Diesel fuel emissions are of particular concern. Diesel vehicles are estimated to contribute to around four-fifths of all vehicle sourced fine airborne particles in cities. Par-
ticulates are now blamed for much of the health impact of air pollution. It has been estimated that deaths associated with fine airborne particles cost the community at least $3.7 billion each year. We must also consider the long-term effects of vehicle sourced pollution. The photochemical formation of ozone from hydrogen and nitrogen oxide emissions from motor vehicles is an important consideration. The problem is not likely to go away. In recent years, Australia has made steady gains in reducing motor vehicle emissions. However, the swelling car fleet on our roads mitigates the air quality gains made through improved efficiency vehicles and the introduction of unleaded fuel. The ABS estimated in 1996 that, every year, between 50,000 and 200,000 new vehicles are added to our roads.

Vehicle sourced air pollution is a problem that has begun to be taken quite seriously by other nations across the world. Sadly, up to this point, Australian vehicle emission standards trail those of other developed nations. The European Union began a system of vehicle emission standards that first came into effect in 1992. By the time the Euro 5 standard for diesel vehicles is finally implemented in 2008, hydrocarbon emission standards and nitrogen oxide emission standards levels will have both been lowered by more than 50 per cent. Airborne particles levels will also have been halved. In comparison with the United States and Europe, Australia is seriously behind in terms of the stringency of our vehicle emission standards. Our current standards for petrol vehicles are equivalent to US 1981 standards and our diesel vehicle standards are equivalent to US 1991 standards.

It is encouraging to see that the government seems to have finally thrown some effort behind the pressing issue of getting Australian vehicle emission standards on par with the rest of the developed world. The Australian people have a fundamental right to breathe clean air. The government hopes to have Australian standards, or Australian Design Rules, on par with the Euro standards by 2006. Emission standards such as Euro 4 will require new, sophisticated engine technologies in vehicles that need to run on higher quality, cleaner fuels. Higher quality fuels for cleaner, more efficient engines means low octane fuels with lower sulfur content. The problem for Australia is that, at present, there is no national system of fuel quality control analogous to the national system of Australian Design Rules for vehicles.

Fuel quality standards do exist at present in Australia. However, they are inconsistent between states, are not mandatory, are not seriously monitored and have not been reviewed for 10 years. It is about time that something like the Fuel Quality Standards Bill 2000 came before this chamber. If we are serious about reducing air pollution in Australian cities, serious about getting on top of emissions from the 50,000 to 200,000 new vehicles on our roads each year and serious about reducing the health risks that Australians encounter every time they breathe, then we need to implement a comprehensive national system of fuel quality standards. We need to have such a system to facilitate the implementation of vehicle emission standards, which will mean Australians can breathe clean air well into the future. I am glad to see that this bill will accomplish such a system.

The bill will create a Fuel Standards Consultative Committee, comprising representatives from each state, the Commonwealth, fuel producers, environmental groups and consumer groups, which will review fuel standards with the environment minister. I believe that this committee will be one of the major strengths of the legislation and will ensure that the interests of major stakeholders are represented when fuel standards are set in Australia. I am concerned, however, that this committee will consist of one representative from each of the stakeholders, except for the Commonwealth, which will be allowed one or more representatives. If the consultative committee is to adequately serve its purpose in making sure that all key stakeholders have their views represented in setting fuel standards, then the make-up of the committee cannot be tilted towards the Commonwealth. I would implore the chamber to support Labor’s amendments that will ensure that key
stakeholders have equal representation on the committee.

I am also concerned that the power to approve exemptions from future standards and list prohibited fuel additives will lie solely with the minister. The importance of this issue to Australia’s future means that any exemptions from future standards or prohibited additives listings need to be properly and openly examined. Labor’s amendments to the bill will require the minister to consult with the fuel standards committee and publicly disclose any approvals for exemptions or any listings of prohibited additives. This will ensure accountability with key stakeholders as well as the public at large when it comes to decisions relating to the approval of exemptions from fuel standards and the listing of prohibited additives.

This bill will also finally put in place comprehensive measures for dealing with the issue of fuel substitution. The Howard government has fundamentally failed to adequately protect consumers from this dangerous practice, despite an initial package of seven bills in 1997 to deal with the issue, supported by Labor. Since responsibility for testing was moved from the Australian Customs Service to the Australian Taxation Office, the regime has fallen apart. We have had a number of substitution scandals, one of which led to the loss of hundreds of millions of dollars in excise revenue through the addition of toluene to petrol. Although the government has since introduced measures to crack down on fuel substitution following pressure from the opposition and state Labor fair trading ministers, this bill will provide us with new weapons in combating this activity. This bill will establish a framework for the development of a definition of fuel. This will assist the states, which have been given responsibility for the testing regime. Therefore, this bill will go some of the way to reversing the failures of the Howard government in protecting consumers and the tax base from the practice of fuel substitution.

In conclusion, the importance of the Fuel Quality Standards Bill 2000 cannot be underestimated. It is good to see that the government is getting its act together and making sure that Australia’s vehicle emission standards are on par with the rest of the world. Australians have as much right to clean air as do people in Europe or the United States. We need to ensure, however, that decisions relating to exemptions or the listing of prohibited additives are made with adequate disclosure. I would therefore implore the chamber to support Labor’s amendments that will ensure the minister must consult with the fuel standards committee and disclose decisions to the general public. Labor’s amendments will also make sure that there is equal representation between key stakeholders on the committee and that representation is not unfairly weighted towards the Commonwealth. With these changes, this bill will ensure that we can get on with the job of making Australia a cleaner and better place to live and breathe.

Senator HILL (South Australia—Minister for the Environment and Heritage) (12.42 p.m.)—I thank senators for their contributions to this important debate on the Fuel Quality Standards Bill 2000. This legislation is historic. It will contribute to Australia being brought up to world’s best standard in terms of pollution from motor vehicles and also in terms of greenhouse gas outcomes. The legislation does so by bringing in a two-part reform: one part is the requirement for new emission standards in Australia for motor vehicles; and this, the second part, is a complementary requirement for new matching fuel quality standards. The result will, as I said, be world’s best standard in terms of polluting emissions and also in terms of greenhouse gas emissions.

It is important that we constantly address the issue of air quality, particularly in our major cities. Research that the government has received in the past has been that generally our air quality is of a reasonable standard. But, in some of our major cities, on some days, it is of an unsatisfactory standard and in fact equivalent to some of those cities around the world that are more commonly regarded as polluting. That is an unsatisfactory outcome, and I think that it reflects the fact that Australia’s standards in this area have fallen behind. That is an indictment upon, in particular, the former Labor government in this country—in office for 13
years, during which time it failed to address this very important issue. In other words, the number of vehicles increased dramatically, but the government required neither best standards in relation to emission equipment attached to vehicles nor matching fuel quality.

This government, as in so many other areas, is seeking to respond positively and to introduce these reforms—difficult though they have been in many ways—to give the Australian people better air quality and contribute to reduced greenhouse emissions. I thank all senators who have contributed to the debate and wish the bill a speedy passage through the parliament.

Question resolved in the affirmative.

Bill read a second time.

MATTERS OF PUBLIC INTEREST

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

Cooperative Research Centres Program

Senator EGGLESTON (Western Australia) (12.45 p.m.)—Cooperative research centres are an example of this government’s commitment to research and scientific endeavour. They act as centres of excellence and bring together researchers from universities, the CSIRO and other government laboratories and private industry to make a joint collaborative research and development effort. Rather than working separately, participating organisations work together, sharing their knowledge and resources while striving to meet their objectives for the good of the nation. This is a more productive and fruitful use of resources than occurred in the past when research was traditionally jealously protected and guarded rather than shared.

In August this year there were 63 cooperative research centres throughout the country, representing a substantial investment in Australia’s future. Each CRC employs 30 full-time researchers on average and has a budget of around $7 million annually. The average amount of funding received from CRC program funds is $2.2 million per year, with the guidelines stipulating that the participants in each CRC are required to contribute at least as much again themselves. Participants generally contribute about 2.25 times the level of program funding. The federal government currently contributes some $140 million annually to the CRC program. To date, Australian industry has pledged $1 billion over the term of the 63 CRCs that have already been established. Each centre is established by a centre agreement that is binding on them and the Commonwealth and details key areas, including funding and research and development. These agreements usually have a life of seven years.

On 27 September I was pleased to meet Mr David Prast and Professor Lyn Beazley from the University of Western Australia regarding an application for federal government funding of up to $3 million that has been made for a cooperative research centre for neural repair to be located in the University of Western Australia. The year 2000 selection round is currently under way and David Prast—who is a paraplegic—and Professor Beazley came to see me to enlist my support for this application, which I am happy to offer. On the basis of funding from the West Australian Road Safety Council and other bodies—including Pfizer, the largest pharmaceutical company in the world, and Cochlear, the foremost bioengineering company in Australia—the University of Western Australia, the University of Newcastle, the University of Melbourne, the Walter and Eliza Hall Institute in Melbourne, the Howard Florey Institute and the Queensland Institute of Medical Research have all lodged applications for a CRC for neural repair. The University of Western Australia is currently involved in spinal research as a result of state government funding from the road trauma fund and it has a generally outstanding record in neurological research and neuropathological research.

Damage to the central nervous system, the brain and the spinal cord is a major health issue facing a significant number of Australians and people all over the world. Each year in Australia there are 300 new cases of traumatic spinal cord injury. Some 10,000 Australians are already affected, and that number is growing. Additionally, there are 8,000 new cases of acquired brain injury in
this country every year. Chronic neurological illness has an annual cost to Australia in the range of $45 billion to $50 billion. The victims of spinal cord injury are often young, active people in the prime of their lives. Some 55 per cent of spinal injuries occur in the 15 to 44 years age group. Of these, 22 per cent of sufferers are aged between 15 to 24 years, 21 per cent between 25 to 34 years, and 19 per cent between 35 to 44. At least six new injuries are sustained each week, and the average age at which injury occurs is 19 years. Owing to their greater proclivity for risk taking, the majority of sufferers—some 68 per cent—are male.

Most spinal injuries—in fact, some 53 per cent—occur in vehicle accidents. Australians’ love of sport and surf is obvious, but unfortunately these activities are responsible for leaving a number of Australians paralysed each year. Many Australians live close to the ocean or water and Australia has a higher incidence of aquatic accidents leading to spinal cord injury than any other country. As I said in the earlier part of my speech, David Prast, who is involved in this project, was dumped while body surfing at Cottesloe Beach and subsequently became a paraplegic. That is a very common story.

The results of brain and spinal injuries can be debilitating and devastating not just for the sufferers but also for their families and friends. Brain and spinal injuries can result in reduced mobility necessitating a greater dependence on other people, lengthy and recurrent hospitalisation, loss of bowel and bladder function, loss of sexual function, a greater susceptibility to infection and sometimes even loss of the ability to breathe unaided when a high spinal cord injury causes quadriplegia. Some 52 per cent of spinal injury cases result in quadriplegia—which involves the paralysis of all four limbs—rather than paraplegia. The degree of impairment of function is greater in quadriplegics who lose, to varying degrees, the function of their arms, legs and trunk.

Unlike other parts of the body, the human central nervous system does not have the ability to repair itself or to regenerate, and there is currently no medical means available to encourage repair to any part of the nervous system. Obviously the time worn maxim that ‘prevention is better than cure’ applies here, but that certainly does not mean that we should not continue to search for a cure for neural injuries—and that is what the proposed CRC at the University of Western Australia will be doing. The reasons for this include the fact that the cost of caring for victims is high and is continuing to rise, as improved medical practices continue to increase the life expectancy of people who have suffered spinal injuries. The annual cost of caring for the 10,000 Australians with spinal cord injury is approximately $750 million, and that figure is increasing as more Australians are affected by spinal cord injuries and as medical advances make treatment more expensive.

Over the past few years there have been exciting developments and discoveries in the field of neural repair, which have given cause for hope of a breakthrough to many sufferers. For instance, there is now a greater understanding of nerve cell damage and an enhanced ability to prevent cell death. There are also technologies that use stem cells to generate new nerve cells and molecules which are responsible for guiding the growth of nerves into neural axons or sheaths.

Australian science has played a leading role in these developments, and this proposed CRC would bring together a number of groups which have been conducting world-class research. They can now pool their resources and knowledge in a joint endeavour of discovery which, if successful, will result in tangible improvements in the treatment of people with neural damage. Not only will the quality of life of the sufferers be improved, but also they and their carers will be able to take a more active role in society. All Australians will benefit, as health and vehicle insurance costs may fall through reduced medical costs, and the cost of caring for spinal and head injury patients may also be reduced if this research is successful. The research may also result in the production of new pharmaceutical treatments for brain and spinal cord injury, thereby confirming Australia’s status as a world leader in the treatment of these injuries and presenting tangi-
ble benefits for all Australians in the form of increased exports.

Some 49 submissions have been received in the present funding round for CRC funding, and the application that I have been speaking about represents the only Western Australian application that has been received for medical research. Indeed, of the 10 medical research centres currently in existence and funded under this program, none are located in Western Australia. This, in conjunction with the University of Western Australia’s proven record in the field of spinal and neurological research, perhaps could be seen to provide an extra justification for this proposed CRC in the University of Western Australia receiving funding in this round.

Neural repair is, as I have said, a very important focus for medical research at the moment, and the funding of this CRC in Western Australia would represent a unique opportunity for the University of Western Australia to take an even more proactive role in the field of neural research than is occurring at the moment. So, in closing, I commend this application to the CRC committee, and I would like to place my strong support for it on the public record.

**Middle East: Peace**

Senator FORSHAW (New South Wales) (12.57 p.m.)—I rise to speak today in the matter of public interest debate on the situation in the Middle East. In early November last year, I attended the meeting of the Socialist Internationale in Paris. It was an historic conference, attended by many leaders of social democratic countries around the world. A few of the leaders who were there were: Tony Blair, the Prime Minister of the United Kingdom; Gerhard Schroeder, Chancellor of Germany; and Lionel Jospin, the Prime Minister of France.

But one moment captured the spirit of that very successful conference. It was when Israeli Prime Minister, Ehud Barak, former Prime Minister Shimon Peres and Palestinian leader Yasser Arafat each spoke to the conference on their hopes for a lasting peace in the Middle East. At the end of those speeches, those three men, on the stage, linked arms in the cause of peace. There was a genuine belief at that conference that, after all the years of war, violence terrorism and occupation, the Middle East was closer to peace than ever before.

Like many other members of parliament and people in Australia, I have always had a keen interest in the issues of the Middle East, and I have followed the peace process as closely as possible. It was therefore my pleasure, I suppose I could say, to leave Paris after that conference and travel to the Middle East and visit Israel and Egypt. But the day before I left France, I also had the opportunity on 11 November, Armistice Day, to visit some of the battlefields in the Somme region—particularly to visit the memorials and cemeteries at Villiers-Bretonneux and Le Hamel, where so many Australians lost their lives in World War I. I note, as we all know, that next Saturday is Remembrance Day. That visit to the Somme region was a sobering experience. It truly was a reminder that war is never the answer and that the road to peace is a constant struggle.

In Israel, I had meetings with various representatives of the government and the other political parties in the Knesset, and I also had the opportunity to travel widely throughout the country. My visit also included areas under the control of the Palestinian authority and meetings in Ramallah with their political representatives. I had every opportunity to travel freely, without any restriction.

There is no doubt, as I think anybody who has visited the region knows, that if you walk around Jerusalem and other cities such as Jericho, Bethlehem, Nazareth and Galilee, you actually do feel and breathe the history that goes back over thousands of years. One thing that struck me, particularly in Jerusalem but in the other cities too, was how the people went about their daily lives in an atmosphere of peace and hope. They were particularly looking forward to the new millennium and the celebrations in the Holy Land, which is such an important area for millions of believers in various religions throughout the world. I was particularly conscious of the frustration of the Palestinian people, which was made clear to me in my discussions with Palestinian leaders in Ramallah. But I also found they had great
hope that a lasting peace was in sight. They were looking forward to negotiations later that year, even though it was clearly recognised that the key issue—the future status of Jerusalem—was unlikely to be resolved at that series of negotiations.

I left Israel and travelled to Egypt. There I had similar opportunities to meet government officials and to talk to them about the peace process. I might also add—I know that Senator Woodley is in the chamber—that part of my trip involved looking at some important agriculture and water supply issues. Water supply is a critical issue for all the countries in this region and, of course, for Australia. I had the opportunity in Egypt to pursue discussions with government representatives and I found that they had an optimistic view of the forthcoming talks. They also expressed their very strong support for the Palestinian cause and voiced their criticisms of Israeli occupation, as they saw it, of the West Bank in particular.

One interesting feature struck me in Egypt. When I first arrived, I was provided with a map of Egypt and all of the countries around it or on the Mediterranean Sea. On the map, where the state of Israel should have been, there was a picture of a bridge in Cairo. All the other surrounding countries—Lebanon, Syria, Jordan, Saudi Arabia—were shown on this map, but Israel was not. It certainly struck me and I think it is significant now in the light of recent events. It was as if the state of Israel did not exist as far as Egypt was concerned, notwithstanding the fact that Egypt and Israel have a peace treaty that goes back some years.

Having visited the Middle East region last year, it is with a great deal of sadness, which I am sure is felt by many others, that I have witnessed the events of the past few weeks as the peace process has come tumbling down. The world has watched the terrible pictures that have been beamed into our living rooms every night—pictures of a 12-year-old Palestinian boy shot and killed, with his father cradling him in his arms; pictures of the mutilated body of an Israeli soldier being thrown from a window and the bloodstained hands of one of his killers raised in triumph; pictures of young kids and adolescents throwing rocks, soldiers returning fire and tanks moving in; and pictures of houses and offices being blown up and the devastating effects of suicide bombers in the crowded alleys of Jerusalem. And then, of course, there is the inevitable funeral, the demonstration that follows and the calls for a continuation of the Holy War.

The world is asking: why has this occurred? What went wrong? If you believe the Palestinians and some media commentators, it all started because opposition leader Ariel Sharon undertook a provocative visit to the Al Haram Al Sharif in Jerusalem where the Dome of the Rock and the Al Aqsa mosque are located. But more recent judgments and analysis have proved that, whilst it was certainly a provocative act, it is too simplistic to put that explanation upon the subsequent events. While the visit was clearly provocative, it was hardly ever acknowledged in the reports that I have read that this same location contains the most holy Jewish site, namely the Temple Mount. Indeed, prior to 1967 when the area was under Arab control, Jews and the followers of other religions were not even allowed to visit the site. Since 1967, it has been open to all denominations that claim a religious affinity with the temples, the mosques, the wall and the other shrines that are there.

Proper analysis of this situation demonstrates that the uprising and demonstrations following the Sharon visit have resulted largely from the campaign being conducted by the extreme supporters of the Palestinian cause to foment violence against Israel. This in turn has played directly into the hands of those extremists within Israel—opponents of Barak and Peres—who do not want to see a peace settlement or a Palestinian state. It is sobering to remember that, whilst this has been going on, the government of Israel has been teetering on a knife edge. Israel, of course, is a democratic state—probably the only democratic state in the region—and the current government holds a very slender majority through a coalition with other parties.

It is disturbing to see children and unarmed citizens throwing rocks and being shot at by Israeli military forces. Israel
has been criticised for its supposed overreaction by using military force, and the weight of numbers of the casualties and deaths has been used to bolster that argument. Whilst moral outrage at these events is understandable, it will not solve the crisis. A proper analysis of the peace process, and particularly of the Camp David talks, demonstrates that Prime Minister Ehud Barak went further than anyone ever imagined in responding to the demands of Arafat and the Palestinians. Indeed, he placed his political future and that of his government at risk by offering the Palestinians huge concessions at Camp David.

The US proposal, which was accepted by Barak, included such proposals as the creation of a Palestinian state with its borders established by mutual agreement, Israeli withdrawal from 95 per cent of the West Bank, civil and administrative autonomy for Palestinians in the old city and adjoining neighbourhoods, religious control of all holy sites and family reunification for Palestinian refugees. Yet Arafat refused to accept it in the end. The opportunity for peace was in his grasp at that time but he refused to accept it. At the end of the day it was Jerusalem or nothing. It is a sad fact that nothing appears to have been learnt from the peace process, for which leaders like Anwar Sadat and Yitzhak Rabin gave their lives. Coincidentally, last Saturday, 4 November, was the fifth anniversary of the assassination of Yitzhak Rabin.

Peace is achieved in incremental steps. The Middle East process has been a long series of slow, short steps, just as it has been in Northern Ireland. One can only speculate as to why Arafat said no. But since then we have seen massive crowds in cities in Muslim countries calling for a holy war against Israel. Hamas and Islamic Jihad have called for a return to the days of suicide bombings. The constant call is not just for a Palestinian homeland or a return to the pre-1967 borders; it is a chant for the destruction of Israel itself.

Israel has lived with this threat ever since its creation by the United Nations in 1948. It has survived invasions and terrorism throughout its 52-year existence. It survived the Iraqi missiles during the Gulf War when Israel was not even involved in the conflict. That is why we are witnessing such a forceful response from the Israeli authorities. They can only see the struggle as one of survival, just as many Palestinians now believe that the hope of an independent state with Jerusalem as the capital can only be achieved by driving Israelis into the sea.

One by-product of this conflict that has been particularly disturbing was the violent scenes that occurred when Palestinian supporters marched in Sydney a few weekends ago. I thought I would never see the day when a violent demonstration would occur in Australia with the participants screaming ‘Death to the Jews’. Since then there have been reports of violent attacks on synagogues and homes in Sydney. These events must be condemned in the strongest terms.

Fortunately in recent days we have seen some lessening of the violence in the Middle East and attempts to get the peace process back on track. Significantly, it has been former Prime Minister Shimon Peres who has assisted in that development. Hopefully, the pieces can be put back together because ultimately it is the only way in which the Palestinians can achieve their homeland and Israel can live in secure peace. Ultimately, Arafat, Prime Minister Barak and Shimon Peres need to link arms once again, just as they did in Paris last November.

Rural and Regional Australia

Senator WOODLEY (Queensland) (1.11 p.m.)—Today in the matters of public interest debate I wish to address the Senate on the needs of rural and regional Australia. I do so in the context of a number of visits I have made in the last 12 months to some quite remote parts of Queensland, including Boulia, Burketown, Cloncurry, Mount Isa, Normanton, Croydon, Georgetown and parts of the Atherton Tablelands. I particularly want to do this because there are needs that continue to plague rural, regional and remote Australia that I believe this Senate and all Australians should address and be conscious of. I particularly want to mention some of the issues raised with me on visits to the Cloncurry Shire, Mount Isa and the Boulia Shire, although the earlier visits I made to some of
the even more remote places would endorse
the sentiments expressed.

The Cloncurry Shire, in particular, is very
rich in assets and resources. For example,
there are seven or eight operating mines
within the boundaries of the Cloncurry Shire.
They have great assets in terms of mining,
the pastoral industry and also the transport
industry. Yet as the Mayor of Cloncurry
Shire, a very old friend of mine, pointed out,
their situation was really stupid in that they
were unable to use the assets within their
boundaries and unable to borrow because of
their very straitened financial situation. The
council pointed out something in particular
to me. It is important to say this in the light
of the debate that we will have this week
about native title and mining and what a
great asset it is to this country. It is, but there
are some issues that the mining industry
needs to address not only in terms of native
title but also in terms of a number of other
situations where great profits are often made
from mining but often very little of those
profits ever remain within the local commu-
nity. This is certainly something I hear from
local shires in north-west Queensland. The
Cloncurry Shire Council pointed out that
some benefits accrue to the town. They com-
plimented the Ernest Henry mine, not far
from Cloncurry. That mine has encouraged
its staff to live in Cloncurry. But in many
other situations, exactly the opposite hap-
pens.

The Senate would be aware of the debate
about fly in, fly out mining and the problem
that that has caused in many remote commu-
nities. Although the mines are situated close
to local communities, very often the workers
in those mines come from the coast—from
Townsville or other coastal communities, or
even from Brisbane—and fly 1,000 or more
kilometres to work for a week or a fortnight
and then fly out again. There is no sense of
any community being developed in those
places. They take away the possibility of
communities that are already established
providing very much of the work force for
those mines.

This is causing great problems in commu-
nities such as Cloncurry and Mount Isa. I
appeal to the mining industry to give atten-
tion to this matter. When I was in Mount Isa
there was a debate in the local press and the
mining industry’s response was, ‘You’ll just
have to get used to it.’ I do not think that is
good enough. The mining industry needs to
address the problem that some of these poli-
cies do cause for these local communities,
which do expect to have a future. It is not as
if we establish mines in these places that dig
all the metal out of the ground and then leave
forever and the only thing that remains is a
hole in the ground. We can do better than
that. Certainly the appeal from those remote
shires is that they need to be able to have a
share in the asset and in the profits that are
made.

When I was with the Cloncurry Shire, the
comment was made that it is almost as
though the local heritage is being taken away
by mining companies and that, despite the
rich resources of the shire, none of it is
flowing into the local community. It was in
that meeting that the comment was also
made that, once the minerals have gone and
the miners leave, only a hole in the ground is
left. This is an issue we need to raise.

One of the solutions that the shire saw to
this problem is that, when mining is pro-
moted or proposed for an area, it would be
good if the shire councils in the area were
involved in discussions at the very beginning
and not halfway through or at the end. I
agreed with the Cloncurry Shire when they
said that mining companies must be fair
dinkum in their discussions with local coun-
cils and communities. I guess the Senate
would not remember, but during the Native
Title Amendment Bill debates the claim was
made that indigenous people should not have
a right to negotiate with mining companies
when nobody else has that right.

The Democrats tried to turn that conten-
tion on its head by saying indigenous people
should have a right to negotiate with mining
companies and so should pastoralists. We
should try to get equality not in a negative
sense but in a positive sense. My trips to the
north-west in the last 12 months have con-
vincing me we should extend the right to ne-
gotiate, which is enjoyed in some cases by
indigenous people, to pastoralists and also to
local councils. Local councils need a right to
negotiate with mining companies at the very beginning of projects so that they too can raise the concerns they have. In fact, as the Cloncurry Shire pointed out to me, one of the problems, for example, is that it is charged with the provision and maintenance of roads in these areas and very often, particularly in the case of the Cloncurry shire, much of the damage done to the roads is certainly done by the big machinery and large trucks used by mining companies in these areas.

In terms of roads and that kind of infrastructure, there is no doubt that local councils need to be in at the beginning and there should be a fair dinkum discussion between mining companies and all the stakeholders in these areas to establish a fair return to those councils within whose boundaries mining companies operate as well as to all the other stakeholders.

Another problem raised with me was in terms not only of mining companies, where you have fly-in fly-out operations, but also outside contractors. Of course, with competitive tendering these days, a lot of these small communities find that many of the services, such as the building of houses, the supply of water and power, et cetera, are now provided by outside contractors who tender for the job, who arrive in the town, who may spend some weeks or months there and who then disappear again. It was pointed out to me that one of the problems this causes is that very often now there is not the same opportunity for young people in these towns, for example, to obtain apprenticeships as carpenters or plumbers or electricians. Where once those kinds of services were supplied by a work force within a community, now with outside contractors coming in, doing the job and then disappearing, there are no job prospects for the young people of these towns. This is a serious issue and one also that needs to be addressed.

It is the problem, of course, with an ideological approach that has as the bottom line to everything some nebulous theory of economic efficiency that does not take account of the social costs of many of the policies that are being applied and that affect these remote communities in a very serious way. That is another issue that was raised with me and certainly affects these remote communities.

Fascinating also was one rather quirky story I heard when I visited the little town of Doomadgee, an Aboriginal town in the north-west. They pointed out to me that although there is a TAFE centre at Mount Isa that has served them very well in the past, they had to put out to tender the supply of some adult education classes in Doomadgee about 12 months ago and the tender was awarded to the Sunshine Coast TAFE at Maroochydore. Its lecturers travelled thousands of kilometres to provide the lectures while people sat on their backsides in Mount Isa doing nothing. Again that just shows the ridiculous nature sometimes of this kind of allegiance to competitive tendering.

The interesting thing about that story was that all the people at Doomadgee remember about the visit of the Sunshine Coast TAFE was that one of the lecturers wore a black sock and a white sock the whole time she was there because she wanted to make a contribution to reconciliation. So there are some drawbacks in some of the things that we do, particularly when we apply an ideological policy across the nation when, of course, communities in some of these areas are very different from those in a capital city for whom it might be a perfectly common-sense policy.

One of the other issues that was raised by nearly all the communities in that area was the state of the roads. They pointed out, for instance, that many of the roads, although they are bitumen these days—they were not when I lived there; they were mainly dirt roads—are often single-lane bitumen. What used to be called road trains—they have different names these days—travel up and down these roads alongside what is calculated to be somewhere between 80,000 and 120,000 tourists in this area. The tourists who come from the cities are simply not used to travelling on single-lane bitumen roads and having to dodge gigantic road trains from time to time. There have been some serious accidents and I think that unless we can get funding to these places and improve the roads in these areas we are go-
In conclusion, I believe the only way the population drift away from these areas can be arrested is by providing cheaper rates, good services and proper incentives. We need to ask the question: do we want rural and remote communities to survive and grow in Australia or don’t we? If we do, we are going to have to make a radical change in rural policy, if we are to return resources, people and hope to country Australia.

Australian Defence Force: Research and Development

Senator COONAN (New South Wales) (1.28 p.m.)—Several speakers in this place over recent months have spoken about the need to develop the knowledge economy to promote innovation, information and communications technology, science research and development. A wide range of views have been expressed in the debate about whether Australia’s economy is old or new, whether we have an IT image problem and whether we have been left behind in the information revolution. What is not in dispute, however, is the earmarking of innovation by the Howard government as a priority area for policy review and expenditure. With the cabinet subcommittee close to finalising the Innovation, Science and Education Statement it is a subject ripe for debate.

A related and also topical debate is the imminent release of the defence white paper and the extent to which Australia’s industrial capacity is an essential element of Australia’s defence capability. Few would argue that a sustainable Australian industry base is a vital component of Australia’s national security. The difficult issue, however, is how to manage and balance the need for self-reliance and the capacity to support local defence systems with the need to go offshore for a prime contractor. Nowhere has this been more evident than in the Collins class submarine project. As well as the MacIntosh report, the parliament’s Joint Standing Committee on Public Accounts and Audit also conducted an inquiry into the Auditor-General’s report on the new submarine project. The difficulties inherent in developing a new submarine class on a fixed price contract that were identified in both reports only serve to highlight the management problems and tensions that can exist between defence and industry. It is a pity, because there is much to admire about the Collins class submarine technology, Australian workmanship and industry capacity that has been obscured in the attention given to the project’s shortcomings.

While the government’s recent acquisition of the Australian Submarine Corporation is likely to shore up the maintenance and support capacity of ASC, it is less than clear how Australia will be able to access technology transfers and to protect existing intellectual property in the Collins project. The whole Collins saga provides some clear pointers, however, for consideration of the future direction of research and development. While it may be preferable to provide for our defence capability in Australia to engage Australian-based contractors, and to develop and retain intellectual property in projects and the capacity and skill to supply and service them locally, it is unrealistic to think that this is always the best option.

The Collins experience also serves to highlight the debate surrounding Australia’s standing as a purchaser rather than as a creator of IT. We are repeatedly told that we are lagging behind other industrialised countries on R&D capacity, innovation, information and communications technology. In addition, a plethora of statistics have been paraded over recent weeks in support of calls for extra funding for education, science and research. Whilst it is easy to mount an argument for greater spending on science and research, the debate has not yet focused on what is hoped to be achieved by such spending. Surely it is necessary to differentiate between public expenditure that will improve productivity and expenditure that can be left to individuals to finance themselves where the spillover effects may not be as pronounced for the general economy.

The United States boom economy does seem to indicate that the information technology revolution is a critical driver in boosting productivity. Recent rapid increases in the rate of ICT investment in Australia, together with lessons learnt from the United
States experience, indicate that Australia may well benefit from a second wave of productivity improvements driven by the knowledge economy, in the next decade. If that is a given, what is not so clear is just how much R&D and ICT Australia needs, and how we should go about implementing policies that will deliver identified goals and make Australia more internationally competitive.

Writing recently in the Australian Financial Review, economics editor, Alan Wood, referred to recent OECD findings that Australia’s performance in value added as a share of the business sector in ITC services, while clearly behind the United States, was comparable to that of the United Kingdom, Germany and Canada. And in R&D, Australian spending as a share of GDP is comparable to that of Canada and the European Union. A perplexing question then is why, in the area of research and development, studies suggest that Australia has a disproportionate share of industries that are not innovative in any area of their operations. This is so whether measured by the slow take-up of new technologies, or an aversion to risk taking.

The difficult issue facing this nation is how we can encourage an innovative business culture without needing to pick winners and potentially squandering large amounts of other people’s money. We know that Australians do have innovative ideas, and it can be difficult to get investment in good ideas. This often results in the intellectual property in these ideas going offshore altogether, with many of our bright young innovators also unable to get investment in small, start-up ventures. This prompts the question as to what sort of business environment would encourage such entrepreneurial endeavour and risk taking to develop our home-grown products. Past experience suggests that simply reinstating large tax concessions is, by itself, insufficient to encourage and sustain an intensive R&D effort. As some commentators have pointed out, companies that recognise the advantages of research and development are likely to continue those activities without receiving large tax deductions. And if tax deductions are the critical incentive underpinning the research and development effort, these are unlikely to be large enough to encourage those who would otherwise not engage in R&D activity to do so.

If these propositions hold true, it must be asked whether the cost of large tax concessions to industry would represent value for money. This is particularly the case when competing priorities for large expenditure in other areas such as welfare reform, salinity and water quality, defence and infrastructure are all urgently required in the national interest.

It must be said there have been some innovative suggestions as to how assistance to industry might be structured. The giant Swedish telecom equipment supplier Ericsson, which spends in the vicinity of $100 million of its $6 billion global R&D budget in Australia, has suggested that R&D assistance be targeted to special criteria—in Ericsson’s case, to get a tax break for training and skilling and hopefully retaining an advanced technologically savvy work force. Others, including Leon Gettler, correctly point to the conservative investment policies that regulate superannuation funds in Australia as an inhibitor to investment in ventures that foster innovative development.

Other countries have been able to harness national savings tied up in superannuation funds by allowing fund managers to undertake greater strategic risks in investment of the funds under their management, which brings me to the point that encouraging innovation is not a task for government alone. While government can do much to lead and to get the policy settings right, the challenge is as great for educational institutions, businesses, peak bodies and the community at large to recognise the value of knowledge creation and to ensure that it is both fostered and rewarded by business partnerships and other initiatives.

The challenge is also to get the balance right between old and new applications. As one industry leader recently said, ‘You can’t have all clicks and no bricks’. While improved take-up and use of technology are essential for productivity, sometimes it also means doing the things that have always been done a lot more smartly. A prime ex-
ample is to be found in the mining industry. Although classified as an old economy, it has maintained its competitiveness by technological innovation. The executive director of the Minerals Council of Australia, Dick Wells, was quoted recently as saying 60 per cent of the world’s mining software is developed by Australian companies, with $1.5 billion in mining technology exported annually. Similarly, the costs of production of agriculture have declined with the application of telecommunications infrastructure, and dramatically so. But as the National Farmers Federation’s Wendy Craik points out, the potential goes well beyond the commercial. A recent article in the Australian by Selina Mitchell quotes Wendy Craik as follows:

Infrastructure permitting access to the best that science and technology can offer will make the difference between forgotten communities and viable energised centres of excellence.

The potential then for information technology to reinvigorate rural and regional Australia is an opportunity we cannot afford to pass up.

Finally, an emerging issue for innovation policy is the form that any domestic subsidy or benefit may take, whether it be by way of grants, loans, tax concessions or venture capital, if it is not to fall foul of the World Trade Organisation rules. The billions of dollars involved in the tax breaks for foreign corporations identified in the United States as infringing the rules in the Foreign Sales Corporation case and at home our own Howe Leather case serve to illustrate the pitfalls at hand if industry incentives are not to infringe the rules. Compliance with the WTO rules will be a critical component of any industry incentive scheme.

As well, the ability of the Australian federal system to respond to national and global issues will in no small way determine the success of information technology. It will require governments to cooperate across state boundaries to ensure that functions are carried out by the appropriate level of government and to ensure that governments can respond to rapid technological change. Significantly, these issues were recently embraced by the Constitutional Centenary of Federation at a recent seminar in Canberra. Given that a range of state-based issues can have an impact on industry competitiveness and development, cooperative Commonwealth-state relations are also essential in putting together a consolidated industry policy. Governments at all levels need to act together to ensure a world class competitive regime poised to take advantage of well-thought-out common goals and objectives.

Innovation has been described as the alchemy which transforms ideas, experience and market nous into commercially successful products and technology. I am sure I speak on behalf of all senators in this place when I say we look forward to the unveiling of the policy framework to continue this nation’s success in the race to innovate.

Health: HIV-AIDS

Senator McLUCAS (Queensland) (1.40 p.m.)—I rise this afternoon in the matter of public importance debate to talk about issues of health in our region. This morning, as you were, Madam Acting Deputy President Crowley, I was fortunate to meet with representatives of the World Health Organisation as a member of the All Party Parliamentary Group on Population and Development. I think you will agree it was a very impressive group of delegates, including Mr Paul Van Look, director of the Department of Reproductive Health and Research for the World Health Organisation; Mr Wang Yifei, area manager, Asia and the Pacific World Health Organisation; Professor Jock Findlay; Dr Megan Passey; and Professor John Hearn. These people gave us an excellent presentation, focusing on the role Australia plays in health research and activity in the Asia-Pacific region.

These people gave us an excellent presentation, focusing on the role Australia plays in health research and activity in the Asia-Pacific region.

I would like to thank the representatives from the World Health Organisation for their presentation and for the insight that they provided us into reproductive health issues in this region. Their message was succinct in my view. A total of 60 per cent of the population of the world lives in our region. More than 50 per cent of the deaths of women as a result of childbirth or complications post-partum are in our region, and 50 per cent of all sexually transmitted infections are contracted here in our region. It is clear from
their presentation that whilst we as Australians are making an important contribution to the health of the region, we can do, and in my mind should be doing, much more. The shift of the focus of our assistance some three to four years ago when Australia completely defunded the human reproductive program and curtailed support to that of the safe motherhood program has limited our influence in the broader range of reproductive health issues in this region. It is about that issue that I wish to make my comments today.

Over many years I have had an interest in the issue of HIV and AIDS in Australia. I have been the patron of the Queensland AIDS Council in Cairns for some five years and take this opportunity to pay tribute to the good work of the Queensland AIDS Council, both in Cairns and across our state. In the lead-up to World AIDS Day on 1 December, it is timely that we recognise we still face enormous challenges in dealing with HIV and AIDS. This is the case here in Australia, especially in the indigenous community and, importantly, in the nearest parts of our region. Recent media reports have alerted the community to the fact that the threat of HIV and AIDS in Papua New Guinea, and potentially in West Papua, is a growing one. It is difficult to obtain absolute data on the incidence of HIV and AIDS in Papua New Guinea, our nearest neighbour, not because the data is hidden but because it is simply not being collected due to the lack of health infrastructure and money. However, we have some data that should encourage policy makers to exert more effort in this area.

Papua New Guinea has a population of about 4.7 million people. In 1999, 2,342 people had been identified as being HIV positive. These figures show an alarming 30 per cent increase in detection of HIV in a single year. However, it is important to note that information is only being routinely collected in Port Moresby. It is also noted that the figure can most likely be attributed to more frequent testing procedures at the Port Moresby hospital. The Cairns Base Hospital is treating an increasing number of HIV positive people living or working in Papua New Guinea but it should be noted that it is only the relatively wealthy people who can afford to access treatment here in Australia. Of the population of 4.7 million, only 16 per cent of Papua New Guineans are urbanised. Many live in extremely isolated places with limited health infrastructure and communication. More than 60 per cent of the population do not have access to any news media and more than half have limited literacy skills. There are more than 700 different cultures in Papua New Guinea, speaking one-third of the world's languages. I hope this data provides the Senate with an indication of the enormity of the problem faced by the people of Papua New Guinea and their leadership.

In March this year the Anglican Church of PNG released a report entitled *HIV/AIDS: the situation in Papua New Guinea*, which indicates that rates of infection have continued to escalate dramatically, entering a critical phase in 1999. The report indicates that while there is limited infection in some of the provinces there are some communities where the numbers of infected people are as high as one in five. Further, the report indicates that one in three women in PNG will be infected with HIV within a decade if the epidemic is not checked and that life expectancy will decrease by 25 per cent by the year 2010. For women, the life expectancy age at the moment is 51 years and it will decrease to 38; and for men, the life expectancy age is 53, decreasing to 39. There is a much higher incidence of transmission from mother to child than occurs internationally, and most infections are in the heterosexual community. HIV-AIDS is the leading cause of death in the Port Moresby hospital. I am also advised that as of February this year there is one HIV-AIDS counsellor in Papua New Guinea.

It is important to remember that it only takes 20 minutes in a banana boat to travel from the western province of the Papua New Guinea mainland to the outer islands of the Torres Strait, and travel between these people is regular and part of traditional life. Health services in the Torres Strait are immeasurably better than those in the western province, and it is a reality that many PNG nationals are having to be treated in the Tor-
res Strait, mainly for tuberculosis. I am quoting now from the Anglican Church report on HIV-AIDS. It states:

Over the past 18 months several provinces have demonstrated a sharp increase in the number of HIV cases detected. Among the most significant were Simbu, Western, Enga, and Manus Provinces where the prevalence rate per 100,000 population has risen sharply.

The report goes on to say:

Papua New Guinea’s vulnerability to the HIV-AIDS epidemic is directly related to the various social, economic and cultural dynamics that define the country’s development context. Factors such as the poor health status of the population, lack of infrastructure and basic services, limited education and employment opportunities, mobility and urbanisation, and gender disparities all contribute to conditions in which HIV/AIDS flourishes. In addition, all these issues impact on the country’s capacity to respond effectively to the epidemic.

Australia has an enviable record in dealing with HIV and AIDS. It is to our credit that we did not let our personal prejudices get in the way of dealing with this potentially enormous epidemic when we faced it over 10 years ago.

I am aware that the Queensland government has met with its Papua New Guinea counterparts to develop an appropriate response to the situation in Papua New Guinea, and I congratulate it for that. I am also aware that the federal government has allocated $250,000 in response to those sorts of figures and the sort of data that we heard here earlier today. This $250,000 will be allocated to fund five research projects. I cannot question the sorts of projects that they are—they are obviously very useful and very well directed—but I can question the level of contribution, which is not enough. This $250,000 is a mere drop in the bucket for the people of Papua New Guinea and we have a responsibility as a community to do this better.

In raising these issues, I do not wish to be seen as sensationalist or as a scaremonger. It is important that senators’ awareness of these issues be raised, especially senators who come from southern areas and who may not have visited our only border region. I ask that senators consider these issues so that they can advocate on behalf of the people of the Torres Strait and Papua New Guinea and so that they can advocate, within their communities and within their parties, a greater role for Australia in assisting countries in our region to deal with the critical issue of HIV and AIDS.

**Remembrance Day**

Senator HARRIS (Queensland) (1.51 p.m.)—I rise today to speak on a matter of public interest that is very close to all Australians. This Saturday, 11 November, is Remembrance Day. It is a time of the year when we stop to remember those men and women who fought for this country. First of all, I want to thank the women who nursed and cared for our boys who suffered injuries in the battlefield. Since the Boer War, 97 nurses have died during or as a result of war service. These wartime nurses bravely faced the same danger and conditions as the soldiers and must be commended for their bravery, patience, love and kindness. Without them, many more Australian sons would not have made it home.

During the First World War, Australia had the distinction of being the only Allied army that was made up of volunteers. The Aussie digger was known and respected throughout the world, both by their fellow allies and their enemies. Their cheerful bravery and apparent lack of discipline and respect for their own officers often frustrated the regimented and strict British leaders. English officers complained about the undisciplined way the Australian soldiers behaved. They were simultaneously shocked and impressed by the diggers’ attitude towards the army. They addressed the officers by their first names and, when the Aussie officers were explaining extensively to their men the objectives of the battle that they were about to engage in, even the ordinary soldiers were told of the strategy so that if they became cut off they would still know what they would have to do and what goals to achieve.

The Australian soldiers were first thought of as undisciplined men who would not fight
well and were nothing but disobedient troublemakers. In spite of this, they became one of the most feared and respected fighting machines in the world. They created fear and uncertainty in the hearts and minds of the enemy. Whether it was at the landing on the shores of Gallipoli or a march over the Owen Stanley Ranges, or whether it was in the jungles of Vietnam or the desert sands of Iraq, the diggers had a reputation for facing and overcoming impossible situations and looking out for their mates with fierce loyalty and with a wink and a cheeky grin.

When a digger was captured and put in a prisoner of war camp, he was not alone. The spirit of his fellow soldiers was there with him. Here is an excerpt from a poem written by a World War II veteran, George Kelly, that describes the general feeling of the Aussie soldiers towards their captured mates. It reads:

We are coming, captive soldiers,
Though the way be tough and hard
Inch by inch and yard by yard ...
To dry docks of Malaya
To the shores of Singapore.
We know that you have suffered
Through a foe that doesn’t care,
Hang on a little longer chaps
For we are nearly there ...
We have crossed the Owen Stanley ranges
And we know we will not fail
As we drag our weary bodies
Up the Kokoda trail.
For the mountain peaks seem higher
And the mud and slush is deep
That oozes up with every step
To cover your boots and feet.
And should our packs get too heavy
And tend to slow us down,
We will take them from our shoulders
And leave them on the ground.
And go on with rifle and bayonet
To ease your suffering and pain
And tear down the walls that hold you
And take you home again.
Back with your friends and loved ones
Who pray for you day and night
And ask God to help us
In our fight for life.
Yes we are coming, captive soldiers
And the time won’t be so long,
Chins up and stick it out
And we’ll see you later on.

Remembrance Day is commemorated by a red poppy. The red Flanders poppy is a symbol of the war and its fallen heroes. Diggers, families and others remember the sacrifice of war by wearing this symbolic flower on their jackets on both Remembrance Day and Anzac Day. The poppy flower, each year, with the coming of the warm weather, sprung up in bomb craters and around trenches and often marked soldiers’ graves. It brought life, hope and colour and reassured those who were still fighting. This feat of nature inspired Lieutenant John McCrae to write the now famous poem In Flanders Fields. Then in 1918 the French YMCA Secretary, Madam Guerin, conceived the idea of selling silk poppies to help needy soldiers. The practice of wearing a red poppy for Remembrance Day began in Australia in 1921 and was first promoted by the Returned Sailors and Soldiers Imperial League of Australia as a reminder of the war dead and to raise funds for its charity work. To wear a poppy is also a sign that we have not forgotten the Australian service men and women who have died in war. On Saturday, 11 November, I urge all Australians to wear a poppy proudly and, at 11 a.m., stop for a minute’s silence to remember those who have fought to keep our country free.

Since the conflict in Sudan in 1885 to the Gulf War in 1991, almost two million men and women have enlisted in our armed forces. Just over 320,000 of those were either killed or wounded in action, and almost 35,000 of our diggers were prisoners of war. Today, and especially on Saturday, 11 November, we remember the Australian sons and daughters who gave their hearts and lives to preserve the freedom that we once enjoyed and to protect this country from the threat of foreign occupation and oppression. We have now passed into another century, but we must not forget them. They shall not grow old, as we that are left grow old: age
shall not weary them, nor the years condemn. At the going down of the sun and in the morning we will remember them.

I seek leave to incorporate in Hansard the entire text of my speech in its original form, as time has limited me. It has been circulated in the chamber.

Leave granted.

The document read as follows—

This Saturday is Remembrance Day. It is a time of year where we stop to remember those men and women who fought for this country. First of all I want to thank the women who nursed and cared for our boys who suffered injuries on the battlefield. Since the Boer War 97 nurses have died during or as a result of war service. These war time nurses bravely faced the same dangers and conditions as the soldiers and must be commended for their bravery, patience, love and kindness. Without them many more Australian sons would not have made home.

During the First World War, Australia had the distinction of being the only allied army that was made up of volunteers.

The Aussie Digger was known and respected throughout the world – both by their fellow allies and the enemy. Their cheerful bravery, apparent lack of discipline and respect for their own Australian officers often frustrated the regimented and strict British leaders. English officers complained about the undisciplined way the Australians soldiers behaved. They were simultaneously shocked and impressed by the diggers attitude towards the Army - they did not take care of their uniforms or appearances, they addressed their officers by their first names and the Aussie officers always explained extensively to their men the objectives of the battle they were about to engage in, even ordinary soldiers were told the strategy so that if they became cut-off they would still know what to do, and what goal to achieve. The Australian soldiers were first thought of as undisciplined men who would not fight well and were nothing but disobedient troublemakers. In spite of this they become one of the most fear and respected fighting machines in the world – they created fear and uncertainty into the hearts and minds of the enemy.

Whether it was the landing on the shores of Gallipoli or a march over the Owen Stanley ranges, whether it was in the jungles of Vietnam or the desert sand of Iraq, the diggers had a reputation for facing and overcoming impossible situations and for looking after their mates with fierce loyalty with a wink and a cheeky grin.

When a digger was captured and put in a prisoner of war camp he was not alone – the spirits of his fellow soldiers were there with him. Here is an excerpt of a poem written by World War 2 veteran George Kelly that describes the general feeling of the Aussie soldiers towards their captured mates:

“We are coming, captive soldiers,
Though the way be tough and hard
Inch by inch and yard by yard…
To dry docks of Malaya
To the shores of Singapore.
We know that you have suffered
Through a foe that doesn’t care,
Hang on a little longer chaps
For we are nearly there…
We have crossed the Owen Stanley ranges
And we know we will not fail
As we drag our weary bodies
Up the Kokoda trail.
For the mountain peaks seem higher
And the mud and slush is deep
That oozes up with every step
To cover your boots and feet.
And should our packs get too heavy
And tend to slow us down,
We will take them from our shoulders
And leave them on the ground.
And go on with our rifle and bayonet
To ease your suffering and pain
And tear down the walls that hold you
And take you home again.
Back with your friends and loved ones
Who pray for you day and night
And ask God to help us
In our fight for life.
Yes we are coming, captive soldiers
And the time won’t be so long,
Chins up and stick it out
And we’ll see you later on.”

At 5am on 11 November 1918 a party of German government representatives signed an armistice in a railway carriage in the forest of Compiègne. This armistice demanded the withdrawal of German forces to the east bank of the Rhine within 30 days; immediate cessation of warfare; and surrender of the German fleet and all heavy guns with no further negotiations, this was effective until the signing of the treaty of Versailles one
year later. The armistice became effective at 11am, 11 November 1918 with the result of guns falling silent on the Western Front in France and Belgium, signalling the end of the first World War and the beginning of a peace that was hungrily accepted by the exhausted nations. Tens of thousands of men had died; thousands more had been injured and scarred by their experiences. The men and women who had survived the war returned to their homes. For them though, the world would never be the same. People at home had learned to manage without them and, all over Australia, there were men and women, old beyond their years, trying to fit back into an unrecognisable normality.

From 1919 to 1939, November 11 was recognised as Armistice Day. Following the end of World War 2, the name of the day was changed to Remembrance Day in order to commemorate all who have died in conflict. Today Armistice Day is commemorated by a minute’s silence.

The introduction of this silent tribute occurred in 1919. An Australian journalist working in London proposed a five minute silence, however it was decided by King George V (fifth) to have an official silence of two minutes. The length of this silent tribute was again shortened in 1997 by the Governor-General, Sir William Deane who proclaimed that Australians observe one minute’s silence.

Remembrance Day is also commemorated by the Red Poppy. The Red Flanders poppy is a symbol of the war and its fallen heroes. Diggers, their families and others remember the sacrifices of war by wearing this symbolic flower on their jackets on both Remembrance and Anzac Day.

The legend of the red poppy began on the front line north of Ypres, Belgium in 1915. The areas of Northern France known as Flanders and Picardy, saw some of the most concentrated and bloodiest fighting of the First World War. There was complete devastation. Buildings, roads, trees and natural life simply disappeared. Where once there were homes and farms there was now a sea of mud - a grave for the dead where men still lived and fought. Only one other living thing survived. The poppy, flowering each year with the coming of the warm weather, sprang up in bomb craters, around trenches and often marked soldiers’ graves bringing life, hope, colour and reassurance to those still fighting. This feat of nature inspired Lieutenant Colonel John McCrae to write the now famous poem, “In Flanders Fields”.

Then in 1918 the French YMCA's Secretary, Madame Guerin conceived the idea of selling silk poppies to help needy soldiers.

The practice of wearing a red poppy for Remembrance Day began in Australia in 1921 and was first promoted by the Returned Sailors’ and Soldiers’ Imperial League of Australia as a reminder of the war dead and to raise funds for its charity work.

To wear a poppy is also a sign that we have not forgotten the Australian servicemen and women who have died in war. On Saturday 11 November I urge all Australians to wear a poppy proudly and at 11am stop for a minute silence to remember those who have fought to keep our country free.

Since the conflict in Sudan in 1885 to the Gulf war in 1991, almost two million men and women have enlisted in our armed forces, just over 320 000 of these were either killed or wounded in action and almost 35 000 of our diggers were prisoners of war.

Today we remember the Australian sons and daughters who gave their hearts and lives to preserve the freedom that we once enjoyed and to protect this country from the threat of foreign occupation and oppression. We have now passed into another century but we must never forget them.

“They shall not grow old as we that are left grow old. Age shall not weary them nor the years condemn. At the going down of the sun and in the morning WE WILL REMEMBER THEM.

Thank you.

QUESTIONS WITHOUT NOTICE

Goods and Services Tax: Red Tape

Senator McKIERNAN (2.00 p.m.)—My question is directed to the Assistant Treasurer, Senator Kemp. Has the minister seen the views of former Liberal Party stalwart, Mr Peter Searle, in last Sunday’s Herald Sun, where he stated that he was so sick and tired of being the government’s unpaid tax collector that he had sent the Treasurer a $1,200 invoice for work done on behalf of the Commonwealth government? Do the Howard government support their former Liberal Party branch president when he says: Hopefully, if enough people send in their own invoices ... the fools who devised this scheme will get the message... Peter Costello said he was going to free us from red tape—he’s buried us in it.

If former Liberal Party stalwarts think your GST has buried them in red tape, why should struggling small businesses think any different?
I thank Senator McKiernan for that question because it gives me the chance to clear up a number of misconceptions which underlay that particular question, the questioner and the person whom you were quoting. Let me get a couple of things clear that some people may not be aware of; certainly, Senator Cook is not aware of this, but every other Labor person apparently is. The first point is that the Labor Party now supports the GST. We want to avoid any confusion because this is a tax system that the Labor Party now supports. You did go to the last election, Senator, with a policy of 'A fairer tax system with no GST'. You have actually rolled back 'with no GST', and from 1 July the Labor Party supported the GST. So you changed your mind, and that is the first point I would make.

The second point is that I accept the fact that you have done a backflip on the GST in the last 10 months, but in relation to the other aspects of the business tax system, the Labor Party signed on to them not just on 1 July this year but two years ago. I think if you read this policy dealing with things such as PAYG and how you consolidate the various withholding taxes which are being paid into the one account, you will see that you are actually supporters of the BAS system too.

Senator Cook—Not with a GST.

Senator Kemp—I do not know what we can do about Senator Cook. I frankly think Senator Cook is the only person in the Labor Party who seems to think that the Labor Party does not support the GST.

Senator Faulkner—No, he’s absolutely right. That’s two of us.

Senator Kemp—There are two of them. I wish you would actually tell Mr Simon Crean that and give him that message. I know you people in the Senate occasionally go off on your own frolics. We have seen that before with Senator Sherry in a number of areas where he seems to be quite contrary to the policy being run in the lower house. The first point I am making is that this is actually your policy. I do not think you understand that, although the public understand it. I think the public will be bemused by the fact that somehow you seemed to be opposing the GST and now you are supportive of it. You seem to be now attacking the BAS statement, although that was your policy two years ago. That was the policy which you went to the election on two years ago.

Let me now come to the specifics of the question. Senator McKiernan, I am a bit concerned because time is on the wing and I may not get through this. I have got some very good information for you in relation to red tape, so I wonder whether you would ask me a supplementary question so I can deal with those issues as well. The question was raised in relation to red tape. Let me make it very clear that the government has implemented a large number of specific measures which in fact reduce red tape for business. The first point is that we have presided over some sorely needed changes in the tax system. As part of this change, we have introduced a wide range of measures which are specifically designed to reduce red tape. The senator looks a little puzzled. Let me just say that in the area of the capital gains tax, for example, the government has removed the complex indexation averaging rules and replaced those with a 50 per cent reduction. Senator, that happens to be your policy too. You actually support that, and you supported that because it was a good idea and it helped to simplify the tax system. (Time expired)

Senator McKiernan—Madam President, I am tempted to ask a supplementary question but, before that, I should ask the original question. Minister, why won’t you answer a question? In addressing that, when will the Prime Minister honour his promise to cut small business red tape, now made twice as bad by the GST?

Senator Kemp—Senator, that is not correct. The Prime Minister has in fact answered the question. First of all, thank you for the supplementary, because I asked you to give me one and I appreciate that. With the various reporting arrangements, we have cut down many contacts that people in business would have had with the tax office compared with the old system. Let me just go into a number of other areas. I mentioned the capital gains tax system, and I mentioned
the BAS system, which has helped by consolidating all the payments onto one form for many businesses. We have helped cut down the number of contacts that a business would have had with the tax office. Let me mention a number of other areas. In the area of corporate groups, for example, the government is introducing measures to allow corporate groups to consolidate their taxation accounts and effectively operate as one taxpayer, bringing very substantial benefits in the area of simplifying the tax arrangements. To assist small business, the government is introducing a simplified tax system. (Time expired)

Western Australia: Mining Exploration

Senator LIGHTFOOT (2.06 p.m.)—My question without notice is addressed to the Minister for Industry, Science and Resources, Senator Minchin. Given the importance of the mining industry to the state of Western Australia, will the minister advise the Senate of how the Western Australian government’s native title legislation will improve the prospects for mineral exploration in that state? Is the minister aware of any alternative policies that would prevent this scheme coming into operation?

Senator MINCHIN—Senator Lightfoot would know better than most in this chamber that mining is one of the most important industries in Australia and, in fact, the most important industry in his state of Western Australia. In 1990-2000, the state’s minerals and energy sector set a new record with the value of production rising by 27 per cent to over $21 billion—a third of the state’s output. Western Australia is our biggest export earner of all the states, and the minerals and energy industries contribute 73 per cent of those exports and a quarter of Australia’s total merchandise exports. About 45,000 direct jobs in Western Australia are in mining and about another 135,000 indirectly—about 20 per cent of the state’s workforce. Obviously mining is critical to Western Australia and, indeed, to the whole nation. But to have a strong mining sector you have to have exploration, and for that you have to have access to land. If you do not have access to land, if you do not have exploration, you will not have a mining sector in years to come.

The facts are that total exploration expenditure in Western Australia plummeted by 43 per cent over the last two years. There is a backlog of over 10,000 exploration and mining title applications, and some of those have been held up for more than four years. It is clear to everyone involved that the principal reason for this is the unintended and inadvertent application of the incredibly complex right to negotiate process to pastoral leases as a result of the High Court’s 4-3 decision in the Wik case. Against that background, the federal Attorney-General has this week made a determination in relation to the Western Australia alternative native title regime based on our amendments to the Native Title Act. That determination provides for special procedural requirements specifically designed to suit Western Australia instead of the across-the-board right to negotiate process. It streamlines the native title processes while still protecting, according to law, the rights of Aboriginal people. The Western Australian legislation will provide certainty and efficiency for all Western Australians, including proper recognition of the rights of native title holders.

So it is unbelievable that, against that background, the federal Labor Party have already indicated they are going to oppose parts of the Western Australian regime that was tabled by the Attorney-General yesterday. Time and again the Labor Party have come into this chamber in particular and opposed our efforts to provide a sensible long-term solution to native title right across Australia. Their position is absolutely indefensible, given the size of the mining sector and the importance of it to Western Australians in particular. It really is political opportunism of the worst kind of which this party are capable.

Labor are saying, in effect, to Australia that there should be one native title policy for Labor states and another for the rest. The ALP allowed a quite piecemeal native title regime to apply in Queensland as well as allowing a separate regime in New South Wales to pass the disallowance process. So they applied a different rule for the Labor states of Queensland and New South Wales. But when it came to the Northern Territory, a
CLP state, they knocked back the regime completely with no concessions whatsoever, and now they are threatening to block the regime in the most important state for the mining industry, Western Australia. Every Western Australian senator across the aisle should be absolutely ashamed of the position being adopted by the federal opposition. The Labor Party should be absolutely condemned for their failure to support responsible, state based native title regimes. It shows, once again, the absolute incompetence, the absolute weakness, of Mr Beazley, a Western Australian himself, who will not stand up for his state in the face of the left wing of his own party.

Goods and Services Tax: Business Activity Statement

Senator HOGG (2.11 p.m.)—My question is to Senator Hill, representing the Prime Minister. What advice does the Prime Minister have for Mr Russell Wise, a chartered accountant, who has stated:

I am here at 6 a.m. and finish at 10 p.m. Clients who thought they could do their BAS themselves have found they cannot, and they have rung me in a panic, wanting me to finish it off for them. I think the necessity for detail is far too complex.

Is this just another example of the new simplified tax system, having small business ring accountants like Mr Wise in a panic because they cannot complete the new simplified BAS? Just what advice does the Prime Minister have for accountants such as Mr Wise and their frustrated, panicking clients?

Senator HILL—The best that this Australian Labor Party can do is argue about the fine print on forms. What a pathetic indictment of an opposition that has now had four years to think about turning itself into a constructive alternative. It is not surprising that this opposition concentrates on such minutiae, because otherwise it would have to focus on the big issues. It would have to start considering what it might put forward as an alternative tax policy for this country. All we have heard so far from the ALP is that it favours roll-back, whatever roll-back might be.

We assume that, because it now supports the goods and services tax, it is in some way slightly withdrawing that tax and putting up income taxes to fill the gap. We assume that because the Australian Labor Party is not prepared to come clean with the Australian people. We suspect it is not prepared to come clean with the Australian people because it really has no idea what it intends to put at the next election. It has no idea what it would intend to implement if it ever came to government again.

Therefore, all the Australian people can do is look to Labor’s record. What was Labor’s record when it was last in government? Labor’s record was: you put all taxes up. Not only that, but you also said you were going to put them down at the same time as you were putting them up. You put up excise. You put up wholesale sales tax. You put up taxes on wine. You introduced new taxes on leaded fuel. Any tax you could find you increased. That is what Labor did. It even invented an l-a-w tax cut, which it then reneged upon, costing the Australian people a lot of money. So that is presumably what Labor is about, because that is what it was about when it was last in government.

What would that cost taxpayers? When Labor put up the wholesale sales tax in August 1993 and July 1995, in the year 1995-96 that cost taxpayers $1.207 million. The following year it cost taxpayers an additional $1.345 billion. When they increased petrol excise—they like to forget that—in August 1993, again in February 1994 and again in August 1994, the following year that cost Australian taxpayers $1.46 billion, and the year after that it cost Australian taxpayers $1.53 billion. While the Labor Party concentrate on the fine print of forms, the people of Australia can only reflect upon what they are hiding. What they are hiding, presumably, is the alternative of the past—increased taxes, higher taxes. Don’t wrestle with the big challenges of reform in the taxation system; whenever you have a problem, put up taxes and interest rates, borrow more, build up debt, throw Australians out of work and then claim you have never had it so good—that is what the Australian Labor Party are about. I say to the honourable senator: is start thinking about the big issues. Accept that Labor did not have the courage to implement tax reform, but it is never too late to start—after four years of thinking about it, it is just
ter four years of thinking about it, it is just about time for Labor to start now.

Senator HOGG—I have a supplementary question, Madam President. The minister failed to answer any part of my question whatsoever, in particular: just what advice does the Prime Minister have for accountants, such as Mr Wise, and their frustrated, panicking clients? Further, is having accountants such as Mr Wise working 16 hours a day just another example of Mr Howard having cut small business red tape by 50 per cent? When will the Prime Minister honour his promise to cut small business red tape in half?

Senator HILL—This government took the tough decisions on tax reform that all sensible, objective Australians knew were necessary. Even the Labor Party knew they were necessary, but they never had the courage to do it. They did not have the courage to do it; this government has done it. It is a tax package that puts Australia in good stead for strong economic growth over the long term—growth that has been delivered already by the Howard government; growth that is continuing to be delivered. But rather than acknowledge Labor’s failure in not grappling with the big issues, all this honourable senator can do is come in here and argue about the fine print. It is not surprising that some people have difficulty with new forms, we regret that people have difficulty with new forms, but the Australian people and, in particular, small business—because they are a lot smarter than the Labor party acknowledge—will soon get on top of the forms and will get the benefits of this tax reform package. (Time expired)

Aboriginal and Torres Strait Islanders: Reconciliation

Senator EGGLESTON (2.18 p.m.)—I have a question for the Minister for Aboriginal and Torres Strait Islander Affairs, Senator Herron. Given the Howard government’s proud record on indigenous affairs, will the minister outline some of the major practical achievements which are making real improvements in the lives of indigenous Australians, and is he aware of any alternative policies?

Senator HERRON—I thank Senator Eggleston for the question, because it gives me the opportunity to outline the Howard government’s commitment to practical reconciliation. It also gives me the opportunity to outline two significant achievements over the past few weeks. The most recent was the Prime Minister’s display of leadership and commitment to overcoming the significant disadvantage faced by many indigenous Australians. At last week’s Council of Australian Governments meeting, the Prime Minister ensured that reconciliation issues will be a continuing focus as a result of the most significant Commonwealth-state forum in the country. He obtained the strong commitment of all states and territories to work cooperatively with the federal government in overcoming disadvantage. This included an agreement to establish a national system of benchmarking to ensure improvements in service delivery and that outcomes for indigenous people remain a key focus.

These commitments followed the highly successful indigenous families and communities roundtable which Senator Newman and I held in Canberra on 24 October. That peak forum of influential Australians mapped a way forward to tackle the major issues impacting on indigenous communities. To ensure a practical edge to our discussions, the government has earmarked $20 million from the $240 million Stronger Families and Communities Strategy to fund indigenous specific projects to assist indigenous communities and families. The roundtable agreed on a range of key principles to govern the design and implementation of programs for local Aboriginal and Torres Strait Islander communities. Among the many recommendations is urgent attention targeting the needs of children and young people, particularly in the areas of self-esteem building and leadership training, awareness of one’s culture and family, and anti-violence training.

These are but two of many major initiatives which form the Howard government’s record $2.3 billion spending on indigenous specific programs. These programs are making a difference. Many indigenous leaders have come forward to condemn welfare dependency, which is Labor’s legacy of 13
years of mismanagement. It is not surprising that the latest indigenous leader to speak out is Tracker Tilmouth, the former Central Land Council director and a reported member of the Labor Party. Mr Tilmouth is scathing in his criticism of the Labor Party, and you cannot blame him. We all know what the Labor Party thinks of the indigenous affairs portfolio with the cowardly and disgraceful toilet brush comment. Madam President, you can understand Mr Tilmouth’s comments in today’s *Australian*. He said:

> For the past 20 years we’ve all voted Labor ... to our detriment.

*Senator Cook interjecting—*

*Senator HERRON—* ‘To our detriment’, Senator Cook. ‘To our detriment’, according to Mr Tilmouth. He said that under the Labor Party he was ‘allowed to mow the lawns, but I’m not allowed on the veranda’.

*Senator Cook—* Have you said sorry yet?

*Senator HERRON—* Senator Cook should say sorry to Mr Tilmouth and the indigenous people of this country for what they led them into—welfare dependency for the last 30 years. Senator Cook should not point his finger at me, Madam President, because in the last four years I have done more for the indigenous community of this country than the Labor Party did in the previous 13. Mr Tilmouth also reportedly said that Aboriginal Australians were tired of voting for losers. He described the Northern Territory Labor Party as ‘weekend warriors’ who failed to consult Aboriginal people on the ground.

Mr Tilmouth is not alone. Labor member for the Northern Territory, a friend of Senator Crossin’s, Mr Warren Snowdon, admits that there were grounds for criticising his party’s dealings with Aboriginal people in the Territory. Referring to Mr Tilmouth, Mr Snowdon said:

> He has expressed a degree of frustration which is shared by others.

I wonder if it is shared by Senator Crossin. It is obvious that Mr Beazley’s federal Labor Party is only interested in using indigenous people to play politics. As Senator Minchin said this afternoon, in relation to the disgraceful use by Premier Beattie of the Native Title Act in Queensland, the Labor Party opposition’s spokesman resigned on a matter of principle. (*Time expired*)

*Senator EGGLESTON—* Madam President, I ask a supplementary question. Will the minister detail any other specific initiatives in the health, job skills, education and indigenous employment policy areas which the government has taken and perhaps inform the Senate of the views of Mr Noel Pearson on the question of welfare dependency in indigenous people?

*Senator HERRON—* I thank Senator Eggleston for the question because it is obvious to me, although not to the other side, that a sea change is occurring in Aboriginal affairs in this country. Indigenous leaders at our roundtable—and Mr Noel Pearson was at the roundtable—expressed the desire of the indigenous people to get away from welfare dependency and to get real jobs to get the practical reconciliation that we as a government are bringing forward. The Olympic Games showed the enormous goodwill that is occurring in the community towards our indigenous people. The state funeral for Mr Charlie Perkins, an icon of the indigenous movement in this country, brought out the goodwill the community feels. I plead with the Labor Party, as I have on previous occasions, to be bipartisan in their approach to indigenous affairs in this country rather than making it a football, as they seem to be doing. I plead with them: let us get a bipartisan approach to the indigenous affairs of this country so that we can improve the welfare of every indigenous Australian—it is their right to have equality in this country. (*Time expired*)

**Civil Aviation Safety Authority:** Dr Paul Scully-Power

*Senator O’BRIEN (2.22 p.m.)—* My question is to Senator Ian Macdonald representing the Minister for Transport and Regional Services. Does the minister recall his answer to my question on Monday, when he said:

> The government does not believe and has never believed that Dr Scully-Power is a high-performance jet pilot.
Wednesday, 8 November 2000  

How does the minister explain the two statements in Minister Sharp’s press release of 9 July 1997, when he said:

He joined the Royal Australian Navy as a pilot in 1967.

The press release said that he was:

...qualified as a high performance jet pilot.

Are we to believe that both of these statements were typographical errors in the minister’s office? Isn’t it a fact that, prior to Dr Scully-Power’s appointment to the board, three members of the CASA board were advised by Mr Sharp, the then minister, that he had advanced pilot qualifications? Will the minister now give up the spurious claims of typing errors and come clean on the circumstances of this appointment?

**Senator IAN MACDONALD**—I suggest to Senator O’Brien that if he wants to know something about what Mr Sharp might have done—if I can remember who Mr Sharp was—perhaps he should ask him. I am not in this place to try to double guess what Mr Sharp might have done or might not have done. I emphasise to Senator O’Brien that the chairman of CASA, Dr Scully-Power, has not misrepresented his qualifications to the government. The government does not believe and has never believed that Dr Scully-Power is a high-performance jet pilot. Dr Scully-Power has always said that he is US navy qualified for high-performance jet aircraft and US airforce qualified for full pressure suit flying. I am advised that these qualifications enable him to fly in the second seat of the aircraft.

That is the position in relation to Dr Scully-Power, who does a good job in a very difficult situation. He and the authority are trying to get on and do a good job for Australians and the Australian travelling public. It is a very difficult area, Senator O’Brien, as you know. Regrettably, a lot of the time of the Civil Aviation Safety Authority is spent in answering a seemingly needless number of questions from Senator O’Brien and other members of the opposition. In the last session of estimates, the cost to the taxpayer, as costed by my department, for the department to answer the questions on notice from the Labor Party was almost $90,000. Most of those questions go to CASA. Instead of CASA doing the things they should be doing, they are turning up records of three, four and five years ago to answer questions from Senator O’Brien. Instead of being out doing what they should be doing and looking after aviation safety, they are tied to their desks answering questions from Senator O’Brien and the Labor Party. As I say, the government has never had any misunderstanding about the qualifications of Dr Scully-Power.

**Senator O’BRIEN**—Madam President, I ask a supplementary question. I remind the minister that I am quoting from the press releases of the then minister, Mr Sharp. Is the minister aware that, in 1997, the then minister, Mr Sharp, advised CASA board members that Dr Scully-Power’s claimed advanced pilot—pilot, I stress—qualifications were instrumental in his appointment. Is he also aware that Mr Sharp has recently advised the media that he believed the contents of the statement released at the time of Dr Scully-Power’s appointment to the CASA board to be accurate? Given that the minister’s claim on Monday that the inaccuracies contained in Dr Scully-Power’s resume were simply typing errors is clearly wrong, why won’t the minister now seek an explanation from the CASA chairman as to why his qualifications were misrepresented to cabinet at the time of his appointment to the board?

**Senator IAN MACDONALD**—There was a bit of noise. Was Senator O’Brien’s saying that I said it was a typing error?

**Senator O’Brien**—I think you suggested that.

**Senator IAN MACDONALD**—Did I? I will have to have a look at that. I do not recall using those words—not that it matters. Senator O’Brien, your question was: am I aware of what Mr Sharp wrote in his press release back in the years before I was in the ministry? No, I am not, sorry. On the other matters that you asked me if I was aware of: no, I am not, sorry.

**Schools: Retention Rates**

**Senator ALLISON** (2.30 p.m.)—My question is to the minister representing the minister for schools. Is the minister aware that ABS data shows that retention rates—
Senator Newman—Madam President, on a point of order; it is consistently difficult to hear questions from the Democrats down at this end of the chamber. Although this question is not addressed to me, could I ask that either the chamber staff or the Democrats do something about the difficulty of hearing down here.

The President—Please start again, Senator Allison.

Senator Allison—I will use my teacher voice. My question is to the minister representing the minister for schools. Is the minister aware that ABS data shows that retention rates in South Australian public schools have dropped from a high of 93 per cent in 1992 to just 58 per cent last year? Minister, retention rates have been steadily dropping while your government has been in power. How do you explain this trend? Does the Commonwealth government accept any responsibility at all for this problem and, if so, what are you doing about it?

Senator Ellison—One of the things we have initiated is innovative vocational education and training in schools whereby you get a seamless transition of students from school to vocational education and training.

Senator Carr interjecting—

The President—Order! Senator Carr, cease interjecting and shouting in that manner.

Senator Ellison—Senator Carr is interjecting because he knows this is a good point. The fact is we are looking at a seamless transition of students into the vocational education and training sector. You can actually start an apprenticeship at secondary school and then move on to training. That can result in a student perhaps leaving school earlier to take up that formal training elsewhere. This increase in vocational education and training in schools is growing across Australia. As for the percentages, I would query whether those percentages are as they have been stated, but I will check them.

But I do say this: what we have is a concentration on the 70 per cent of Australian students who do not go to university. We have looked at where they want to go and what they want to do with their lives. It suits some of them to stay at school until year 12, but it suits others to have a vocational education pathway that they can start in secondary schooling and then move into more formal training elsewhere. This is an excellent opportunity for those students. We are aware that retention rates are very important, and that is something we are committed to, particularly in relation to the indigenous sector, which I mentioned the other day. Retention rates in the indigenous sector are all too low. We are working to improve that because we have to bring that sector’s retention rates up to those in the wider community. I ask Senator Allison to have a look at what we are doing with vocational education and training in secondary schools across Australia.

Senator Allison—Madam President, I ask a supplementary question. I urge the minister to also look at a study commissioned by the South Australian government. It showed that, of 209 public school students tracked over an eight-year period, fewer than 50 per cent of those students completed year 12. I hear the minister’s answer in relation to vocational training, but I remind him that that can still be done in year 12 as well. Finally, I ask why Dr Kemp this year discontinued the only federal program targeting students at risk of leaving school early? Why isn’t leaving school at that stage a number one priority of the government?

Senator Ellison—Senator Carr started her supplementary question with the crucial words ‘South Australian government’. After all, the responsibility for the public education sector of government schools rests squarely with state governments—that is a constitutional responsibility. I think Senator Allison should address what state governments around Australia are doing in relation to retention rates and government schooling. But I can say that in relation to schooling across this country the government have increased funding. In fact Australian schools will receive $5 billion in direct Commonwealth funding in 2000, an increase of 8.5 per cent over 1999. That is what we are committed to doing—increasing resources for the government school sector.
Civil Aviation Safety Authority: Operations

Senator O’BRIEN (2.35 p.m.)—My question is to Senator Macdonald, representing the Minister for Transport and Regional Services. Is it a fact that Ansett Australia wrote to the minister for transport, Mr Anderson, earlier this month asking that the director of the Civil Aviation Safety Authority, Mr Mick Toller, be stood aside? Is it also a fact that Qantas has made similar representations to Mr Anderson? What is the minister’s response to these concerns about the national air safety regulator raised by Australia’s two major airlines?

Senator IAN MACDONALD—As Senator O’Brien is aware, I represent Mr Anderson here, so I am not exactly sure what correspondence Mr Anderson receives daily. I am aware that one of the Ansett group’s general managers did write to Mr Anderson expressing the view that Mr Toller’s infringement in flying that light aircraft, which I think Senator Greig raised in question time earlier in the week, had severely damaged Mr Toller’s credibility. The CASA board and the government are responsible for appointing the Director of Aviation Safety, not Ansett. It would be disastrous if the aviation industry were to have a veto over who is responsible for regulating it. You do not need to be Einstein to understand that this authority regulates the airlines, including Ansett and Qantas. I am advised that Mr Toller has Mr Anderson’s full support and that, based on the information Mr Anderson has at this time, he does not intend to stand him down.

Senator O’BRIEN—Madam President, I ask a supplementary question. In the light of what has been occurring recently with the Civil Aviation Safety Authority—the recent demotion of the assistant director aviation safety, Mr Foley; Mr Toller’s counselling following his breach of aviation safety regulations; the apparent misrepresentation by the CASA chairman of his aviation qualifications; and now the revelation of concerns expressed by what you say is only one but I believe to be the two largest national airlines regarding the director of CASA, Mr Toller, and the push by Ansett to have him stood aside—just when will Minister Anderson act decisively to restore the public standing of the Civil Aviation Safety Authority and aviation safety in this country?

Senator IAN MACDONALD—Can I just emphasise again in relation to Dr Scully-Power that the ability to fly a jet fighter is not a prerequisite for chairing a government authority. Dr Scully-Power has enormous experience as a director and manager of a high-tech company and programs. The government appointed him as chairman of CASA because of his management and leadership skills, not because of his flying qualifications.

Senator O’Brien, Mr Anderson does a very good job in his position in charge of aviation in Australia. Whilst I concede, and Mr Anderson concedes, and you yourself would concede, that looking after CASA is a difficult operation—there are a lot of competing interests in the aviation field, as Senator O’Brien well knows, from the general aviation, the recreational pilots, to the big airlines, a lot of pressure, and you, Senator, are aware of allegations about morale—it is not helped by the fact that the CASA has to spend an enormous amount of time answering questions in writing that you put in writing. It cannot get on to do the job that it really should be doing. (Time expired)

Organ Donors

Senator HARRIS (2.39 p.m.)—My question is to the Minister representing the Minister for Health and Aged Care. Before putting the question to the minister, I just wish to indicate to the Senate that I do have an interest in the question in that I have ticked yes on my drivers licence as an organ donor. Minister, what is the present situation for Australians awaiting organ transplant? What is the government doing to encourage healthy people to seriously consider donating their organs for transplant should that situation arise?

Senator Herron—I thank Senator Harris for the question, which highlights the fact that there is an unexpectedly low organ donation rate in Australia. We have to act decisively if we are to help the 500 people a year who die waiting for an organ that could have saved their lives. It is a very serious
problem, and I thank Senator Harris for drawing the Senate’s attention to it.

The Australian people, as a whole, support organ donation. Attitudinal surveys over the years have shown that. Many people have made sure their families know they want to be an organ donor, and many have documented that they wish it in one way or another, as Senator Harris has done, and I would recommend his action to others as well. But what is missing is a practical way for that wish to be made known to health care staff at the time of potential organ donation. You would appreciate, Madam President, that it is a very stressful time for the surviving relatives of people who are asked by hospital staff to consider this possibility.

We already have some state based registration systems, such as donor cards and annotations on drivers licences, but they have proved only partially effective. Dr Wooldridge has decided to create one national organ donor registry that will enable transplant coordinators to search a database 24 hours a day, 365 days a year. The Australian organ donor registry will be operated by the Health Insurance Commission. The registry will be a separate database from the Medicare system, although, with the individual’s consent, changes on the Medicare enrolment file will be regularly updated on the Australian organ donor register. It will cover virtually everybody in Australia. Ultimately, every adult Australian will be asked whether they wish to join the registry, and I would urge them to do so when it is established.

I am very confident that in a short space of time we will have three times the number of people registered on the Australian organ registry than on all other registries combined. I am also confident that once a person’s wish to be a donor can be established quickly and accurately we will see an increase in donations and a reduction in family refusal. This will only happen, however, if we can build on the presence of the national registry with a national effort to assist clinicians and families in making the difficult decisions involved in this area.

Australians Donate, which was established by health ministers to coordinate national organ donor activities, will have an important role to play in the strategy. In the meantime, I encourage every Australian to consider organ donation, as Senator Harris has, to talk to their family about the issues and to register their intention to donate with the Health Insurance Commission, which will be writing to all Australians. In doing so they will be helping their fellow Australians in the most tangible way possible. Senator Harris will be pleased to know that I also have that on my licence. By doing it, all Australians will be able to help their fellow Australians. They will give them the gift of life.

Senator HARRIS—Madam President, I ask a supplementary question. Is the minister aware that in Queensland presently there are 164 people awaiting kidney donation, 16 waiting for liver donation, three for heart, one for heart and lung, and 14 for lung? That gives a total in Queensland of 198. In New South Wales that figure is 1,469. In South Australia and the Northern Territory it is 113. In Victoria and Tasmania it is 746, and in WA it is 210. As you can see, Minister, according to the official figures there are 2,736 people waiting for a transplant. The rate of donations has not been keeping up with demand. Can the minister inform the Senate of what actions will be taken to amend that?

(Time expired)

Senator HERRON—It is not just a matter of waiting lists, as I have mentioned on previous occasions. The number of organs that are available has proportionally decreased because fewer people are getting killed on the roads. That is because of an intervention by the Royal Australasian College of Surgeons in introducing seatbelt legislation in this country—the first country in the world, as a matter of fact. So, although the population is increasing and many more motor vehicles are on the road, proportionally fewer people are dying and have organs available for transplantation. The government recognises the problem, as I mentioned in my previous answer. We are setting up a registry on a national basis. But I think the most important thing we can do at the terribly stressful time when people die, principally as a result of motor vehicle accidents, is for relatives to register it throughout the
country so that those organs that are available can be accessed by the transplant teams and used appropriately.

**Aged Persons: Savings Bonus**

Senator COOK (2.46 p.m.)—My question is to Senator Kemp, the Assistant Treasurer. Can the Assistant Treasurer explain how the federal Treasury so comprehensively botched their calculations of the aged persons savings bonus by up to $600 million when Centrelink requires comprehensive evidence on assets and income from every elderly Australian who has ever lodged an application with them?

Senator KEMP—Senator, I thought you would have been pleased that more Australians are accessing the aged persons bonus. I would have thought you would have thought that was good news, rather than bad news. This is another way that the government, with the introduction of this new tax system, are seeking to help people in this transition phase. We are very proud of the assistance that we have been able to give to aged pensioners, not the least of which is the four per cent up-front payment and the two per cent real rise in pensions. Many who qualify are able to access the aged persons bonus. I would have thought that you would have been pleased with that.

Senator COOK—What? That they botched it?

Senator KEMP—I am surprised that you stand up and make a critical comment. I am sure the people who have received this pension would be intrigued by your attitude. I do not know whether you are opposed this policy or not. There is one group that have truly botched the issue of tax reform, and it is not the Commonwealth Treasury—it is the Labor Party. It was the Labor Party who decided that, despite the mandate we received at the election, they would oppose the introduction of the GST, until 1 July this year. If ever you have seen a botched policy, if ever you have seen a more pathetic effort from any party holding itself up to be the alternative government—

The PRESIDENT—Senator Kemp, I think you have strayed somewhat from the question that was asked.

Senator KEMP—Madam President, I was actually focusing on the word ‘botch’. The issue of botching was raised. On the botching front, there was a criticism made of the Commonwealth Treasury: it was alleged that they botched some particular issue. I am concentrating on the issue of botching and who botched the greatest. I would have to say it was the Labor Party, particularly Senator Peter Cook.

Senator Abetz interjecting—

Senator KEMP—Thank you, Senator Abetz, for reminding me of an issue. Senator Peter Cook did not make a $600 million botch when he told this Senate in November 1995 that the budget was in surplus; he actually made a $10 billion botch.

The PRESIDENT—Senator Kemp, I draw your attention to the question you were asked.

Senator KEMP—Madam President, as I said, I am focusing on who has botched things. My first issue on the botching front is the Labor Party, and my second one is, in particular, Senator Cook.

Senator COOK—Madam President, I ask a supplementary question. My question was: how did Treasury botch those calculations? One of the interpretations is that the government was so miserly that it actually did not intend $600 million to be spent on it.

Honourable senators interjecting—

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

Senator COOK—Wasn’t this the same rebate where 43 per cent of Australians over 60 got 99c or less? How could it therefore blow out to $600 million?

Senator KEMP—If ever I have heard a confused supplementary, that must be it. On the one hand, Senator Cook is worried that there was too much paid out and, on the other hand, he is worried that people got too little. I do not know who drafts these questions, Senator Cook. I cannot blame you, surely. You have drafted some poor questions in your time, but that is a very confused question. Make up your mind. Are you worried that too much was paid out or are you worried that people did not get enough?
Could you make it clear in the taking note of the answer debate just where you are coming from, Senator Cook, because it is not clear to me.

Women: Participation in the Workforce

Senator PAYNE (2.41 p.m.)—My question without notice is directed to the Minister Assisting the Prime Minister for the Status of Women, Senator Newman. Will the minister advise the Senate how the government is supporting Australian women to balance their work and family responsibilities?

Senator NEWMAN—I am delighted that Senator Payne has asked that question, because there is a very good story to be told about how this government has been supporting women, both in the labour force and in their family lives—never better, in fact. More women are in paid work than ever before: 65.8 per cent of working age women aged 15 to 64 were in the labour force in September 2000. That is one of the highest rates on record.

Female employment grew by 410,000, more than 11 per cent, between March 1996 and September 2000. Full-time employment grew by 210,200; part-time employment grew by 202,300. The female unemployment rate is at six per cent for the second time this year, and is at the lowest rate in decades—a significant drop from the eight per cent that we inherited when we came into government in March 1996.

Women returning to work are now supported under the Return to Work Program. The number of women in apprenticeships and traineeships has increased dramatically from 29,400 in 1996 to 85,400 in the year 2000, an increase of over 50,000 women in apprenticeships and traineeships since we came into government. To help those women in the work force and in apprenticeships and traineeships, our government have increased the number of child-care services available by over 1,800 since March 1996. There are more child-care places now than ever before—nearly 140,000 more places than there were under Labor. To help families take advantage of these places, we have injected $900 million in additional funding for a simpler and more generous child-care benefit.

The Howard government have taken the lead in preventing domestic violence, and our efforts to do that mean we are spending $50 million on projects to raise community awareness, to work with perpetrators, to improve the well being of children affected by domestic violence, and to bring together best practice and research. We are also ensuring that we focus on indigenous family violence, working in partnership with indigenous community leaders to tackle the issue in their communities. We are committed to working in partnership with the community and supporting women’s groups, and fostering a representative and vibrant women’s sector is an important part of this. We are providing over $1 million a year to women’s groups, to national secretariats, to women in sport and to regional, rural and remote women, and for projects around women in leadership, economic security for women, older women, sexual assault services for indigenous and culturally diverse women, women with breast cancer, lone parents and women with disabilities. It is a pretty impressive list.

This government has also taken the lead in promoting women in leadership positions. In just the first six months of this year more than 150 women were appointed to senior positions on Commonwealth boards and bodies and they now hold 32 per cent of these positions.

Senator Chris Evans interjecting—

Senator NEWMAN—If Senator Evans does not like it, perhaps the women sitting behind him do. Thirty-four per cent of Australia’s 1.3 million small business operators are also women, and they enjoy the better economic opportunities that they have today: lower interest rates than were available under Labor, and a better opportunity for them to do good business.

Information Technology: Outsourcing

Senator LUNDY (2.55 p.m.)—My question is to Senator Ellison, the Minister representing the Minister for Finance. I refer to yesterday’s post-Melbourne Cup announcement of a review of the implementation risks associated with IT outsourcing. Can the minister confirm that so far the government’s IT outsourcing initiative has achieved: (1) a
blow-out in OASITO’s budget for the initiative from $13 million to $33 million, with most of this money going to consultants; (2) a massive shortfall in the forecast $1 billion in savings, with agencies being forced to make up the shortfall; (3) widespread gaps in contracted service levels; and (4) discrimination against small and medium Australian firms, with only 30 per cent of the work ending up with these companies? In light of these disasters, how can the minister continue to claim that IT outsourcing has been a success?

Senator ELLISON—What I can confirm is that there have been enormous benefits which have flowed from IT outsourcing. You just have to look at the figures. Here are some of them. There is around $90 million in new strategic investment. Senator Lundy mentioned small to medium enterprises. There is $400 million worth of work going to Australian small to medium enterprises. What part of that doesn’t Senator Lundy like? Obviously the Labor opposition does not want to see Australian small and medium enterprises get this work. What about the creation of jobs? We have the creation of 400 jobs in regional Australia. This is just another spin-off from IT outsourcing. What about products and services in Australia? There are $900 million worth of products and services in Australia. That is what the people of Australia want to see, and that is what we are getting from IT outsourcing.

Senator Lundy also mentioned savings. Can I say that the results of the initiative indicate that the Commonwealth is well placed to meet the savings targets identified in 1997. In fact, these targets were based on the expectation of seven-year contract periods, so what you have to look at is the lifespan of the IT outsourcing. For cluster 3, group 5, the Australian Taxation Office, the health group and group 8 contracts, we have projected savings over the initial five-year term of around $268 million. This is a significant achievement for the government, particularly when you take the significant industry development commitments of the successful vendors into account. The review was announced yesterday. We are halfway through the initiative, and it is a timely point at which to have a review as to how we are going. That is what the Minister for Finance said.

Opposition senators interjecting—

Senator Faulkner—It has been a debacle.

The PRESIDENT—Order! There are too many senators shouting.

Senator ELLISON—The opposition do not want to listen to this, because it is good news for Australia. They do not want to hear about the jobs for Australians, the products and services that are purchased in Australia and the small to medium enterprises that get work from IT outsourcing. You would think that they would support us because ALP policy purports to ‘ensure that the purchasing power of government is used to nurture and support our domestic industry’. That is just what I have described with IT outsourcing; that is just what we are doing with IT outsourcing. It goes on to say:

... the purchasing power of the Federal Government ... should be used to provide expanded opportunities for local industry and to achieve savings in the purchase of goods and services for the public sector.

That is just what we have done with our IT outsourcing. The fact that we are having a review is very sensible when one considers that we are halfway through this very big transition from the unwieldy system that Labor left us to this new innovative system which will mean more jobs, more purchasing of Australian products and services and more money for Australian small and medium enterprises. It is a big exercise. Of course we should have a review halfway through; it makes sense to do so.

Senator LUNDY—Madam President, I ask a supplementary question. How can the minister guarantee the independence of the review, given that the steering committee comprises the only three Commonwealth agencies who supported the IT outsourcing initiative—the Department of Finance and Administration, the Office of Asset Sales and IT Outsourcing and the Department of the Prime Minister and Cabinet? Will the minister undertake to table the findings of this review?

Senator Kemp—Why do you hate small business?
Senator Lundy—You hate Australian small business.

Senator Kemp—You hate small business.

The PRESIDENT—Order! The Senate will come to order. I call Senator Ellison.

Senator Kemp—We know you love unions, but—

The PRESIDENT—Senator Kemp, I have called Senator Ellison.

Senator Ellison—It is good to see that the opposition has dropped its attack on Mr Humphry, who is going to be heading this review, because he has absolutely no conflict of interest in that area and this is an independent review, which is appropriate, halfway through the initiative. The opposition has the hypocrisy to criticise this IT outsourcing initiative when it is achieving the very things that the opposition wants to achieve in its policy. The opposition is criticising a review which is timely and appropriate, having regard to the huge transition that we are undergoing. The opposition in government would be doing exactly the same as we are doing in IT outsourcing.

Drugs: Heroin Overdose

Senator Lees (3.01 p.m.)—My question is to Senator Vanstone, the Minister for Justice and Customs, and, although this does cut across into the Health portfolio, I think most of it is in her portfolio. I ask the minister if the government endorses the resolution of the Ministerial Council on Drug Strategy of July this year that the increasing problems associated with heroin overdose need to be addressed as a matter of urgency. I ask the minister if she will agree that the government as yet has not been able to reduce the harm associated with heroin use, including the rate of heroin overdose deaths.

Senator Vanstone—Senator Lees, thank you for your question. You are right in acknowledging that it is a joint responsibility. As you know, the government has a three-pronged attitude to this. Under my responsibility comes law enforcement which is designed, from the federal aspect, at least, to seize the drugs coming in at the border. Dr Kemp has the responsibility for the educational aspects. Dr Wooldridge has the responsibility for the health aspects. We believe our drug policy is, in many respects, extremely successful. Certainly, our increased seizure rates, which are increasing far in excess of the usage rates, which are not increasing dramatically—in fact, some are not even increasing—are signs of how successful we are being.

I do not have with me the figures on heroin deaths, but I do not expect that they have dramatically reduced and that is, of course, in the end, what everyone wants. But I can assure you of this, Senator Lees: I do agree with what the Premier of New South Wales, Mr Carr, said on one occasion. I do not have the quote with me but I am sure I could get it. He said that what makes heroin dangerous is not its illegality. It is a function of the drug itself. Legalising drugs does not make them safer—that is the point that Mr Carr was making. The evidence that I can recall seeing indicates that, quite often, people who die from overdose die from what is not a straight overdose of one drug or another. It is a function of poly-drug use, and that leads me to invite you, Senator, to encourage your state counterparts to reconsider the position they took in South Australia with respect to the South Australian government plan to reduce the number of marijuana plants you could grow for personal use from 10 to three.

It might have been made 10 because the Greens, the Democrats and the people at the time did not have very green fingers and needed 10 plants because they were hopeless producers. But I can assure you, Senator Lees, that, with hydroponics, someone with a bit of skill can produce one plant of very sizeable proportions and make quite a lot of money from it. I ask you to look at the South Australian Commissioner of Police’s comments about a cottage industry whereby people can do a reverse pyramid production. They can go along to people and say, ‘Look, you can grow up to 10 plants. You won’t get prosecuted. It is a $150 fine. We’ll provide you with the hydroponics. We’ll do all the work. We’ll take the drugs and give you half the profit.’ Then you duplicate that right across the state in a pyramid arrangement and you increase marijuana use. You go way beyond simply people providing for their own use and get into assisting people pro-
viding it for sale to others. Poly-drug use is a serious problem, and that needs to be taken into account by people who imagine that legalising and making accessible these drugs will somehow make them safer, which it will not.

Senator LEES—Madam President, I am afraid the minister strayed a long way from the original question. I can assure her that we do understand the difference between marijuana and heroin. I ask a supplementary question. The figures in Australia show around 600 Australians a year dying of heroin overdose. Consider that the same figure in the Netherlands is around 65. This has nothing to do with legality, Minister; it is to do with a range of programs, including safe injecting rooms and heroin prescription trials. Minister, are you serious about supporting what the Ministerial Council on Drug Strategy has recommended? Given that a lot of change to the law is needed if these things are to come to fruition at state and federal levels, are you prepared to advocate that we look at those countries that have reduced deaths and follow some of those models?

Senator VANSTONE—It is not my understanding that the ministerial council has recommended, for example, a trial of heroin prescriptions. I think you might be loosely associating those. One of the problems with that sort of thing is the link that you create with permissive attitudes to illegal drug use. You might have an influx into that area of people who are dependent and who want to use. Wherever you make that trial, people are going to flood to that area because they see it as easily accessible. Heroin prescription may reduce the number who become abstinent and undermine the attractiveness and effectiveness of other treatments. This is an enormous problem; we recognise that. We are putting money into it, we are trying to do a better job and we believe we are doing a better job. But is there a magic wand solution? I would be interested to know what your policy is in this area. If you put out a detailed drug policy, we will have a sensible discussion about it. But I guarantee you this: you will not be able to wave a magic wand and fix the problem. (Time expired)
Qualified as a high-performance jet pilot …

If the government did not believe in 1997 that Dr Paul Scully-Power was ‘qualified as a high-performance jet pilot’ why did cabinet member and then minister for transport, Mr Sharp, issue such a press release? Of course the answer is because that is what he believed. He is telling journalists now that that is what he believed at the time and, more importantly, that is what he conveyed to other board members. It was an important factor in the appointment of Dr Scully-Power to his position. That is what the government believed.

I do not understand why Minister Anderson—through his representative in this place, Senator Macdonald—cannot fess up and say, ‘Look, we now know that Dr Paul Scully-Power was never a high-performance jet pilot. We now know that was never true. The cabinet was misled and we are looking into the matter.’ The fact is that this minister does not want to look into such matters because he knows that a can of worms is lurking in aviation that he will have to do something about.

Can we really believe the government is completely satisfied with the performance of CASA, and of Mr Toller in particular, after a unanimous committee report about the debacle of an investigation of a company called Arcas led to the demotion of Mr Foley, Assistant Director, Aviation Safety Compliance? That action was occasioned by a Senate committee report. It was not initiated by CASA but provoked by the actions of the Senate. If it has cost CASA $90,000 to answer questions, I do not have any problems with that: if that is the cost of CASA’s accountability, it is cheap. The fact is that CASA and Minister Anderson were doing nothing about the Arcas matter and something happened because of a Senate committee report. There has been counselling of Mr Toller. We have had misrepresentation by the chairman of CASA about his aviation qualifications and today we have had the revelations—which were confirmed by the minister—of a move by at least one of the two national airlines to see the director of CASA, Mr Toller, stood aside.

When will this government do something? If Mr Anderson is not prepared to act—if he does not want to get his hands dirty on aviation—why will the Prime Minister not step in and replace him? There has been a failure of government administration in this matter. Unless the government is prepared to act, the crisis of confidence in CASA and throughout the aviation industry will only grow. This government needs to act. We have ample evidence that there is a crisis in CASA and the government must act now. (Time expired)

Senator FERRIS (South Australia) (3.12 p.m.)—We have just heard Senator O’Brien refer to a crisis of confidence in CASA. What has Senator O’Brien been doing to try to instil greater community confidence in CASA? I wonder whether questions about whether or not a senior officer in CASA was a jet pilot will do anything to make people feel more or less confident about aircraft safety in this country.

For the record, let us look at the situation that this government inherited when it came to power in 1996. When John Anderson took over the portfolio less than two years ago, there were very serious problems with the board of CASA and its senior management. It is worth remembering that, under the Labor Party, aviation safety regulation was in a state of absolute turmoil. CASA’s predecessor, the Civil Aviation Authority, was in a state of continual reorganisation—within the organisation I think they used to describe it as ‘paralysis through analysis’. In less than seven years, there were four chairmen, four chief executives and six heads of safety regulation. There were eight ministerial changes in the portfolio. Yet Senator O’Brien has the absolute audacity to come into the chamber this afternoon and talk about a crisis of confidence. It is a great pity that he has now left the chamber and is not able to hear the facts of the matter.

Senator O’Brien—I beg your pardon!

Senator FERRIS—I am very pleased to see that Senator O’Brien is returning to his seat. Those problems were addressed very comprehensively, calmly and decisively when Minister Anderson took over this portfolio. The chairman left the organisation very soon after that and Mr Toller, who is a very
senior pilot with the knowledge and the ability to cut to the core of an issue, was confirmed as its CEO. The unaccountable and unmet surveillance target process of the past was replaced with the quality management process, which is now standard in the world’s best safety-focused organisations. The safety investigator, the Australian Transport Safety Bureau, was also overhauled and given a much more powerful voice.

Over the last couple of days Senator O’Brien has asked several questions about the qualifications of the Chairman of CASA, Dr Paul Scully-Power. I think it is worth noting for the record that the government does not believe, and has never believed, that Dr Scully-Power is a high-performance jet pilot. Dr Scully-Power has always said that he is a US Navy pilot, qualified for high-performance jet aircraft, and US Air Force qualified for full pressure-suite flying. We in the government are advised that these qualifications enable him to fly in the second seat of these aircraft.

When the minister responded to this question this afternoon, I did hear some noise coming from the other side of the chamber, and I would ask Senator O’Brien whether he has taken into account the qualifications of a person who is able to sit in the second seat of these aircraft. It is totally unreasonable to hold Dr Scully-Power responsible for an inadvertent mistake in the office of the then transport minister and regional development minister, Mr John Sharp. As the minister, Senator Macdonald, said here today, the ability to fly a jet fighter is not a prerequisite to chairing a government safety authority. I repeat: it is not a prerequisite.

There is no doubt that Dr Scully-Power has enormous experience as a director and manager of high technology companies and programs. The government appointed him as chair of CASA because of his management and his leadership skills—not because he could or could not fly high-performance jet aircraft. He is a former distinguished aviator and was a crewmember on the Challenger space shuttle in 1984. He also holds qualifications in a number of other business and community organisations, including as a university chancellor.

So I would ask Senator O’Brien what the relevance is of an inadvertent mistake in a press release, when we are talking about the performance of CASA. I go back to the comment that Senator O’Brien made at the conclusion of his remarks and ask him whether he thinks this sort of debate is doing anything to enhance the Australian community’s confidence in its aircraft safety organisation. I would say that the crisis of confidence in civil aviation, Senator O’Brien, would not be enhanced by the comments about inadvertent mistakes made in former ministers’ offices.

Senator LUDWIG (Queensland) (3.18 p.m.)—I also rise to take note of Senator Ian Macdonald’s answers to the questions put by Senator O’Brien. We do now know, after Senator Ferris’s contribution, that there is a crisis in confidence. But what we also know is that Dr Paul Scully-Power still says:

... Air Force qualified for full pressure suit flying, navy qualified for high-performance jet aircraft, and was a flight crew instructor in the Astronaut Office, Johnson Space Centre, Houston, Texas.

That is what he claims. You say it is irrelevant. Why would it not be relevant? The question is: if you are going to appoint someone to one of these boards, you look at what their qualifications and experience are. Straightaway, looking at the qualifications and experience of this gentleman, you would say, ‘Well, he has the experience, the qualifications and the necessary tickets’—as they might be. He states in the beginning in this particular part that he is an internationally awarded expert in aviation and aerospace. You would expect an expert in aviation not to have simply read it out of a book. If he is going to claim these sorts of things, then he should have them—or not claim them. It would be, in my view—and I suspect in Mr Sharp’s view, if you were to go and ask him—a critical factor in his appointment to have those sorts of qualifications. If you are going to claim them, then you need to put up.

What you then also need to look at is what it really underscores. It underscores a huge problem in CASA. We have Mr Anderson, who has failed to oversee and take ministerial responsibility in ensuring that CASA is run effectively and appropriately and that it
is well resourced. That is what we find lacking. When you look at these problems, they are cumulative. A couple have occurred. There is not just one, and this goes all the way through.

Senator Ferris interjecting—

Senator LUDWIG—That is what it said, that he had those qualifications.

Senator Ferris interjecting—

Senator LUDWIG—A jump seat—I must say, a jump seat.

Senator Ferris—Oh, come on!

Senator LUDWIG—When you then look at what the problems are, it is not only Dr Scully-Power. You then have to look at the actions of Toller in all of this. You have to then go to ‘Safety chief beats breach’ in the Australian of Friday, 3 November 2000, and start to have a look. The Australian Owners and Pilots Association said, ‘Mr Toller put at risk pilots who flew the plane after him.’ But let us not just simply focus on Mr Toller himself. We need to look at what Mr Bill Hamilton said in that article. He said, ‘In simple flight safety terms, it is fundamental that damage and defects be truthfully recorded by a pilot’—truthfully.

What we have is a lack of trust, a serious lack of trust, developing from this. It is a small defect, one might say. But, while it might be just a small defect, what you have to look at is the effect it has on trust. As part and parcel of this overall CASA board, we have Dr Paul Scully-Power who, with this government, is trying to sweep it under the carpet and say that it is a small matter. It is not a small matter. We have a safety chief who beats a breach—and they say it is a small matter. It is not a small matter. It is an important matter. It is a matter that goes right to the heart of CASA: it goes right to the heart of CASA being able to be trusted by the Aircraft Owners and Pilots Association. It is a matter of being able to be trusted by Ansett, by Qantas—by all of them.

Qantas wrote to the Civil Aviation Safety Authority and asked for Mr Toller to be stood aside. What is your answer to that? Silence, absolute silence. You are not going to deal with it. You just want to sweep it under the carpet. Well, it is important. The public need to know that there is confidence in our airlines and confidence in civil aviation. They do not need to know that you just want to sweep it under the carpet. We need to look at more than just the way CASA are run; we need to look at how they are going to approach safety. We need to understand that the matters they are going to deal with are secure. The public need to have confidence in the board and in Mr Toller as chief executive officer. They have not shown that at all. We need to ensure that CASA look at the problems and deal with them in an appropriate way, and not simply put out media releases. CASA put out their own media release that said ‘Toller supported by CASA board’. What about supported by the airlines? What about supported by Ansett? (Time expired)

Senator McGAURAN (Victoria) (3.23 p.m.)—If it is any comfort to Senator O’Brien, who is scurrying out of the chamber even though we are dealing with what he thinks is an important matter, I well and truly remember the former minister for transport, John Sharp. Though my ministerial colleague and friend Senator Ian Macdonald does not, I do because he was a National Party colleague. I think I remember him for reasons that Senator O’Brien would not want to remember him for—that is, for being a very fine minister and for being the instigator, along with Mr Reith, of the waterfront reforms. That is what I remember Mr Sharp for more than anything else, Senator O’Brien, as you come back into the chamber to hear the end of this debate. I was saying that I quite remember John Sharp for the reforms that he introduced on the waterfront. That was a very tough job, but he was a very tough man and was determined to push those reforms through. That is in comparison with another transport minister who actually resided in this Senate when you were in government—that is, Senator Bob Collins. He was the man who said in regard to waterfront reforms, ‘If I don’t have the waterfront reformed within 12 months, I’m going to resign.’ He did not have it reformed and he did not resign, in stark contrast to the determination of the former transport minister, John Sharp.
John Sharp lived through the days when our rural and regional exports were held to ransom to the detriment of the rural and regional areas, when markets were lost and strikes were prevalent, and when the MUA ruled with their rorts and schemes. He instigated the toughness of the reforms, which were taken over of course by Mr Reith. That is what I remember the former transport minister, John Sharp, for. Regrettably, he had to resign before he saw the full fruits of his particular work, but that is certainly what he put in place when he was in this parliament. Those fruits are coming to bear now. I know occasionally you will stand up in this parliament and deny that there have been any achievements on the waterfront, but you know that to be wrong. We do not have those same national strikes anymore. Where have they gone? There are no longer the grinding strikes that we had not only down on the waterfront but when all the other unions used to go out in sympathy with the MUA. We have world-class productivity in some of our ports, even in no less than Melbourne where all the trouble began. We have crane lifting rates at 42 an hour. What did we have prior to the hard work of the fine minister John Sharp that you like to quote around this chamber? Why don't you recognise that about John Sharp? Prior to him, we had 18 container lifts an hour, compared with what we are sometimes getting in Melbourne now of 42.

John Sharp was also well known for saving the Essendon airport, and in the last week it has been officially announced by this government that the Essendon airport will remain an airport. I know only too well that John Sharp had a lot to do with preventing that land from being sold for anything else other than an airport, because he had a whole policy in relation to the privatisation of airports. That is the John Sharp I know. That is the John Sharp I am quoting. That is the John Sharp I remember. I could go on and on about this John Sharp of the National Party. He was a fine transport minister. Why don't you acknowledge that? Why doesn't the next speaker get up and acknowledge that of John Sharp, instead of opportunistically plucking out a 1997 press release of absolutely trivial relevance to today's issue or politics? That press release has absolutely nothing to do with the issue at all.

As was said by the former coalition speaker, Senator Ferris, the government does not believe that there has been any misrepresentation of qualifications at all in regard to Dr Scully-Power. Senator O'Brien is trying to stir up the issue by saying that we have a problem in our aviation system. He is trying to build his career on this, quite frankly, with inquiry after inquiry and banal question after banal question. He is desperately trying to frighten the public. When you were in government, you had four chairmen in seven years, four chief executives in seven years and six heads of safety regulation. What could be more unstable than your own record? So I say to Senator O'Brien, Senator Ludwig and Senator Forshaw, who I see is chafing at the bit to get up too: stop trying to stir up trouble in a very serious industry which requires the confidence of the public. You have no point and no issue, and we reject your claims. (Time expired)

Senator FORSHAW (New South Wales) (3.28 p.m.)—For those who may have forgotten in the last five minutes what this debate is about, I will tell you that it is actually about aviation and the handling of the aviation portfolio by the current Minister for Transport and Regional Services, Minister Andersen, and previous National Party ministers. It is not about the waterfront, and I defy anybody who has listened to this debate to point to one single sentence in Senator McGauran’s contribution where he actually addressed the questions. The questions were specific. They went to issues that had been raised about the management of aviation policy in this country.

What we do know is that ever since this government came to power in 1996, the ministers who have had carriage of the transport portfolio have botched the job in aviation. Senator McGauran did talk about the retired former member John Sharp, who was one of Senator McGauran’s National Party colleagues. We all remember John Sharp’s contribution to aviation. This was a minister who was so obsessed with getting rid of the then board of CASA and putting his own cronies on the board—people like Dick
Smith—that he drove that board into resignation. He eventually got his way and appointed Dick Smith as Chairman of CASA, and how long did Dick Smith last? We talk about people and their qualifications, or their lack of qualifications. Frankly, everybody knows that, as enthusiastic a helicopter pilot as he is, when it came to the management of CASA, Dick Smith did a terrible job. And John Sharp ultimately was driven out of this parliament because of his incompetence as a minister.

Senator McGauran talks about the great and illustrious career of John Sharp. What is he remembered for? He is remembered for being the minister for regional services at the time he made that great statement that the federal government has no role in regional Australia. He was the minister in charge of that portfolio. As I was reminded earlier by Senator Ray, John Sharp, according to one of his own colleagues, had an attention span of a nanosecond. I can see that Senator McGauran, as a great admirer of John Sharp, is following in his footsteps. They certainly do not treat this issue seriously. We know that. We know that because who have they got in here trying to defend the government’s policy and administration in aviation? They have junior people here like Senator McGauran. He has to come in here and do the dirty work for the ministers, ministers such as Senator Ian Macdonald. What a performance from Senator Ian Macdonald in question time! He was asked serious questions about issues affecting air safety in this country, and what did Senator Macdonald say? ‘Well, geez, you know. This is terrible. Oppositions ask us questions and we have to answer them. We have to spend $90,000 in the department preparing answers to questions.’ He thinks that is a waste of public money. Aviation safety in this country is worth every single dollar of that $90,000 that may have been spent. And if it costs more, then so be it.

To suggest that these issues which go to the credibility and truthfulness of the management of CASA are somehow not worthy of consideration and scrutiny by this parliament is an absolute nonsense. I do not even think Senator McGauran would agree with Senator Macdonald on that score, because Senator McGauran is a member of the Senate Rural and Regional Affairs and Transport References Committee, as is Senator Ferris, who spoke a moment ago. It has been the work of that committee and its senators, particularly Senator O’Brien, that has exposed a lot of these issues in CASA. It is only because these issues have been brought to light that some action is being taken, and more action needs to be taken. It is a disgrace to suggest that it was just an inadvertent mistake by Mr Sharp’s office a few years ago and that there is nothing to worry about. Inadvertent mistakes in airline safety costs lives, and you only have to look at what happened in Taipei last week to demonstrate that. This is a very serious issue and this government should start treating it as such.

Question resolved in the affirmative.

Schools: Retention Rates

Senator ALLISON (Victoria) (3.33 p.m.)—I move:

That the Senate take note of the answer given by the Special Minister of State (Senator Ellison), to a question without notice asked by Senator Allison today, relating to retention rates in schools.

I would argue that retention rates have dropped not only in South Australia but also in the rest of Australia. We have seen retention rates drop from 93 per cent in 1992 to just 58 per cent in 1999. The minister says, ‘We explain this by the seamless transition which is now available to students to go into vocational training. They are leaving school earlier in order to take that up.’ Let us consider that statement. It seems to me implausible that 42 per cent of all students in public schools are leaving not only in South Australia but also in the rest of Australia. We have seen retention rates drop from 93 per cent in 1992 to just 58 per cent in 1999. The minister says, ‘We explain this by the seamless transition which is now available to students to go into vocational training. They are leaving school earlier in order to take that up.’ Let us consider that statement. It seems to me implausible that 42 per cent of all students in public schools are leaving their high schools in order to take up vocational training. They are leaving school earlier in order to take that up. Let us consider that statement. It seems to me implausible that 42 per cent of all students in public schools are leaving their high schools in order to take up vocational training. The minister was not able to suggest how many were in that category. I think it is much more likely that students are opting out of school, and they are doing this in far greater numbers in the public sector than in the private sector. For instance, the figures show that there is a far higher rate of retention in private schools than there is in public schools. I do not think you can simply explain away the difference in terms of vocational education and training. As we all know, the VET
program goes into private schools as well as public schools.

The minister says that the responsibility for retention rates sits squarely with the states. There was a program which ran for two years and was funded by the federal government which targeted students at risk of leaving school early. This was called the Full Service Schools Program. A very small amount of money was involved—as I remember, $21 million—spread over two years and right round the country. It was not much, but a number of schools that I visited in the last 12 months were using that small amount of money in very innovative and very good ways to keep students at school, to keep them interested in staying within the school environment, to find programs which were more suitable for those students than those on offer in the school for mostly university entrance preparation. Those schools will now have to close those programs. No evaluation was done of the effectiveness of that very small amount of money. But the federal government took that responsibility at the time because it had changed the rules relating to Youth Allowance and whether young people could get unemployment benefits before they turned 18. So suddenly students were forced to stay on in education in order to receive what was Austudy but then became the Youth Allowance, and schools recognised that it would be very difficult for them to cope with such students without some extra money to devise suitable programs.

I argue that the Commonwealth does have a role in all of this. It should be interested in the question of retention rates, otherwise how else are we to measure the federal programs and also the level of funding which is provided for schools. There is before us a very important bill which will see massive amounts of money going into private schools and, again, government schools are being ignored in terms of their needs and of the lifting of their resources. Again, we compare those with many private schools where the resources available to students are something like three times that which are made available to public schools.

I will just reiterate: I think it is important to look at the differences in retention rates between the two systems. I cannot believe that that enormous drop in South Australia—but, as I said, it is elsewhere too—can be explained away by this so-called seamless transition to vocational training. Students are not just leaving school in order to take up vocational training; many of them have lost their way; many of them need to have better programs in school to keep them there. (Time expired)

Question resolved in the affirmative.

PETITIONS

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

Workplace Relations Amendment Bill 2000

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

This petition of the undersigned draws to the attention of the Senate the unfairness of the Workplace Relations Amendment Bill 2000. This bill, amongst other things, would restrict Australian workers from exercising choice in the manner of industrial agreement they wish to pursue at their workplace.

Your petitioners therefore request of the Senate that when this bill is presented before the Senate, it is rejected as it is not in the interests of Australian Workers.

by Senator George Campbell (from 14 citizens).

Petition received.

NOTICES

Withdrawal

Senator O’BRIEN (Tasmania) (3.38 p.m.)—On behalf of Senator Evans, pursuant to notice of his intention given on the last day of sitting, Senator Evans withdraws business of the Senate notice of motion No. 7 standing in his name for today for the disallowance of the Child Care Benefit (Breach of Conditions for Continued Approval) Determination 2000 and the Child Care Benefit (Eligibility of Child Care Services for Approval and Continued Approval) Determination 2000, made under subsections 200 (5) and 205 (1), respectively, of the A New Tax System (Family Assistance) (Administration) Act 1999.
**Presentation**

**Senator Murphy** to move, on the next day of sitting:

That the time for the presentation of the report of the Economics References Committee on the provisions of the Fair Prices and Better Access for All (Petroleum) Bill 1999 and the practice of multi-site franchising by oil companies be extended to 6 December 2000.

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

That the days of meeting of the Senate in 2001 be as follows:

**Autumn sittings:**
- Tuesday, 6 February to Thursday, 8 February
- Monday, 26 February to Thursday, 1 March
- Monday, 5 March to Thursday, 8 March
- Monday, 26 March to Thursday, 29 March
- Monday, 2 April to Thursday, 5 April

**Budget sittings:**
- Wednesday, 9 May and Thursday, 10 May (*Centenary sittings – Melbourne*)
- Tuesday, 22 May to Thursday, 24 May

**Winter sittings:**
- Monday, 18 June to Thursday, 21 June
- Monday, 25 June to Thursday, 28 June

**Spring sittings:**
- Monday, 6 August to Thursday, 9 August
- Monday, 20 August to Thursday, 23 August
- Monday, 27 August to Thursday, 30 August
- Monday, 17 September to Thursday, 20 September
- Monday, 24 September to Thursday, 27 September
- Monday, 15 October to Thursday, 18 October
- Monday, 22 October to Thursday, 25 October

**Senator Hutchins** to move, on the next day of sitting:

That the Senate—

(a) expresses its dismay at the ongoing violence and incitement to violence in the Middle East and calls on both sides to immediately stop all violent acts and for the restoration of calm to the region;

(b) notes the far-reaching and courageous proposals made by Israel’s Prime Minister (Mr Barak) at Camp David and its disappointment that this historic opportunity was not successfully seized by all parties to the peace process;

(c) calls on all partners to resume negotiations without the threat of violence and without the premature announcement of unilateral declarations;

(d) expresses its grief for the innocent lives lost on both sides and condemns the unacceptable inclusion of children in violent activities on the front line;

(e) expresses the hope that violence will be stopped in accordance with the Sharm el-Sheikh agreement;

(f) hopes that the conflict will be resolved in the framework of agreement and compromise;

(g) calls on the leadership of the Israeli and Palestinian people to restore trust and confidence in order to pave the way for the resumption of peace negotiations;

(h) calls on all countries surrounding the conflict between Israel and the Palestinian territories to ensure their sovereign territory not be used to promote aggression in an already turbulent area; and

(i) believes that peaceful coexistence is the only option for both Israelis and Palestinians now and into the future.

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

That there be laid on the table by the Minister representing the Minister for Sport and Tourism
(Senator Minchin), no later than immediately after question time on the next day of sitting, the following documents: the grant application by Forestry Tasmania and the documentation of the approval of the Dismal Swamp project, held by the Department of Industry, Science and Resources.

**COMMITTEES**

**Selection of Bills Committee**

**Report**

Senator CALVERT (Tasmania) (3.39 p.m.)—I present the 19th 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. 19 OF 2000**

1. The committee met on 7 November 2000.
2. The committee resolved to recommend—
   (a) 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>Taxation Laws Amendment Bill (No. 8) 2000 (see Appendix 1 for a statement of reasons for referral)</td>
<td>Immediately</td>
<td>Economics</td>
<td>30 November 2000</td>
</tr>
</tbody>
</table>

(b) That the following bills not be referred to committees:
   - Gene Technology (Consequential Amendments) Bill 2000
   - Gene Technology (Licence Charges) Bill 2000
   - Job Network Monitoring Authority Bill 2000 [No. 2]
   - Jurisdiction of Courts (Miscellaneous Amendments) Bill 2000

The Committee recommends accordingly.

3. The committee deferred consideration of the following bills to the next meeting:
   (deferred from meeting of 15 August 2000)
   - Trade Practices Amendment Bill (No. 1) 2000
   - Treasury Legislation Amendment (Application of Criminal Code) Bill 2000
   (deferred from meeting of 5 September 2000)
   - Maritime Legislation Amendment Bill 2000
   (deferred from meeting of 3 October 2000)
   - Human Rights (Mandatory Sentencing for Property Offences) Bill 2000
   (deferred from meeting of 31 October 2000)
   - Charter of Political Honesty Bill 2000
   - Electoral Amendment (Political Honesty) Bill 2000
   - International Monetary Agreements Amendment Bill (No. 1) 2000
   (deferred from meeting of 7 November 2000)

   - Auditor of Parliamentary Allowances and Entitlements Bill 2000

(Paul Calvert)
Chair
8 November 2000

Appendix 1

**Proposal to refer a bill to a committee**

**Name of bill(s):**

**Taxation Laws Amendment Bill (No. 8) 2000**

**Reasons for referral/principal issues for consideration**

To examine the provisions of the bill in relation to the impact of it on the university colleges and halls of residence, particularly the effect of input-taxing the supply of accommodation and food.

**Possible submissions or evidence from:**

Mr Lewis Rushbrook, Association of Heads of Australian University Colleges and Halls, Mr Miles McGregor-Lowndes, Queensland University of Technology

**Committee to which bill is referred:**

Economics Legislation Committee

**Possible hearing date:**

**Possible reporting date(s):** As soon as practicable

(signed) Vicki Bourne
NOTICES
Postponement

Items of business were postponed as follows:

Business of the Senate notices of motion Nos 1 to 6 standing in the name of Senator Brown for today, relating to the disallowance of certain regulations made under the Environment Protection and Biodiversity Conservation Act 1999, postponed till 27 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 9 November 2000.

COMMITTEES

National Capital and External Territories Committee
Reference

Motion (by Senator Crossin) agreed to:

That the following matters be referred to the Joint Standing Committee on the National Capital and External Territories for inquiry and report by 5 April 2001:

(a) the development and implementation of the tender process followed in the sale of the Christmas Island resort; and

(b) the outcome of the tender process, the current status of the resort and proposals for the resort’s future development.

Superannuation and Financial Services Committee
Reference

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

That the following matter be referred to the Select Committee on Superannuation and Financial Services for inquiry and report by the last sitting day in March 2001:

The benefit design of Commonwealth public sector and defence force unfunded superannuation funds and schemes, with particular reference to:

(a) the method of indexation used by trustees to preserve the real value of fund members’ preserved unfunded component of their employer benefit;

(b) the rationale for using this method;

(c) the costs and benefits to fund members and trustees of using this method over other alternatives;

(d) indexation methods used by unfunded and funded state government superannuation schemes where the member’s preserved employer benefit remains in the fund;

(e) the possible implications of adopting another method of indexation; and

(f) any other issues related to the scope of this inquiry.

Scrutiny of Bills Committee
Report

Senator O’BRIEN (Tasmania) (3.42 p.m.)—On behalf of Senator Cooney, the Chairman of the Standing Committee for the Scrutiny of Bills, I present the 16th report of 2000 of the Standing Committee for the Scrutiny of Bills. I also lay on the table Scrutiny of Bills Alert Digest No. 16 of 2000, dated 8 November 2000.

Ordered that the report be printed.

TELECOMMUNICATIONS LEGISLATION AMENDMENT BILL 2000

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

Senator CALVERT (Tasmania) (3.42 p.m.)—On behalf of Senator Eggleston, I present the report of the Environment, Communications, Information Technology and the Arts Legislation Committee.

Ordered that the report be printed.
HORTICULTURE MARKETING AND RESEARCH AND DEVELOPMENT SERVICES BILL 2000

Bills received from the House of Representatives.

Motion (by Senator Ian Campbell) agreed to:

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

Bills read a first time.

Second Reading

Senator IAN CAMPBELL (Western Australia—Manager of Government Business in the Senate) (3.44 p.m.)—I table a revised explanatory memorandum relating to the Horticulture Marketing and Research and Development Services (Repeals and Consequential Provisions) Bill 2000 and move:

That these bills be now read a second time.

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

Leave granted.

The speeches read as follows—

HORTICULTURE MARKETING AND RESEARCH AND DEVELOPMENT SERVICES BILL 2000

The purpose of this bill and the accompanying Repeals and Consequential Provisions Bill is to create a new horticultural services company.

The new company will be formed when the assets, liabilities and staff of the existing Australian Horticultural Corporation (AHC) and the Horticultural Research and Development Corporation (HRDC) are transferred to the new company. A trust is also to be established to hold the reserves of the Australian Dried Fruits Board, which is to be abolished under the legislation.

The formation of the new company has strong industry support and is the culmination of over two years of hard work by the industry in partnership with the Government.

The proposal for the new company began with the Green Paper in February 1999, when the Horticultural Industry Alliance Steering Committee examined the options for a new corporate framework for horticulture service delivery. The aim is to deliver better industry ownership and involvement in marketing and research and development for the horticulture industries and to allow the synergies between marketing and research and development programs to be fully exploited by the industry.

Following widespread consultation with industry, a White Paper was prepared recommending a new blueprint for industry service delivery involving the establishment of a single company operating under Corporations Law to replace the AHC and the HRDC. It was estimated that moving to a single horticulture services company would provide approximately $0.5m annual savings in administration when the company is fully operational.

The industry, supported by the Government, considered in detail how the company might best be set up and run, given the current 25 levy paying sectors and voluntary contributors to the existing Corporations and the possibility this number might expand under company operations.

The model embraced by industry, and supported by the Government in this legislation, involves industry representative bodies owning the company through it's membership and providing for individuals or other bodies to contribute funds for marketing and research and development.

Each industry body or other contributing funds to the company, through the statutory levies or by voluntary contributions, will hold voting rights in the company in proportion to the level of funds they contribute.

Funds of approximately $2m are to be held in a Dried Fruits Trust which will be accessible to the dried fruits industry for marketing programs.

Levy payers will have the opportunity to consider the investment plans developed by an Industry Advisory Committee at an annual levy payers meeting. The company will then arrange the most cost-effective delivery of these marketing and/or research and development plans.

The company will receive the assets, liabilities and staff of the two existing corporations. Net assets to be transferred are valued at $20m and primarily comprise industry monies held on behalf of the horticulture industry sectors for marketing and research and development programs.

In order to provide for continuity of programs and staffing from the AHC and the HRDC, all staff and their entitlements are being transferred to the new company.
The role of the company will be to provide marketing and research and development services to industry and to administer export control powers currently held by the AHC. The Government will continue to match research and development funds provided by the horticulture industries up to 0.5 per cent of the Gross Value of Production, as applies to other rural industries. In 1998-99, the government matching for horticulture research and development was $15.2 m.

The legislation provides for the Minister of Agriculture, Fisheries and Forestry to declare the company to be the Industry Services Body and the Export Control Body, if certain conditions are met.

These conditions include the requirement that the company be limited by guarantee, have an appropriate constitution that recognises the industry and public accountability role of the company and that the company has signed a Deed of Agreement with the Government to fulfil these industry and public accountability requirements.

If the company changes its constitution in a manner considered unacceptable to the Government, becomes insolvent, or fails to comply with the legislation or the Deed of Agreement, the legislation provides for the Government to retain the right to declare another body as the Industry Services Body or the Export Control Body or to re-transfer the assets and liabilities to another suitable body.

These safeguards have been provided in the legislation to ensure the company delivers what the industry and the Government expect of it.

The Government will also allow the new company to administer export control powers in a specific market, for a specific product, where it can be shown that the arrangement is beneficial to both the industry and the nation.

The most notable current use of export control powers relates to the export of oranges to the USA, where Australian growers have been able to earn price premiums from the export of quality fruit that meets the USA import quarantine requirements. Since 1991, when the trade began, exports to the US have grown to over $40m per annum.

The company will be able to issue export licenses and continue to use the current export control powers for a further two years, where these have already been approved by the AHC.

After 2 years, the further use of export control powers will require a new 5 step process to be followed by industry and the company.

This involves preparation of a case by the industry, extensive consultation with industry and final approval of the export control by the Secretary of the Department of Agriculture, Fisheries and Forestry (AFFA). This new 5 step process also includes the preparation of a Regulation Impact Statement by AFFA to ensure the proposed use of the powers complies with National Competition Principles.

The company's ongoing use of the powers will be subject to conditions set out in the Deed of Agreement and to Administrative Appeal Tribunal review to ensure exporters are fully informed of the use of export control powers.

The new company arrangements are expected to deliver significant benefits to the horticulture industries.

These include:
- design and delivery of research and development and marketing services would be integrated into one company, to allow the provision of 'market-driven' research and development programs,
- afford industries the flexibility to determine the arrangements that best address their individual circumstances,
- generate streamlined and focussed industry programs that have the capacity to realise synergies between research and development and marketing,
- harness the expertise of other members of the horticultural supply chain, where appropriate,
- and promote commercial innovation at the farm business level through providing programs that complement the activities of individual growers.

The bill is strongly supported by the horticulture industry which is to be commended for its efforts in bringing this initiative to fruition - in partnership with the Government.

HORTICULTURE MARKETING AND RESEARCH AND DEVELOPMENT (REPEALS AND CONSEQUENTIAL PROVISIONS) BILL 2000

This bill accompanies the Horticulture Marketing and Research and Development Services Bill 2000.

The purpose of this bill is to provide for:
- the transfer of assets, liabilities and staff of the two existing Corporations, the Australian Horticultural Corporation (AHC) and the Horticultural Research and Development Corporation (HRDC) to the new horticulture services company to protect existing staff entitlements in the transfer...
the flow of statutory levy and matching R&D funds to the new company
the transition period for the use of export control powers of the AHC
provide for a Trust to hold Australian dried fruit industry reserves
completion arrangements for final annual reports of the two Corporations
the regulation making powers under the Act
repeal and consequential provisions for other Acts, including abolishing the AHC, the HRDC and the Australian Dried Fruits Board.
These arrangements are necessary to establish the new company and provide for the legislative arrangements to apply in the future.
The Act also provides for the Minister of Agriculture, Fisheries and Forestry to declare the transfer day for the new company and for notice of this to be published in the Gazette within 14 days.
The AHC and HRDC are required to assist the establishment of the new company and the Act provides for the Minister of Agriculture, Fisheries and Forestry to issue written directions to this affect as needed.
All assets, liabilities and staff are to be transferred to the new company, with the exception of an amount of $2m of dried fruits industry reserves, which is to be held in a Dried Fruits Trust for future industry marketing programs.
These reserves have been built up over many years and the dried fruits industry have requested that a Trust be established to allow for industry control of these reserves in the future.
The transfer of assets to the new company are to be exempt from stamp duty and other State taxes in order to preserve industry funds.
The bill also provides for the repeal of the AHC and HRDC Acts and the consequential amendments to other Acts as a consequence of this.
Ordered that further consideration of the second reading of these bills be adjourned to the first day of the 2001 autumn sittings, in accordance with standing order 111.

CIVIL AVIATION AMENDMENT REGULATIONS 2000 (No. 3)

Senator GREIG (Western Australia) (3.46 p.m.)—I seek leave to move business of the Senate notice of motion No. 8 in an amended form.
Leave granted.

Senator GREIG—I move:

I am pleased to be able to move this disallowance motion this afternoon, and particularly pleased that it is in my capacity as the Democrat spokesperson for transport. The Democrats are moving this motion because the amended part 47 of the civil aviation regulations put forward by the government is seriously flawed for at least three reasons. Firstly, the consultation process, which ought to have been comprehensive and clearly accessible, did not alert people to exactly what it was that CASA, the Civil Aviation Safety Authority, was intending to do. Secondly, the definition of ownership was manipulated to such an extent that aircraft owners became fearful that they would lose their aircraft through administrative bungling. As of this afternoon, I have received approximately 1,000 emails and/or faxes from general aviation pilots deeply concerned about this particular regulation being proposed. The third reason is that the amended regulation would put Australia at odds with the International Civil Aviation Organisation and its advocacy and recommendations.

Aircraft owners found out about this particular proposed change to the regulations only when they recently received a letter saying that, in some cases, they had to change the name on the certificate of registration. It is true that a notice of proposed rule making, locally known within the industry as an NPRM, was issued in 1998, but it really did fall short of what is usually understood to be a consultative process. The NPRM appears only on the CASA web site and is, therefore, accessible only electronically and only to those with Internet access. The NPRM did not refer to the letter that aircraft owners were about to receive. The NPRM defined the owner of an aircraft as, ‘the person who has possession and control of the aircraft’. The Oxford dictionary defines an owner as ‘someone who owns as property an object’. The regulation that we are moving to disallow defines the owner as...
'the person responsible for the aircraft’s maintenance and airworthiness'.

It is little wonder, I suggest, that CASA did not get much negative response from its NPRM. CASA did not tell people during the consultative process—to the extent that it existed—just what it was that it intended to do. Those pilots who read the explanatory notes would have been reasonably satisfied with the NPRM’s definition of an owner. It would have been only those who kept reading through the electronically posted NPRM on the proposed regulation—60 pages in total—who would have stumbled over the new CASA definition of owner, a definition probably unrecognisable to the writers of the Oxford dictionary. Even reading the regulation would not have triggered concern unless CASA also included the letter or made reference to the letter that it was intending to send to all aircraft owners. The letter CASA sent out to certificate of registration holders said:

The new regulation means that if you are not controlling the maintenance of your aircraft you are required to transfer your certificate of registration to the person who is.

The reason given in the letter for transferring the certificate of registration was:

There have been too many incidents in which vital safety information such as airworthiness directives has not been passed on by the certificate of registration holder to the person controlling the airworthiness and maintenance of the aircraft.

As an aside, it is worth noting that, although the incident in which Mr Mick Toller of CASA was recently involved—and about which I asked the minister a question recently—did not involve an airworthiness directive, his method of passing on vital safety information was not in itself in accordance with the regulations. The Democrats and aircraft owners understood the letter to refer to aircraft owners who hire their aircraft to charter operators or flying schools. An owner has no other title over ownership in a similar vein to car ownership. Nobody would reasonably ask you to hand your car registration to someone else if you happen to hire your car or have it borrowed from you.

The government took the issue a step further and said that the reason for the letter and regulation change was that there was a problem with people who went overseas and loaned their aircraft to someone else in their absence. According to the government, these people were not giving airworthiness directives to the person who had borrowed the aircraft. The government did not take into account the fact that the person who has possession of the aircraft may not be totally honest. Aircraft owners see the practical problems more readily than CASA has, certainly in relation to this particular proposed change to the regulation. How is the ownership of the aircraft determined if the certificate of registration is in the possessor’s name rather than the actual owner’s, as per a dictionary definition? As I said, since the Australian Democrats gave notice to move this motion to disallow, we have been inundated with faxes and emails of support.

I also want to acknowledge the tremendous voluntary work of Mr Boyd Munro, an advocate for general aviation and its safety—who I understand made the effort at his own personal expense to be here today—who threw his weight and expertise behind this particular campaign to ensure that regulation 47 did not proceed. I understand that many members of parliament, like me, have received similar faxes and emails, if not the same ones. It is interesting, in going through many of those faxes, to note some of the comments made by many small aircraft owners and operators. For example, a Cessna owner from Victoria wrote:

My first thought when this lovely piece of CASA toilet paper arrived was ‘sod off’. It took me 16 years of hard work, huge amounts of grovelling to the missus and a dose of insanity to buy my Cessna. There is no way known I would ever assign my CoR to someone else; it is mine.

An understandable sentiment. Another pilot said that the law-makers at CASA were being ‘rather stupid’:

I do not think the people at CASA are wilfully stupid—I think they are essentially good people—but I do think they are working under difficult circumstances where there does not appear to be any clear directive from the minister for transport in terms of what it is they should be doing and focusing on as a priority.
That particular comment came from a Piper owner in New South Wales. Another Cessna owner from Queensland wrote:

I got this letter regarding CoR transfers and what I thought to myself was ‘what a load of rubbish’ and I threw it away. I hope CASA will not be upset.

Yet another owner wrote:

I think that this latest proposal by CASA to transfer aircraft regulations is absolutely crazy. It seems to me that they must mirror their own mentality when thinking about aircraft owners. I often wonder how many of them have bought their own aircraft with their own funds after having worked and saved for many years to accumulate those funds. I think they lack commercial reality.

That comment was from a Beechcraft owner in New South Wales. Many similar sentiments both by fax and email were received in my office and I am sure in others’ offices.

An additional problem that aircraft owners will experience from this proposed change is in relation to the Chicago convention signed in the United States on 7 December 1944. That convention aims to develop international civil aviation so as to greatly help create and preserve friendship and understanding among the nations and peoples of the world in a safe and orderly manner so that international air transport services may be established on the basis of equality and opportunity, and operated soundly and economically.

Article 21 of that convention deals with ‘the keeping of a record’ of aircraft owners— in the Oxford dictionary sense. It states that ‘each contracting state undertakes to supply to any other contracting state, or to the International Civil Aviation Organisation on demand, information concerning the registration and ownership of any particular aircraft registered in that state’. Under the amended regulation 47, the regulation that we seek to disallow, Australia would not meet its obligations under the Chicago convention, because there would be no aircraft register that gives ownership information of aircraft in Australia. For all of these reasons I urge other senators to give serious consideration to joining with the Democrats to support this disallowance motion so that part 47 of the civil aviation regulations would be disallowed.

In summarising, what we Democrats are hoping to achieve here today is that there be no uncertainty about ownership, and we argue the case that this particular proposed regulation, which means an owner would have to supply their certificate of registration to someone leasing a plane or borrowing a plane, is really quite absurd. It brings in an element of ambiguity and uncertainty with aircraft owners which is both unnecessary and unwarranted.

Senator O’BRIEN (Tasmania) (3.57 p.m.)—I am pleased to see the Minister representing the Minister for Transport and Regional Services back here after question time. I am sure he has spent some of the intervening time looking up the handbook just to see who Mr John Sharp was, what his portfolio was and what period he spent in cabinet. I am sure he has refreshed himself on that and that he will be better equipped when he is next asked a question about it. He might even care to put something on the record in this debate.

I was reminded in the contribution by Senator Greig about a matter I raised in question time which seems to me to be very relevant to the question concerning this process of disallowing the making of a regulation or opposing part of a regulation, if I can put it that way—that is, the question regarding the chief executive of the Civil Aviation Safety Authority, Mr Toller, being counselled for breaking such a regulation.

When we go through this process, flawed as it has been in this case—where there has to be a proper consultation process with the industry, people made aware of what is intended to be done and then a law made effectively by the parliament by not disallowing such a regulation—one would have thought the promulgator would have had greater respect for it than anyone else. I think that is a problem which sits in the mind of some of the senators here in relation to the occurrence that we mentioned in question time.

Turning to the regulations in question—the Civil Aviation Amendment Regulations
2000 (No. 3), which were made on 24 July this year, gazetted on 31 July and tabled for scrutiny in both houses on 14 August—on 9 October we saw Senator Greig give notice of a motion to be moved within 10 sitting days to disallow all of those regulations. The amendments to the regulations added a subpart Q to part 21, ‘Identification of aircraft and aeronautical products’, part 45, ‘Nationality and registration marks’ and part 47, ‘Registration of aircraft’ of the Civil Aviation Regulations 1998, as well as making some related amendments to those regulations.

The changes to part 47, registration of aircraft, have generated—as Senator Greig has indicated—a significant amount of anger and concern in the aviation industry, particularly from aircraft owners. The other parts of the regulation do not appear to the opposition to be contentious. These new regulations were introduced to address problems the Civil Aviation Safety Authority had identified with Australia’s aircraft registration system. From a safety perspective, the previous regulations failed to clearly identify that the person holding the certificate of registration for an aircraft was responsible for the airworthiness control of the aircraft. It was therefore possible for airworthiness directives to be directed to a person who was not actually operating the aircraft. There is a debate in the industry that this is indeed a problem.

While part 47 attempted to address this potential safety concern, the new regulation is ineffective because of an unusual definition of the word ‘owner’. As a result, the new regulation is being interpreted to mean that aircraft owners must transfer their certification of registration to the organisation responsible for maintenance and airworthiness of the aircraft. A further interpretation is that this transfer equates to or implies a transfer of ownership of the aircraft. While the government denies this impact, the minister’s office conceded to Labor that the definition is ‘strange and not consistent with the normal dictionary meaning of the term’. Industry anger and confusion about this new regulation have been fuelled by misleading communiques from the Civil Aviation Safety Authority to the industry on matters related to this issue. A fundamental problem with this regulation is the ineffective consultation with the industry about its implications.

Labor supports wholeheartedly this motion, as amended, to disallow that part of the regulation. It means that only the offending part of the regulation is to be disallowed. From the start of this issue, Labor has acknowledged the anger, confusion and technical problems with the changes to part 47. However, we have also not wanted to obstruct other reform measures in the regulation. This included changes that may assist in controlling problems like bogus parts. This is what has set our approach apart from that of the Democrats on this matter. They have speedily pursued a total disallowance proposal which would have killed off the good with the bad in this regulation. We have been carefully and responsibly considering the best course of action.

Our original call to the government, I might say, was to withdraw the regulation, make the necessary change to remove part 47, and then resubmit the other positive parts. We did find, however, that this presented some technical difficulties with Senate procedures. So following negotiations between the office of the Minister for Transport and Regional Services and the office of the shadow minister for transport, Mr Martin Ferguson, the sensible option—that is, to disallow only the offending part of this regulation—was found. In saying that, however, Labor would have been prepared to disallow the whole regulation were that the only way to prevent the promulgation of the totally objectionable part of this package. The industry reaction to this regulation was voluminous and appeared to us to be unanimous in its opposition to this change.

While CASA claimed that it consulted appropriately on this issue, it is baldly apparent that it was not effective consultation, if indeed it was as broad as CASA suggests. The process of aviation reform in this industry, I might say, is in an appalling state. Labor calls on the minister to intervene to ensure that CASA stops giving lip-service to consultation, which is what we think has been the case in this matter. CASA must understand—and I draw on and quote part of a decision by Commissioner Smith back in
1990 that involved CASA’s predecessor, the Civil Aviation Authority—that they must consult ‘not only in appearance but in fact’. I urge CASA to take this on board when they go back to the industry to revisit the issue of aircraft registration.

Labor takes this opportunity to thank all who have stepped forward to make their views known to us, as they have to other senators. Labor will be supporting the disallowance motion as amended, because it removes the objectionable part of the regulation whilst retaining those parts of the regulation which appear to us to be wholly unobjectionable.

Senator IAN MACDONALD (Queensland—Minister for Regional Services, Territories and Local Government) (4.05 p.m.)—Senator O’Brien indicated as he commenced his contribution that he was concerned to know what I had been doing after question time. He was hoping I had been doing certain things. Senator O’Brien, can I put your mind at rest. No, I was not doing what you hoped I was doing. I was in fact at the Australian War Memorial with the Administrator of Norfolk Island. On behalf of the Norfolk Island government we presented two special sets of limited edition Norfolk Island stamps signed by two surviving Australian Victoria Cross winners, Mr Ted Kenna VC and Mr Keith Payne VC. They were signed on Anzac Day 2000 on Norfolk Island. So it has been a very productive afternoon for me since question time, and I thank you for your interest in my movements.

I understand the arguments both Senator Greig and Senator O’Brien have made. Some of the submissions that both senators indicate their colleagues have received from the industry I am told have also been received by many members on this side as well. Submissions are always put, and we as both senators and members of the government are interested in addressing those issues, listening to people who have concerns, and of course passing those concerns on to the minister and the department.

I do thank both the Australian Democrats and the Australian Labor Party for their cooperation in amending the original disallowance motion. Had the original disallowance motion gone ahead, it would have meant that the whole series of important regulatory reforms that this regulation brings about would have been cancelled, dismissed, and unable to start. That would have made the regulation of aviation even more difficult and the goal of safety that we all aspire to even more difficult, so I do appreciate them both working with the government on amending the motion to get it to the state it is now in. We still do not agree with the motion in the state that it is in, but it is certainly infinitely better than the original motion.

As the other speakers have said, the Civil Aviation Safety Authority developed part 47 as part of the government’s regulatory reform program. The government is steadily updating and simplifying Australia’s air safety regulations and bringing them into line with international best practice. Part 47 addresses a problem in the existing aircraft registration system. At present, the registration system does not clearly identify the person or organisation responsible for controlling the maintenance of a registered aircraft. For example, it is not unknown for private aircraft owners to loan their planes to friends or to the local aero club for long periods. Under the existing registration system, the Civil Aviation Safety Authority would continue to send airworthiness notices to the owner, who might be away, who might be overseas or who might simply forget to pass them on to the person who currently has control of the aircraft.

The government’s objective has been fairly straightforward—that is, it is one of ensuring that the person responsible for controlling the maintenance of an aircraft actually receives the maintenance instructions from CASA. Senator Greig contended in his contribution that part 47 was comparable with requiring a car owner to transfer his or her registration papers to the local garage. That interpretation of the regulations is not correct. This part would require that the registration papers be transferred to the person or organisation making the decisions about whether or not to have the aircraft maintained, not to the person who actually carries out the work.
Senator Greig has raised two main concerns about the regulations. The first is the level of consultation with the industry, and it is very appropriate to raise that. CASA circulated a draft of these regulations in August 1998. There were only 61 responses, and they were mainly of a fairly minor nature. The number of complaints that we have all received shows that the consultation process was not adequate. I agree with other speakers—and I know Mr Anderson does as well—that CASA will have to make more of an effort to explain its proposed changes to the air safety regulations and to listen to the concerns of the industry. That message has, as I said, come through loud and clear in what Senators Greig and O’Brien said, and certainly in what a lot of Liberal and National Party members and senators have indicated from the responses they received.

However, I might say that the industry also needs to sharpen up its act in these matters. These changes were widely advertised, yet, as I mentioned, CASA only received some 61 responses. This is despite the fact that almost everyone in the aviation industry agrees that regulatory reform is necessary. Many people in the industry argue that the government is not pressing ahead fast enough, and yet it seems that few people in the industry could be bothered reading about the changes or commenting on them. The second concern raised in the debate relates to the issue of aircraft ownership. Many aircraft owners have argued that their certificate of registration constitutes proof that they own their aircraft. This is despite the fact that a certificate of registration has never been proof of ownership. The civil aircraft register does include information about the holders of property interests in registered aircraft, but this information is based purely on advice provided by certificate holders. A certificate of registration has no conclusive legal value, and the Federal Court has judged that it has no conclusive legal value. It cannot be used in the courts to determine ownership claims on Australian aircraft. Nor does the register provide any security of property interests or any notice of property interests. Because of its limited scope, it also does not even record all the people who may have an interest in the aircraft. It is clear that there is a widespread belief that certificates of registration should also be proof of ownership. Part 47 does not meet this objective, but then nor does the 1988 registration system which it was hoped part 47 would upgrade.

The government recognise that the ownership issue needs to be resolved and, as a result, we will not be dividing on the disallowance motion. The Democrats and the opposition have, as I said, worked productively with us to limit the scope of part 47, and again I express the government’s appreciation of that. The Deputy Prime Minister and the Minister for Transport and Regional Services, Mr Anderson, will be announcing the establishment of a joint government-industry committee to draft a discussion paper on developing a new registration system. Mr Boyd Munro, who Senator Greig mentioned, was invited to join this committee but the early indications I have are that Mr Munro will not accept that position, which is perhaps unfortunate, because he obviously has a contribution to make and it would certainly be useful to have his views.

The committee will be tasked with developing an effective, simple system for registering aircraft, taking into account the best elements of previous work. The new system will have to ensure that CASA can definitely identify the person or organisation responsible for making decisions about the maintenance of an aircraft. The committee will also consider whether it would be desirable to
establish a system to provide conclusive information about aircraft ownership or to maintain a list of the encumbrances on any particular aircraft. The cost of establishing and running such a system would be recovered from the industry. It has been suggested that the 1988 registration system does not need to be updated at all. In the government's view those suggestions are not correct. The 1988 registration system is out of date; it does not meet the government safety objective, which is a fairly straightforward one of ensuring that airworthiness notices reach the right person. It is not a legally valid ownership register even though it appears that many people in the industry would like to have one.

The committee will be required to submit its discussion paper to the Director of Aviation Safety by Friday, 27 April 2001. A discussion paper will then be circulated for industry-wide comment. I do urge the aviation industry to look for that discussion paper when it comes out. I know that it will be widely circulated and advertised, and I do urge the industry and all those interested in the matter of aviation safety to have a look at it and, if they have a view, to make sure that they respond to the draft regulations. I am confident that the revised consultation arrangements will enable us to develop a new registration system that meets the government's safety and administrative objectives and also meets the concerns of the aviation industry.

Senator GREIG (Western Australia) (4.17 p.m.)—In summing up, I would like to make a few points. Firstly, I would like to acknowledge that Senator O'Brien did ask some pertinent questions with respect to CASA's chair today in question time. While there may be problems surrounding the qualifications that Dr Scully-Power holds, we Democrats have always been more concerned with focusing on policy rather than personality. However, we recognise that CASA's approach to aviation regulation has many problems and that this proposed regulation change is symptomatic of that approach within CASA.

Senator O'Brien made a point about parts and spare parts. I would comment that these new regulations would mean, in continuing the car analogy, for example, that aircraft owners can only use original manufactures, not spares from, say, Repco. Senator O'Brien also made the point that Labor would have been prepared to disallow this entire set of regulations rather than simply part 47. I make the point that, if that was Labor's position, it did not at any stage state that to the Democrats, and today is the first I have heard of it. Towards the end of his speech, Senator Macdonald said that Mr Munro had not accepted his invitation to participate in the coming consultation and inquiry process. I understand from Mr Munro that the reason he did not accept the invitation is because he believes that the present aircraft register is sufficient. Perhaps he may consider participating in some way to present that case, but at this stage he has chosen not to.

In a general sense, in terms of the issue before us, my underlying concern is that the transport minister, Mr Anderson, appears to have no real commitment to general aviation and, as minister, has not successfully advocated what we Democrats would consider to be aviation reform. As it happens, general aviation is a significant and very necessary part of rural and regional communities and rural and regional economies—an area that Mr Anderson as both a member of parliament and Leader of the National Party claims to represent. This is evidenced by the overwhelming support that I and other MPs have received in terms of opposing regulation 47, whether through letters, emails or faxes. A great many of them came from rural and regional areas.

In a general sense I am concerned that what appears to be happening at times with CASA is that they seem to be busying themselves with what Jim Hacker from Yes, Prime Minister might have described as creative inertia—or perhaps that was Sir Humphrey. CASA, by busying themselves with over-regulation, seem to be producing more and more obscure, unnecessary and abundant regulations as a way of seemingly justifying their own existence. General aviation activity in Australia has slipped to an all-time low. The point that Senator O'Brien made in terms of the letters and faxes that we sena-
tors have been receiving is that they have been unanimous. Senator O’Brien was not clear that they were unanimous, but certainly from my observation—from the approximately 1,000 which I received, which I understand represents 65 to 70 per cent of small plane owners across the nation—not one of them, not one letter, fax or phone call from a general aviation pilot, said, ‘Yes, this is a good and necessary regulation; yes, we want your support for it. Please don’t oppose it.’ Quite the contrary. So, given all that, I think it best that regulation 47 be disallowed.

Question resolved in the affirmative.

FUEL QUALITY STANDARDS BILL 2000

In Committee

Consideration resumed.

The bill.

Senator BOLKUS (South Australia) (4.22 p.m.)—by leave—I move opposition amendments Nos 1 to 5:

(1) Clause 11, page 6 (lines 9 and 10), omit “to exempt compliance with a fuel standard or”.

(2) Clause 12, page 7 (lines 11 and 12), omit paragraph (d).

(3) Clause 13, page 8 (lines 3 to 13), omit the clause, substitute:

13 Grant of approval

(1) The Minister may grant to any person an approval in writing that, in respect of specified fuel that is the subject of a fuel standard, varies the standard in a specified way in respect of specified supplies of the fuel by:

(a) that person; or

(b) any other specified person (a regulated person).

(2) An approval under subsection (1) comes into force on the day specified in the approval and remains in force for the period specified in the approval.

(4) Page 9 (after line 17), after clause 17, insert:

17A Approvals and reasons for approvals to be made public

As soon as practicable after granting an approval under section 13, the Minister must cause to be published in the Gazette a notice containing the following information:

(a) the name of the person to whom the approval has been granted;

(b) the period of operation of the approval;

(c) details of the approved variation of the fuel standard;

(d) reasons for granting the approval.

(5) Clause 20, page 12 (lines 16 to 24), omit paragraph (e), substitute:

(e) if:

(i) the fuel was supplied to the person in Australia; and

(ii) any person held an approval varying the standard in respect of that supply;

the fuel as altered does not comply with that standard as varied (whether or not the fuel complied with that standard as varied before the alteration).

Under the provisions in the legislation as proposed, the minister can grant an approval to exempt a person from compliance with a fuel standard or to vary a fuel standard in respect of fuel supplied by a particular person. This is to provide for some flexibility for special events, such as car rallies or special applications—in Antarctica, for instance. The ALP has had a concern that this provision does provide excessive discretion for the minister and may lead to an uneven playing field in industry. These are points that I made in the second reading stage of the debate, but I am making them again to give the minister some time to appear, although Senator Macdonald may have had some written instruction in the meantime. My understanding is that, in respect of this batch of amendments, at least, the government is prepared to accept them.

Senator Ian Macdonald—Keep talking. I want to hear a bit more about it.

Senator BOLKUS—I have not persuaded you yet. Senator Allison might. There is no provision in the legislation for consultation with a fuel standards consultative committee or for public consultation. There is no provision for the reasons for such a decision to be made public and there are no limits on the duration of such an exemption. Where an exemption is given rather than a variation on a standard, there is effectively no minimum
standard imposed on that person. These amendments proposed by the opposition will require that there be a capacity to limit such an approval to a variation of standard rather than a complete exemption from the standard, to limit the time for which such an approval remains valid, to require consultation with the Fuel Standards Consultative Committee, to require that committee to recommend a time limit on the approval and to require public disclosure of the reasons for such an exemption. I commend the amendments to the committee.

Senator ALLISON (Victoria) (4.24 p.m.)—The Democrats are inclined to support these amendments. Arguments for them have been canvassed so far, but I am interested in what the minister has to say in response.

Senator IAN MACDONALD (Queensland—Minister for Regional Services, Territories and Local Government) (4.25 p.m.)—I have listened to Senator Bolkus’s contribution with interest and I am sure Senator Hill has too, on his way down here. I was particularly interested in Senator Bolkus mentioning that his amendments may well have some impact in Antarctica. As Senator Bolkus well knows, the government are very keen on the science work and the other work that is being done in Antarctica. Australia is one of the world leaders in the science and research that comes out of Antarctica. The involvement of our nation in the frozen continent has been a long one, since Mawson first put Australia on the Antarctic map, in science terms, so many decades ago. It is an area which the government believe needs a lot of support. We do maintain a very great commitment to Antarctica and, if Senator Bolkus’s amendments in some way enhance that commitment, I am sure it is something that Senator Hill would want to comment upon.

Senator HILL (South Australia—Minister for the Environment and Heritage) (4.27 p.m.)—I am not enthusiastic about any of the amendments. Having said that, we have facilitated the drafting. We are the sort of government that try to help the opposition. We do not think any of these amendments are necessary but, if the committee votes them in, we will give them very careful consideration before they are voted on in the other place. As I have said, we have tried to make that task a little easier by seeking to avoid drafting errors. You would expect there to be significant errors in anything Senator Bolkus drafted, but we have cleaned that up and, hopefully, it will be found that we can live with these amendments.

Amendments agreed to.

Senator ALLISON (Victoria) (4.28 p.m.)—by leave—I move Democrat amendments Nos 1 and 2:

1. Clause 12, page 7 (line 18), omit “500 penalty units”, substitute “1,000 penalty units”.
2. Clause 20, page 12 (line 26), omit “500 penalty units”, substitute “1,000 penalty units”.

We suggest that the penalty units should be increased from 500 to 1,000. We think there is a good argument for that penalty being stronger than is provided for in the bill.

Senator BOLKUS (South Australia) (4.28 p.m.)—I have had a close look at these amendments. I think they add some force to the legislation. The government will make some specious remarks about a comma not appearing in the right place or whatever, but I am sure they can live with them as well. I indicate the opposition’s support for them. I urge the government to also accept them.

Amendments agreed to.

Senator BOLKUS (South Australia) (4.29 p.m.)—I move opposition amendment No. 6:

6. Clause 21, page 13 (after line 17), at the end of the clause, add:

Regard to be had to main object of Act

In making a determination under this section, the Minister must have regard to the main object of this Act.

There is some concern that the provision in the bill to impose stricter standards might be interpreted as strictness in relation to a measure different from the objectives of the act. A simple amendment would clarify this, and that is what we propose to do in amendment No. 6.

Amendment agreed to.

Senator BOLKUS (South Australia) (4.30 p.m.)—The opposition opposes clause 23. I
will speak about opposition amendments Nos 7 to 11; we will obviously move them separately. The amendments relate to the operation of the Fuel Standards Consultative Committee. The bill currently stipulates minimum membership of the committee, but it allows some categories of representatives—such as the Commonwealth—one or more representatives. Although this is a relatively minor adjustment that will probably have little or no practical effect, our amendment provides for equality between the representative groups as set out in the legislation. The minister is required to consult the consultative committee in determining standards but not in granting approvals for exemptions or listing prohibited fuel additives. Our amendment will require the minister to consult that committee in respect of those two functions also.

Senator ALLISON (Victoria)  (4.31 p.m.)—The Australian Democrats wish to flag that we are not supportive of the changes to the committee membership—although no doubt Senator Bolkus will expand on his reasons for the amendments. At this stage, we do not see any purpose in those changes. I seek some guidance as to the implications for amendment No. 7 if part of the group of amendments is not supported.

Senator BOLKUS (South Australia)  (4.32 p.m.)—One part of the amendments goes to the constitution—that is the question of equality and representation between the groups set out in the legislation. I gather that is the part that the Democrats are not supporting. The other part goes to the consultative process itself and to placing an obligation on the minister in respect of granting approvals, exemptions or listing prohibited fuel additives. I understand that, by implication, the Democrats may support that particular amendment. To the extent that the amendments do not support the actual membership of the committee, I would expect the Democrats to oppose opposition amendments Nos 9 and 10 rather than supporting our amendments Nos 7 and 8.

Senator ALLISON (Victoria)  (4.32 p.m.)—There is a question about amendment No. 8 also. Some additions have been made to this amendment since the first round of amendments were circulated. Whilst we are able to support amendment No. 8(1)(a) to (c), I need to hear some arguments for extending those opposition amendments.

Senator BOLKUS (South Australia)  (4.33 p.m.)—As the minister indicated, there has been discussion with the government to try to clarify some of the drafting. I thank the Senate staff for the work that they have done in drafting these amendments. They always have the responsibility of drafting amendments for the opposition and other non-government parties in this place and they do a reasonable job. I think the minister’s reflection on them is probably a gratuitous attempt to attack me—he knows full well who drafts the amendments. That deals with the drafting of the amendments.

In terms of some of the new concepts in the amendments, I understand that the question of the preparation of guidelines under section 22 also arose in discussions with the government. Under section 22 of the legislation, guidelines are prepared for more stringent standards. We have suggested that, in developing those written guidelines, the minister should consult the Fuel Standards Consultative Committee, and that is what amendment No. 8(1)(d) will do.

 Senator HILL (South Australia—Minister for the Environment and Heritage)  (4.34 p.m.)—If Senator Bolkus is unable to persuade the Australian Democrats, it is difficult to see why the government should support the opposition. But I must be absolutely frank: without wanting to undermine Senator Allison’s position, I do not think the amendments will make a great deal of difference. I suppose I should be confident about our own drafting. Therefore, if Senator Bolkus cannot get the Democrats’ support, I will vote with the Democrats to vote down his amendments. But I do not think he will lose much through that.

Senator BOLKUS (South Australia)  (4.35 p.m.)—Given the fact that the government’s assistance in drafting on this particular point led to the addition of paragraph (d)—which refers to ‘in preparing guidelines under section 22’—I have great confidence in the minister’s ability to put sentences together. We were not questioning the drafting of gov-
ernment staff in respect of that. I suppose the question then is: if we are able to get the Democrats to acknowledge the validity of these amendments, will the minister support them?

Senator Allison—So that we do not continue to debate this issue forever, I indicate that the Democrats will support the amendments.

The TEMPORARY CHAIRMAN (Senator Crowley)—The question is that clause 23 stand as printed.

Question resolved in the negative.

Amendments (by Senator Bolkus)—by leave—agreed to:

(8) Page 14 (after line 5), insert:

24A Consultation

(1) The Minister must consult the Fuel Standards Consultative Committee:

(a) before granting an approval under section 13; and

(b) before making a determination under section 21; and

(c) before making a decision under subsection 35(2); and

(d) in preparing guidelines under section 22.

(2) The requirement to consult the Committee before granting an approval under section 13 includes the requirement to consult the Committee in respect of the period for which the approval is to be in force.

(3) The Minister is not required to consult the Committee in relation to a determination made under section 21 within 6 months after the commencement of that section.

(4) The Minister must have regard to any recommendations of the Committee arising out of the consultation.

(9) Clause 25, page 14 (line 14), omit “or more representatives”, substitute “representative”.

(10) Clause 25, page 14 (line 15), omit “or more persons”, substitute “person”.

(11) Clause 27, page 15 (lines 4 to 6), omit subclause (1), substitute:

(1) The Minister may appoint one or more persons (expert advisers) to give expert advice to the Fuel Standards Consultative Committee to assist the Committee in commenting on matters about which the Minister is required to consult the Committee.

Senator BOLKUS (South Australia) (4.37 p.m.)—by leave—I move opposition amendments (12) and (14):

(12) Clause 65, page 44 (after line 17), after subclause (2), insert:

(2A) An individual is taken to be a person aggrieved by the conduct, refusal or failure mentioned in subsection (1) or (2) if:

(a) the individual is an Australian citizen or ordinarily resident in Australia; and

(b) at any time in the 2 years immediately before the conduct, refusal or failure, the individual has engaged in a series of activities in Australia for protection or conservation of, or research into, the environment.

(2B) An organisation or association (whether incorporated or not) is taken to be a person aggrieved by the conduct, refusal or failure mentioned in subsection (1) or (2) if:

(a) the organisation or association is incorporated, or was otherwise established, in Australia; and

(b) at any time in the 2 years immediately before the conduct, refusal or failure, the organisation or association has engaged in a series of activities in Australia for protection or conservation of, or research into, the environment; and

(c) at the time of the conduct, refusal or failure, the objects or purposes of the organisation or association included protection or conservation of, or research into, the environment.

(2C) To avoid doubt, subsections (2A) and (2B) extend the meaning of the term aggrieved person for the purposes of an application to the Court under this section.

(14) Clause 70, page 48 (after line 27), at the end of the clause, add:

(2) For the purposes of an application to the Administrative Review Tribunal under this section, the meaning of the term person whose interests are affected in section 61 of the Act that establishes the Administrative Review
Tribunal is extended by subsections (3) and (4) of this section.

(3) An individual is taken to be a person whose interests are affected by a decision mentioned in subsection (1) if:

(a) the individual is an Australian citizen or ordinarily resident in Australia; and

(b) at any time in the 2 years immediately before the decision mentioned in subsection (1), the individual has engaged in a series of activities in Australia for protection or conservation of, or research into, the environment.

(4) An organisation or association (whether incorporated or not) is taken to be a person whose interests are affected by a decision mentioned in subsection (1) if:

(a) the organisation or association is incorporated, or was otherwise established, in Australia; and

(b) at any time in the 2 years immediately before the decision mentioned in subsection (1), the organisation or association has engaged in a series of activities in Australia for protection or conservation of, or research into, the environment; and

(c) at the time of the decision mentioned in subsection (1), the objects of purposes of the organisation or association included protection or conservation of, or research into, the environment.

These amendments provide the same standing for both injunctive relief and for appeals of decisions under the act. The regime that we are proposing through these amendments is consistent with standing for third party appeals under the EPBC legislation.

Environmental legislation in this country flowing from legislation operating since 1979 in New South Wales has had open standing to the AAT, and it has to be said that there is no evidence that the system is being abused or used vexatiously. At a public hearing of the Senate inquiry into gene technology, the Australian Centre for Environmental Law argued that its review of environmental standing provisions around the world establishes that a best practice trend is towards open standing. Indeed, even the Commonwealth’s most recent piece of environmental legislation, the EPBC legislation, creates limited open standing for any individual organisation, whether incorporated or not, that has been involved in conservation or environmental issues over the previous two years.

The standing of third parties proposed in these amendments is restricted to those groups who have a genuine interest and defined as interest groups that have been operational for two years or more, as under the EPBC legislation. In essence, therefore, we are following the government’s precedent in the EPBC legislation. We think that, for consistency and for fairness, standing as applies there should also apply in this legislation.

Senator HILL (South Australia—Minister for the Environment and Heritage) (4.38 p.m.)—Obviously, to the extent that this has been taken from the EPBC Act, it is difficult for me to quarrel with it. But I do think particularly that amendment No. 14 is necessary. This is the advice that has come from our legal advisers during the last few minutes. It is still not reduced to writing, but I am told that it will probably be in the office by the time I get back there. To them, it is a superfluous provision because it is already covered by the new Administrative Review Tribunal Act. In other words, that new act has extended the same standing and, therefore, it is now unnecessary to move it in this form in this particular legislation. I think the same argument applies to amendment No. 12 but not with quite the same standing.

Senator BOLKUS (South Australia) (4.40 p.m.)—I think there is a problem here, that is, we have not seen any advice—and, from listening to the minister, obviously there is no advice for him to give to us. It is obviously off-the-cuff advice at the last moment in this debate. We have a concern that the standing provisions in this legislation, being part of subsequent legislation, may impact on the standing provisions of the previously passed ART/AAT legislation if in fact, Minister, that legislation has been passed. My understanding is that that legislation has not been passed. It may be in the parliament, but it is going to get a pretty rough and rocky
ride through here and probably will not even get passed in the Senate.

So, (1) the legislation is not in force; (2) even if it were in force, subsequent legislation can override it; and (3) for safety, I would recommend to the Senate that we pass these amendments now. If the minister can persuade us otherwise when the legislation goes to the House of Representatives, then let him do so. But, given the fact that we have been told that legislation that has not been passed by the parliament is going to have the force of law, I would like to work out where the minister got his advice from.

Senator ALLISON (Victoria) (4.41 p.m.)—Perhaps I could just indicate that the problems we are having at present with working out whether this is a reasonable amendment or not derive from the fact that it landed in the Senate only a couple of hours ago. We have not had a chance to check it against other legislation or to run it past other groups who might be able to give us some advice on this. Even though the Democrats generally speak in favour of extended standing in these circumstances and would like to see some consistency with EPBC, it is for us a problem that we get these amendments at the last minute and are put in a difficult position of understanding their implications.

Senator BOLKUS (South Australia) (4.42 p.m.)—I have a couple of points for Senator Allison. This debate has gone on rather calmly for its duration. But I put it to you, Senator, that these amendments have been with your office since last week. So, if you have a problem in terms of consultation, maybe you should be consulting with your office rather than coming in here and criticising us for not having circulated these amendments earlier. We have been consulting with the government, the Democrats and the Greens in respect of this, and that is something that hopefully you can clarify with your staff.

I would say to you two things. First of all, we are talking about standing provisions that are consistent with the provisions in the EPBC legislation—legislation which was the joint product of your and Senator Hill’s work, and legislation which we can address if you wish to. But the standing provisions of that legislation were provisions that we also supported and we moved amendments to that effect. So we are not talking about anything other than what you have been told for the best part of a week. We are talking about something consistent with EPBC legislation.

The only argument that has been put on the table as to why you should not support these amendments is that the minister reckons that, on some legal advice, a bill of this parliament gives standing in the circumstances where our proposed amendment would give standing—a bill which goes to the whole restructuring of the admin appeals system. In respect of what the Democrats will do about it, as I am led to believe by media reports, and from what I know of the Labor Party’s position, it is a bill that probably will not get through the Senate. If the minister claims that that bill will have the effect of providing access rights/standing rights, then I think his advice is fundamentally flawed. So, in essence, we are not asking you to do anything new. You have had notice of this. The arguments against it are pretty specious. I urge you to support these provisions.

Amendments agreed to.

Senator BOLKUS (South Australia) (4.44 p.m.)—I move opposition amendment No. 13:

(13) Clause 68, page 48 (lines 5 to 7), omit subclause (1), substitute:

(1) The Minister may, in writing, delegate to the Secretary, an SES employee or an acting SES employee all or any of the Minister’s powers or functions under this Act, other than the following:

(a) granting an approval under section 13;

(b) making a determination under section 21.

This amendment relates to the ability of the minister to delegate ministerial powers. Although the ability to delegate powers is a standard provision, given the extent of discretion involved in setting standards and granting approvals, we think it is appropriate for the minister to retain the ministerial power in respect of such applications. This amendment excludes setting standards and
granting approvals from the minister’s capacity to delegate such powers and retains those functions with the minister. I ask the chamber to support this amendment.

Senator ALLISON (Victoria) (4.45 p.m.)—I indicate that the Democrats will support opposition amendment No. 13.

Amendment agreed to.

Bill, as amended, agreed to.

Bill reported with amendments; report adopted.

Third Reading

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

STATES GRANTS (PRIMARY AND SECONDARY EDUCATION ASSISTANCE) BILL 2000

Second Reading

Debate resumed from 9 October, on motion by Senator Hill:

That this bill be now read a second time.

Senator CARR (Victoria) (4.46 p.m.)—The public debate that has surrounded the government school funding bill, the States Grants (Primary and Secondary Education Assistance) Bill 2000, has been more vigorous and, may I say, more divisive than any debate on education for nearly 30 years. The government has succeeded in dividing the Australian community on the subject of schooling in a way we have not been divided since the great step forward of the Karmel settlement under Gough Whitlam and Kim Beazley Sr in the early 1970s. Nothing should be more important to a government than the education of its people. Education ought to be a lifelong experience. However, the school experience is the foundation for the rest of life. Everyone understands how important the old school tie is for future life chances. Schools play a central role in reproducing social relations. For this government, schools policy means entrenching privilege.

Schooling is central for our children and young people to their experience of the world. It is at school that the policies of the government have a direct impact on them. Therefore, the ideology that informs and shapes our schools and school systems is of the utmost importance to us collectively as Australians and as parents. The context in which schooling takes place helps to shape the experience and self-image of our young. It contributes to what kinds of adults they grow up to be. We must never cease in our efforts to strive for excellence in schooling. This is why the Labor Party has committed itself to achieving excellence in schooling for all Australian children. This commitment is expressed in the Labor Party’s platform and the supporting resolutions from our recent national conference in Hobart. The Leader of the Opposition, Mr Kim Beazley, moved a motion at that conference which stated:

Labor will move to ensure that investment in education, vocational training and research and development is comparable with that of world leading economies at a pace consistent with budgetary constraints.

Therefore, Labor’s first publicly announced steps towards improving Australia’s education performance are to:

• abolish the Enrolment Benchmark Adjustment and reinvest the money in government schools;
• create Education Priority Zones ...
• establish The Learning Gateway to improve the ability of parents to help their children’s school progress via online technologies, improve the IT capacity of our teachers, and develop Australia as a world leader in online education content—

It is against this context of Labor’s expressed values and commitments in education that I want to address the States Grants (Primary and Secondary Education Assistance) Bill 2000. This bill is one of the most important that the current parliament or any Australian parliament will consider, not only because of the funds involved—$22 billion—but more significantly because of the basis on which the government seeks to deliver that funding. The Howard government has continually claimed that the debates over this legislation and the differences between Labor and the
coalition are essentially about choice, the right of parents to choose non-government schooling for their children. Australian parents already have the right to choose, and Labor governments for decades have supported that. Indeed, in government, Labor had a policy of funding schools according to need. Federal funding for schools grew by 57 per cent in real terms—I stress, real terms—during the 13 years of Labor government. We need to set the record straight on these matters once and for all and show the government’s empty rhetoric for what it is: a desperate attempt to demonise the ALP and thus shift the focus in this debate away from the Howard government’s blatantly unfair funding arrangements contained in this bill.

The fundamental difference between Labor and the coalition is the coalition’s approach to the government school sector. Labor believes that parents need to have the right to send their children to non-government schools and to have the right supported by government funding based on need. Labor does not believe, as the coalition clearly does, that government schools should be just another part of the mix. Labor considers that the vast majority of Australian parents, whether they choose government schools for their own children or not, expect and have a right to expect reasonable access to quality education at public schools. This implies a commitment by both levels of government, state and federal.

What evidence do we have of the coalition’s view on government schools? As far back as 1991, the current Minister for Education, Training and Youth Affairs, Dr Kemp, who was then the shadow minister, expressed his intention of encouraging students to move from government to non-government schools. The minister’s own views were recorded in the minutes of the coalition’s Expenditure Review Committee in June of that year. In its first budget, the Howard government introduced the enrolment benchmark adjustment, which is a punitive and unfair measure by which some $60 million has been taken from government schools over the last four years, even though they have enrolled some extra 26,000 students. Only Dr Kemp could come up with a formula that takes funding away from a growing system.

Between 1996 and 2004, the proportion of Commonwealth school funding going to government schools will have fallen from 43 per cent to 35 per cent. This is as a result of the government’s deliberate plan to privatise education, to withdraw from a core function of government—to outsource it, if you like, in the same way it is seeking to outsource every key government activity, in a mindless ideological exercise which takes no account of the consequences. It was then really no surprise that in last year’s budget the government announced its plans to spend an extra $700 million on non-government schools, with no matching increase for the government sector. Labor condemned that approach then and continues to do so.

**Senator Tierney**—Stop telling lies.

The ACTING DEPUTY PRESIDENT (Senator Crowley)—Order! You will withdraw that remark, Senator Tierney.

**Senator Tierney**—Senator Carr keeps telling untruths in this chamber, putting incorrect facts or what he calls facts on the record.

The ACTING DEPUTY PRESIDENT—Senator Tierney, you will withdraw that remark.

**Senator Tierney**—Which remark specifically are you referring to?

The ACTING DEPUTY PRESIDENT—Senator Tierney, you will withdraw.

**Senator Tierney**—I do not know which remark you are referring to, Madam Acting Deputy President. Could you please let me know what remark you are referring to?

The ACTING DEPUTY PRESIDENT—Senator Tierney, you know full well what remark I am referring to—your abuse of the Senate in unparliamentary language. So would you withdraw that remark, please?

**Senator Tierney**—I said he was telling lies. I did not say he was a liar; I said he was telling lies about government policy.

The ACTING DEPUTY PRESIDENT—Would you withdraw that remark please, Senator?
Senator Tierney—Is that unparliamentary?

The ACTING DEPUTY PRESIDENT—Yes.

Senator Tierney—I just seek your guidance, Madam Acting Deputy President. Is it unparliamentary to say what has been said is a lie? I was not calling the senator a liar.

The ACTING DEPUTY PRESIDENT—Senator, it is clearly unparliamentary and I ask you, again, to withdraw it, please.

Senator Tierney—In deference to you, I withdraw.

Senator CARR—Labor is not opposed to giving more money to non-government schools on the basis of need, that is, needy non-government schools. But there is no balance in the approach that this government is taking. We knew in last year’s budget that that was precisely what the government intended, but we did not know just how unfair this proposal was. We did not know what it was planning to do in terms of the distribution of this extra $700 million to non-government schools. The government took 14 months to produce the legislation after the changes were made—14 months. It then took a further full three months—and under very heavy pressure from the opposition—for the full details to be extracted. It took a Senate inquiry and three returns to order for this government to come clean about the impact of this bill. We have seen the details, and we understand now why the government has sought to hide them, because it is seeking to provide an additional $57 million a year from 2004, when the new SES system will become fully operational, to the 61 wealthiest schools in Australia—an average of $900,000 each for those 61 schools. That will be a total increase of $145 million over the next four years. In announcing the changes to the SES system last year, Dr Kemp said in his media release:

This is an historic decision which will produce a transparent, simpler and fairer funding system for non-government schools ... The new arrangements will give non-government schools drawing enrolments for low income communities a substantial increase in funding.

What the minister did not tell us was that the country’s wealthiest schools would receive such massive increases. Let me give you a few examples. The King’s School in Sydney will get $1.5 million extra per year. Trinity Grammar will get $3.1 million extra per year. Newington College will get $1.8 million extra per year. Geelong College will get $2.3 million extra per year. Geelong Grammar will get $1.9 million extra per year. Presbyterian Ladies College will get $1.8 million extra per year. Caulfield Grammar will get $3.6 million extra per year. Wesley College will get $3.9 million extra per year. Scotch College will get $1 million extra per year.

Dr Kemp told us in his fact sheet in 1999 that the SES system was ‘an open and simple measure of need’. But how could anyone possibly claim that a school like King’s should be a priority for funding when its facilities include 15 cricket fields, five basketball courts, 12 tennis courts, 13 rugby fields, three soccer fields, a 50-metre swimming pool, a gym, a boathed, two climbing walls and an indoor rifle range? This debate is not about whether non-government schools should receive Commonwealth funding. That matter was settled some years ago. This debate is about whether or not the priority for extra funding should go to schools that are already extremely well resourced. The fact is that schools like King’s or Geelong Grammar or Scotch do not need millions of dollars in extra public funding. In making that judgment, Labor is using plain common-sense—quite simple commonsense—as is everyone in the community at large. Talkback callers, editorial writers and correspondents to members of parliament have all demonstrated the deep outrage there is in the community about these proposals.

People want their tax dollars to be spent in a way which is proper. This is not a proper use of taxpayers’ money. Even those who do not have children at schools need to know that the schools around the country—the low fee independent schools, the Catholic parish schools, the government schools, schools which do not have rifle ranges, which do not have a dozen tennis courts and which do not have $10,000 plus fees—are entitled to get a
fair distribution of funding. Yet this government’s proposal, while delivering an average of $900,000 per year to the wealthiest 61 category 1 schools, will give each parish school, on average, $60,000 and government schools next to nothing.

This bill does contain a little extra funding for government schools, that is true, but it has nothing to do with the SES formula at all. This bill contains an increase in government school funding, aside from cost indexation, of around $4,000 for each, which is 0.4 per cent of what is going to the wealthiest schools. These are the priorities of the Howard government. This legislation does not actually deliver very much to needy schools. For instance, the Thomas Hassall Anglican College, in Sydney’s western suburbs—a category 10 school with an SES score of 96, which both the Prime Minister and Dr Kemp have used as an example in promoting their funding policies—will get an extra $458 per student in 2004 compared to $1,351 per student at King’s. Tyndale Christian School in Blacktown in Sydney’s west will get an extra $144 per student, while Our Lady of Mercy College, a low fee Catholic school in Parramatta, gets no real increase at all. Dr Kemp has tried to claim that under Labor various schools like King’s did not receive any funding increase for 15 years. Senator Tierney has made that claim yet again today. What they ignore is the simple fact that schools like King’s received indexation increases during the period of the Labor government.

What we have seen with the funding of these schools, as the Australian indicated on 11 October this year, is the minister saying:

The bill before Parliament gives government schools $1.4 billion more in 2001-04 than they had in 1997-2000. But the discretionary figure going to government schools and contained in the figures provided by DETYA is only $106 million. That means that the rest of the $1.4 billion is the automatic price adjustment for inflation and enrolment increases. This demonstrates that with an increase in price adjustment of 25 per cent over the next four years and enrolment increases for the two sectors—for government schools 0.05 per cent and for non-government schools 5.8 per cent—the real increase in funding for government schools will be next to nothing, while the funding for non-government schools will increase in real terms by 7.7 per cent.

What you have with this arrangement is essentially a policy which the government claims repeatedly is about choice. But the massive funding increases to the wealthiest schools will not increase choice for average Australian families. The extra funding will see fees reduced, for instance at Wesley College, we have been told, by $200. What a dramatic impact that will make—from $11,000 to $10,800. ‘Choice’ can be used, as we all know, as a rhetorical term, but it is much harder to make choice a reality, at least in the funding of schools. Generalised support for the concept of everyone having maximum choice does not magically translate into a system that can realistically fund all conceivable options. Increasing choice for some may result in decreasing choice for others.

No-one seriously believes that the educational choices for the vast majority of Australians will be increased by providing an extra $57 million a year to Australia’s wealthy, well-resourced, high fee, exclusive schools. Quite simply, the choice argument does not hold up. Everyone understands just exactly how many people can afford the $11,500 per year in extra fees for a non-boarder at various schools. Everyone understands that the reality is that most Australians are ordinary families with parents who work two or three jobs and scrimp and save just to keep their kids at the local school to year 12. That is the harsh reality faced by most Australians.

We saw in the papers today an open letter to the Senate from 120 prominent Australians calling for the parliament to reconsider this bill. The government seems to denigrate those people. This list was, I understand, put together in just a few days. It does demonstrate that there is deep concern within this community. This legislation is clearly not fair. It is not fair to government schools. It is not fair to needy non-government schools.

The arguments that the government is pursuing need to be strongly opposed. The al-
ternative government, Labor, will be taking a responsible attitude on this matter. What we have said all along is that we recognise that the bill must pass; however, we will seek to amend this bill. Funding for schools runs out at the end of this year. It is not possible to simply say no to a $22 million bill. We have some 10,000 schools in Australia dependent upon this funding. So what have some urged us to do? What we will be doing is moving amendments. We will stop the funding increase to the 61 category 1 schools. We believe that the $145 million extra which the Howard government wants to give to these wealthy schools would be far better invested in improving opportunities for young Australians with disabilities. Our amendments will significantly increase the per capita funding for special education in both non-government and government schools. This is an issue that has been constantly raised with us by school representatives.

We are seeking to build a new educational framework in this country, and that is what Labor will be seeking to do when we return to government with the policies spelt out at the last national conference. Labor’s amendments are designed to make this bill fairer. They are measures that ought to attract the support of a majority in this Senate. Should the Senate accept them—and I trust that they will—we will be pressing our amendments when these matters are put to the House of Representatives and returned to us. The passage of this bill is as much a responsibility of the government as it is of the opposition. Our aim is to work to have maximum community pressure placed upon this government to accept our amendments in the House of Representatives and returned to us. The passage of this bill is as much a responsibility of the government as it is of the opposition. Our aim is to work to have maximum community pressure placed upon this government to accept our amendments in the House of Representatives. If they are accepted, no-one will be able to deny that we will have forced the Howard government to make this bill fairer: fairer by abolishing the EBA and fairer by redirecting the $145 million in category 1 school funding increases into extra support for the 100,000 special education students in government and non-government schools across the country.

This is an extremely important bill. I have every confidence that it will consume a great deal of our time over the next few days. It ought to. The government’s proposals ought to be considered on their merits and, frankly, they are very limited. The Senate will have the opportunity to seriously consider the amendments put forward by the Australian Labor Party. I trust they will be supported. We will have an opportunity for this government to accept those amendments. I trust they will. These are issues that should concern every Australian. I believe they do. These are issues that will not be ignored. From the public outcry that we have seen since the Senate committee first considered this bill, I have no doubt that there will be considerable public debate about the amendments being moved by the Labor Party. I would ask the Senate to consider at this stage the following second reading amendment. I move:

At the end of the motion, add “but the Senate:

(a) notes that the detailed analysis of the effect of this bill shows that the proposed distribution of funding among non-government schools is profoundly unfair; and

(b) condemns the Government for:

(i) failing to provide a matching increase for government schools,

(ii) continuing its inequitable Enrolment Benchmark Adjustment policy, and

(iii) reducing the proportion of Commonwealth funding to government schools from 43 per cent in 1996 to 35 per cent in 2004”.

Senator LEES (South Australia—Leader of the Australian Democrats) (5.08 p.m.)—This States Grants (Primary and Secondary Education Assistance) Amendment Bill 1998 represents the most significant departure yet by any Australian government from the principle that public education should be available to all, should be of high quality and should be well resourced for all students, regardless of the financial or social status of their parents. Dr Kemp justifies the government’s massive increase in funding to non-government schools by saying that the federal government has primary responsibility for funding non-government schools and the states have primary responsibility for funding government schools. But one would have presumed that the primary responsibility of a
federal government is to ensure that every child has access to a high quality and adequate standard of education from reception to year 12. We see the blueprint in this legislation for what many have been suggesting for the last couple of years, and that is the transformation of our public education system into, basically, a residual education system, or to put it bluntly and in plain language, schools of last resort. I do not believe that is the sort of Australia we want as we move into a new century.

A significant problem, but by no means the only one in this bill, is the outrageous and undeserved increases going to category 1 and also to category 2 and 3 schools. It is clear that the SES formula will work to ensure that children who have access to the most up-to-date computer equipment and the flashiest physical education facilities get more, while those students whose parents cannot afford excursions, or whose parents have to raise money for even basic library books or textbooks—as was the case where my daughters went to school, so that year 12 students did not have to share textbooks—get basically nothing. Yes, the SES formula is very popular amongst the schools at the higher, more expensive end of the private system. One doesn’t wonder. It is as if someone went out there—Dr Kemp, I presume—and said, ‘Let’s come up with a plan to give more money to those who have it and make sure those who need it get nothing.’

The sins of this bill are many: by omission, it retains the iniquitous enrolment benchmark adjustment scheme. That is just one of them. So far the EBA has taken $57 million out of states grants—every year that private schools’ market share increases, even if enrolments have been rising in both sectors. Now, through a range of measures, Dr Kemp has been, and is, encouraging the unfettered growth of private schools. This growth will mean an increase in EBA liabilities. So far, New South Wales has really felt the bite and it has lost $10 million out of its budget on the basis of last year’s enrolments.

Dr Kemp got rid of a planned provision by axing the new schools policy in 1996. In some states all that is needed now to establish a non-government school is someone to teach—and it does not even have to be a teacher—and a toilet and a classroom. There is no evaluation of the need for the school or the impact of the school on neighbouring schools, and there is no public consultation process. It can have 10 kids or it can have 30. This is occurring while, in the government system, schools are under much pressure. In Adelaide in my home state, one of the best public schools—the one that was catering for those students with higher needs, particularly students with disabilities, as well as students with very high academic qualifications but who had a range of problems, including psychiatric difficulties—was forced to shut and merge with Brighton High School because it had only 300 students. Mawson High School was designed to help students with problems—students that this government is going to be cutting funding to.

Under this bill, there will be, for the first time, establishment grants for new private schools. Basically you get access to $500 per head in the first year and $250 in the second year. The guidelines for the legislation say that schools or those driving those schools will not even need to make an application to DETYA that they are eligible, and the term ‘eligible’ is incredibly loosely defined. Dr Kemp has attached few strings to the extra funding provided in this SES model. There is no requirement for these very well-off schools to spend the extra money on education. It will be easier, then, for schools to set up campuses in low SES areas to attract even more government funding. For all Dr Kemp apparently cares, they can spend this money on advertising—who knows?—or maybe an extra excursion to the snow or, as I read in one of the leaflets for one of the private schools, an additional excursion to New Zealand to chase the snow there in the season.

Unlike the present ERI system, the SES offers no carrot and stick to reduce fees. Who would blame non-government schools for rejecting those kids who are difficult to teach, as most of them already do? Who would expect them to take kids with special needs? Most of them do not now. Who would expect them to take students who need
additional support in the form of literacy teachers and integration aids? There are a few, and I give them credit. There is certainly one in South Australia which does still accept kids with literacy needs, but whether they are encouraged to stay through to year 12 is another matter. One option, of course, is to keep them at the school but get them to sit the matriculation as private students so they do not show up on the private school’s final matriculation results.

This is exactly the point made by Michael Hewitson, the Principal of Trinity Grammar in Gawler. Although Trinity Grammar will benefit from the SES, Mr Hewitson is concerned that it will entrench the divide between rich and poor. He says he started his teaching career in the public system—as I did—and he is a staunch defender of the need for it to be well resourced. He says that the SES would make it very attractive for his school to raise its fees by $1,000 per head per year, thereby cutting out the socio-economically disadvantaged students who at present comprise 40 per cent of Trinity Grammar’s enrolments. He says that the best outcome would be a hybrid ERI/SES model, if you really wanted to look at fairness.

This suggestion has been made to us by several interested parties. However, I do not believe it is our job to come up with a better model. Obviously the model that we have at present is the best the government can do, but it is a long way short of what we should be looking at if we really decided to fund on the basis of need. Rather than look at the parents’ income, this particular funding model looks at one suburb. With the exception of some of the eastern suburbs in Adelaide that are demographically very similar, you can take any other area in that city and find strips along the coast, for example, with beachfront properties worth a million and, two blocks back from those properties, flats that you would lucky in Adelaide to get $120,000 for and where you have a lot of residents who are renting. So the actual formula is completely skewed. As I said, it is as if someone had been sent away to think up a method for getting more money into the wealthy private schools.

What we really need is an ongoing public debate as to how to best fund education generally, and Senator Allison will be moving Democrat amendments to that end during the committee stage. An extra year of funding, if it were continued for a year under the old system, would enable a national schools board to consult with all the stakeholders—not just Dr Kemp’s hand-picked non-government schools representatives, who are obviously out to get the best result for their schools—and to look at what is going to deliver the best results in education for all students across Australia.

Perhaps one of the bill’s most damning aspects is that there is still no national plan to address teacher shortages. A cynic would say that is partly because there is no requirement in the private system for teachers to even be qualified.

Senator Tierney—That is nonsense.

Senator LEES—It is not nonsense, Senator. I think you should check—

Senator Tierney—You should go and have a look—

Senator LEES—Yes, I have, and we have come up with a large number of schools that certainly do not have qualified teachers teaching. As we look to the federal government to plan ahead, I think we do expect this government to tackle this issue that is rapidly facing us. Indeed the shortage of teachers now in my home state of South Australia is becoming acute. The latest report from the Australian Council of Deans of Education has some alarming figures. By 2002 the supply of graduate teachers to South Australia’s secondary schools system is expected to meet only about 60.5 per cent of the need, dropping to 55 per cent in 2005. This is complicated by the average age of teachers. In a couple of years, 40 per cent of South Australian teachers will be over 50.

With retirements therefore peaking around 2010, surely the federal government—in being interested in where doctors are and in the shortage of doctors, particularly in rural areas—should be looking at the shortage of teachers, particularly in my state and its rural areas. With a shortage of teachers looming—and this is a problem, I stress, in every other
English-speaking country, so we cannot look to Canada, the UK or anywhere else, as we used to—we are seeing larger centres already, such as Port Augusta and Whyalla, unable to effectively put anyone in front of a class when other teachers are sick. Indeed in Port Augusta schools operate for about 12 per cent of the time with no relief teachers at all.

But let us look at what we are really seeing in this bill. Kids in public schools do not get to extend their educational horizons beyond the classroom—because of the shortage of teachers and the lack of funding to provide relief teaching, these kids cannot go on excursions; sporting teams are not able to be put on the field; and extracurricular activities, whether it is debating or music, are very much limited to school participation only, unless you can find teachers who have the additional time with their increasing workloads.

For these schools it is not a matter—as we heard in comments made earlier on this bill about the level of resources these private schools have—of another turfed hockey field, another gymnasium or some additions to the changing rooms by the swimming pool. These public schools in my home state are looking for basic airconditioning, enough textbooks to go around all students and the choice of subjects in years 11 and 12 that is offered in private schools. For these kids, going on a biology excursion or to an exhibition or having the bus fare to get to see a performance, even if it is of a set text, is often a luxury.

We talk about ‘choice’—and I notice that is a favourite word of Dr Kemp—but choice for many parents in the public system is very much between whether the student continues at school or whether they simply cannot afford to send them beyond year 10. This is why we see retention rates falling to the levels they are—down to around 50 per cent in the public system in South Australia. In the face of all that is happening in our public system, how can any government in good conscience introduce a system that diverts funds away from the sector where the bulk of Australia’s kids are and that needs funding the most?

Where is the strategy to tackle what is happening in our public schools? Dr Kemp obviously does not care. It is a shrug of the shoulders and a pointing towards the states. It is basically an attitude of ‘let them all go to King’s’ if their parents do not like the public education system. But as we look at the stresses and strains on the public education system and on parents’ pockets, we see why retention rates are getting so bad. I hope the ALP can be encouraged and persuaded to support more of our amendments that will address the fundamental problems with the SES methodology. Unfortunately their amendments do not go anywhere near far enough. For instance, Pulteney Grammar, currently a category-2 school, will get an increase of nearly $1 million a year by 2004, and Pembroke gets an increase of $1.9 million.

I realise that charges will be levelled if I dare talk about the exorbitant resources these schools have, but I make the point in this place—for senators opposite, who have obviously had no experience of what it is like on the ground as a teacher—that Pembroke gets this increase, and it is a school with an auditorium, a swimming pool and a boat-house, and the list goes on. Across North-East Road there are schools that cannot afford to water the grounds in summer. They now pay their own water bills, so you see a dirt patch through the heat of the summer in South Australia. On the one hand you have schools that are not able to provide for students’ regular access to computers, while on the other hand you have private schools that can provide every student in the class with a laptop. Where is the money going? It is going to those schools that can provide a laptop for every student.

Not a single public school is getting increases beyond indexation and supplementation, yet one public school in the seat of Mayo was recently reported to have a ceiling in such a poor state that during stormy weather water leaked into the building, often damaging bags and personal belongings. The situation is most dangerous in the computer room—where students go to access computers rather than having personal ones. Water often runs down the electrical cabling, col-
lecting in pools of water over the computer equipment itself. Despite being a problem for the past four years, the only funds provided have been to patch up the ceiling, which only lasts until the next storm. I would advise Mr Alexander Downer, with his new-found enthusiasm for his electorate, to go and have a look at some of the schools in his electorate, particularly this one.

Federal funding to disadvantaged South Australian schools has not been increased for three years. Many students with special needs and disabilities continue to fall through the cracks between federal and South Australian legislation, with basically the onus being on the parents to provide the extras needed, including the money for proper assessment and testing. If Dr Kemp is so concerned about literacy and numeracy, one of the major issues when you find kids who are not performing is the test to find out why they are not performing, and in the public system the payment for that is left to the parents. A cost of $300 for the initial psychological and learning assessment is not uncommon. Then we need to look at the special provision for those teachers who are able to assist students identified as having literacy and numeracy problems. Again, with the funding in this bill actually being cut for students with special needs, one can only imagine that the students will continue without the qualified teachers they need to help them to at least catch up.

In South Australia there are only 90 school counsellors for the more than 350 primary schools. Again, we reiterate the call by the Australian Council of State School Organisations, at the time of the last budget, for the federal government to at least fund a counsellor in each public school. Ms Pat Thomson, a former South Australian school principal, highlights the socioeconomic issues Dr Kemp chooses to ignore. She says:

The western and northern suburbs of Adelaide are enmeshed in the processes of globalisation and de-industrialisation ... in such poor neighbourhoods many families, children and young people are increasingly mobile, ill and troubled. The evidence from sociologists who specialise in these matters is that real income available to people in poverty has not fallen but rather, it is the social wage that has changed, and dramatically. These families are being failed by the current school system. The underfunded school system in South Australia now requires that parents pay compulsory fees, and many simply cannot afford it. The government has employed debt collectors to pursue parents who either cannot or will not pay. I stress here that they are not paying for a new swimming pool or a gymnasium. These are parents raising money for essentials such as soap, toilet paper, photocopying paper, office equipment, textbooks and library books.

Some of these schools have been charging differential fees for subjects such as physical education and music. What is happening is that students from poorer families are not able to choose the subjects that suit them, that they are interested in; or, where they have some natural ability; their choices are limited by financial constraints. They are simply not able to afford to do many of the subjects that they would like to take. I ask: why under this bill will funding to non-government schools increase at twice the rate of that of the public system when there is this level of need in the public system? Why is Dr Kemp abandoning the 70 per cent of children who go to public schools? Why the fixation on ‘choice’ when, as I said, for more and more parents who have students in the public system the choice is school or no school? I would like to finish with the words of Pat Thomson, who said:

As the drift from public to private schooling gathers speed, so the diversity of public schools diminishes. Instead of diversity our schooling system (public and private) will foster homogeneity with particular schools catering for specific groups of students organised on the basis of wealth, culture, ethnicity or religion ... Understood in this way, the contemporary education policy trend can only be read as a direct assault on our democratic system.

Senator CROSSIN (Northern Territory) (5.27 p.m.)—The States Grants (Primary and Secondary Education Assistance) Bill 2000 is intended to replace the States Grants (Primary and Secondary Education Assistance) Act 1996. This bill will appropriate $16.7 billion in recurrent funds and $1.2 billion in capital funds over the quadrennium period of 2001-04. Of this $17.8 billion, $11.5 billion, or 65 per cent, will go to non-government...
schools and $6.3 billion, or 35 per cent, will go to government schools. The key elements of this bill are that it introduces two additional models of funding for non-government schools—the SES model and one for Catholic systemic schools. It locks all grants into an index based upon the average government school recurrent cost, and it makes signing up to the performance targets a condition of funding for all sectors and schools and of course continues to allow the operation of the enrolment benchmark adjustment.

The socioeconomic status model of funding—or SES, as it is now commonly known—for non-government schools was announced as part of the 1999 budget. It is a model based on a random sample of 100 addresses of each non-government school and is taken against the ABS census collection district from which the SES score of the school is obtained. This is claimed to be the capacity of the community to provide financial support for their schools. Schools are then given an SES score and funding based on where these schools fall within a certain range. In effect, this system will measure the financial resources of the student community attending a particular school but ignore the financial capacity of that school.

The proposals in this bill take the government’s privatisation agenda a large step further. The major measures are designed to encourage and stimulate growth of private schools and the private sector. The massively increased funding, the establishment grants and the introduction of private distance education are aimed directly at undermining the public education system. It is clear that the government is prepared to take whatever steps are necessary to stimulate this growth in the private sector. Of course, the enrolment benchmark adjustment remains so that, as students are forced to move to non-government schools, Commonwealth funding to government schools decreases. It is a policy clearly aimed at the parents of the 30 per cent of students in private education rather than at the parents of the 70 per cent of students in public schools. Consider the impact if the increase in funding had been distributed equitably.

I particularly want to spend some time during my speech this evening dispelling the myth of the government that this is a bill which includes measures of fairness and equity in the area of funding and access to education, because it does not. Even the Northern Territory’s own Department of Education, having stated its view that the SES model is an improvement on the previous ERI model, expressed in its submission that it had some concerns about the SES methods. One concern is that the cut-off at 70 per cent of the AGSRC and at the score of 85 will result in some schools—in particular, ABS collector districts—being underresourced. More than 27 per cent of Northern Territory collector district schools have a score of less than 85 compared with less than 12 per cent nationally. Its submission argues that, if the SES is an appropriate measure of disadvantage, the full range of scores should be used to compensate disadvantaged students. As it stands, it is not clear why there is a cut-off point at 70 per cent, unless it is an arbitrary spending limit. Similar concerns were expressed by different jurisdictions during the Senate inquiry, such as Victoria—jurisdictions across the country, in fact.

The view of the Northern Territory Department of Education is also close to that of the National Catholic Education Commission in regard to the desirability of using more than one measure, other than the SES model, to assess the needs of schools. The Northern Territory department was not convinced by DETYA’s assertion that the index of relative socioeconomic disadvantage—used for the literacy and numeracy program, for example—was an inappropriate measure of relativities because it did not effectively measure relativities at the upper end of the SES spectrum. The attitude of the Northern Territory Department of Education is probably understandable in view of its distance from cities where high fee schools flourish.

The submission from the Department of Education also recommended that the index of educational resources be used for the purpose of measuring the relative economic resources amongst areas—an appropriate measure for funding schools according to need. But, under this government’s proposal,
12 high fee non-government schools will share an additional $27 million between them: Trinity Grammar School in Sydney, $3.1 million; Wesley College in Melbourne, $3.9 million; Caulfield Grammar in Melbourne, $3.6 million; Scotch College in Melbourne, $1 million; and Geelong College, $2.3 million. And the list goes on. In the case of Geelong College, for instance, its $2.3 million results from its additional $2,039 per student on average. This is in dramatic contrast to most low fee non-government schools where increases amount to as little as $7 per student. Altogether, the 61 most highly endowed, high fee, category 1 schools in this country will receive an extra $56 million.

Some results of the new allocative mechanism are particularly unexpected. An example is the positioning of the elite and exclusive Geelong Grammar School. This school charges annual tuition fees of $11,360 and boarding fees of $20,000. It boasts facilities including an equestrian centre, a country campus at Timbertop, a newly opened arts and ceramic centre and a refurbished and recently expanded technology centre. The school is completely computer networked, yet, according to the SES index, Geelong Grammar is nowhere near the top of the list in terms of assessed advantage: 217 schools are placed higher. Despite this expectation of a substantial increase in Commonwealth support under SES funding, this school raised its fees in the year 2000.

Let us turn now to the situation regarding education in the Northern Territory. There is not one secondary school outside the five major centres for children who need to continue their education in rural and remote places in the Northern Territory—they either have to do it by correspondence or attend a boarding school. There is no arts centre or dedicated technology centre. In some places and communities there is not even a second football ground or even an equestrian centre. In fact, there is not even a secondary school—there are no buildings, no chairs and no tables. There is no place at all for these kids to go. There are communities which have more than 500 pupils at the local primary school: Port Keats, Bathurst Island, Maningrida and places in Central Australia. The reality is that most of these children do not continue their education because, as a nation, we do not provide for it and we place barriers in the way of achieving it.

Let us look at the figures in the Northern Territory when it comes to year 12 retention rates. In 1999, the Northern Territory had the lowest year 12 retention rates in the nation at 48.2 per cent for male students and 57.8 per cent for female students, against the national average of 68.4 per cent for males and 79.5 per cent for females. This is 20 per cent less in performance for both males and females in the Northern Territory compared with the national average. The Northern Territory will be the most disadvantaged area in the nation as a result of the funding outcomes that this bill prescribes. We have the highest proportion of students at government schools: 77.5 per cent against a national average of 69.7 per cent. All the private schools in the Northern Territory bar one are categories 10 and 12 schools, so they are at the bottom of the spectrum.

We have areas in the Northern Territory, such as in East Arnhem, that are short of teachers. Primary schools in the suburbs, such as my own of Leanyer and those schools out at Palmerston, are in desperate need of additional classrooms because for many years they have had to cater for a growing population. We have many classrooms in the Northern Territory without even one computer inside them. But this is a government that will tell us that allocating $40 million to $50 million between 750 schools compared with $100 million amongst 1,750 schools is a measure of fairness and equity. This bill delivers almost $800 million extra for private schools around this country, but only $90 million for government schools.

I ask members of the government across the chamber from me: how can you possibly sit in this chamber and believe that this is a bill based on transparency, fairness and equity, given what I have just described in the Northern Territory? We have communities where schools can boast about a new arts centre, a new technology centre or $1 million worth of library, but we also have communities that have no secondary school at all. Dr
Kemp said the new funding system would be transparent, simpler and fairer. Labor is not opposed to extra funding for needy non-government schools, but how can the new system possibly be fairer when all the data we currently have says that the very richest schools in Australia are the biggest winners?

It should be noted that, in a letter to principals in June 2000, Minister Kemp stated:

... by long-standing agreement with the states and territories, the Commonwealth has principal responsibility for non-government school funding. This is the clearest statement of the Howard government’s bias to date and is the principle that dominates this legislation. On the other hand, though, the inclusion of performance targets and powers to enforce them will give more power to a Commonwealth minister to make private schools more accountable than ever before. This is, to a degree, paralleled in regard to public schools.

Far from a policy of partnership between levels of government in schooling, the Commonwealth is seeking to split responsibility for the dual system between governments. At the same time, Minister Kemp’s determination to extend choice of private school as widely as possible and to characterise such extension as catering to the disadvantaged is a direct attack on public education and the rights of states and territories to determine school policy. The government’s proposed new funding system for non-government schools has divided this community in a way not seen for many years in this country. It is more than a major change to the funding formula. The planned system transforms the very basis on which funding is made available to the non-government school sector and is directly relevant to the quantum of funds to be made available to government schools.

The government has claimed repeatedly that it has substantially increased funding for government schools. This is untrue. In quoting figures on its funding increases for the government school sector, the government invariably omitted to mention that the amounts provided are not adjusted for inflation, represent raw figures only and should be deflated in order to be meaningful. In fact, when adjusted for indexation and for enrolment growth, even the current bill does not provide more than an average of $4,000 per school.

The government also claims that there is little evidence of disagreement about the proposed SES model. This is entirely false. The committee heard evidence and received submissions time after time from several major stakeholders in school education and from the majority of state governments expressing serious misgivings and concerns about this model. The government misled us once again in the Senate report at section 2.4, when it said that the elite schools will receive only 13.7 per cent of the AGSRC. Currently, 61 schools receive this minimum amount. Under the planned SES system, only seven will have their grants limited to this extent. In all, the wealthier 61 private schools will enjoy a windfall gain of over $56 million per annum.

Most striking, however, is the government’s statement that the committee received no evidence that the SES model gives disproportionate benefit to so-called wealthy schools. The committee, on the contrary, received much evidence along these lines. The striking fact about the SES system outlined in the bill is that it provides funding increases to wealthy schools at a rate overwhelmingly disproportionate to the apparent needs of these schools or of the families that they serve. The stark truth is that the largest increases will go to the wealthier schools, while the schools currently listed in categories 11 and 12 under the ERI system—classed as the most disadvantaged—will in many cases receive no increase at all. Their current funding levels will be maintained in real terms, thanks to a no-disadvantage clause contained in this bill.

Members of this parliament this week will have been lobbied by those associated with the Isolated Children’s Parents Association. They have lobbied about increased funding for volunteers who go onto stations and properties to assist children in their learning. They have lobbied about increased funding for an additional distance education allowance and they have lobbied in relation to assistance to enable their children to stay on the cattle stations and properties so that they...
can learn at home rather than being sent interstate. This bill does nothing to address the concerns of those parents in rural and regional Australia; in fact, it ignores those concerns and I think gives the concerns of those people very cursory recognition, if any at all.

This government today stands condemned for the introduction of this bill in a number of areas. It stands condemned for continuing its inequitable enrolment benchmark adjustment policy. This government has attacked the funding of government schools since its very first budget with this measure. In the last three years, the enrolment benchmark adjustment has ripped more than $60 billion in funding out of government schools. We have seen only a one per cent drift in enrolments to non-government schools while at the same time there have been 26,000 extra students enrolled in government schools. This government stands condemned for failing to provide a matching increase for government schools. This government is not interested in ensuring that all schools across this nation and all students, particularly Aboriginal students in rural and remote communities, start from the same base before they provide these additional funds. The divide in education in this country will increase under this bill.

This government stands condemned for proposing to reduce the proportion of Commonwealth funding to government schools from 43 per cent in 1996 to 35 per cent in 2004. This is an attack on public education and a promotion of the private sector at the expense of students who are yet to even enjoy the luxury of going to a secondary school in their own community. In some communities in the Northern Territory, there is no secondary school. This government has failed to really address the main concerns that are affecting education in this country at this time. This government is interested in giving the majority of its education budget to 30 per cent of the parents and schools in this country while the other 70 per cent are neglected.

Senator TIERNEY (New South Wales) (5.45 p.m.)—We are debating the States Grants (Primary and Secondary Education Assistance) Bill 2000. This is a $22 billion bill. It will provide funding over the next four years to government and non-government schools. It is a monumental piece of legislation but, unfortunately, this is quite a sad debate, because Senator Carr and others have opened up the old sectarian debate with their promotion of the politics of envy.

Senator Crossin—You’ve done it yourself.

Senator TIERNEY—If we go back to 1963, when the state aid question was settled in this country, and then to 1973, when it was finally enshrined in federal legislation with the creation of the Schools Commission, we see the establishment of an agreed basis for funding both state and private schools that has carried on for 30 years.

Senator Carr—Until this government.

Senator TIERNEY—It is a great pity that Senator Carr—

Senator Patterson—Mr Acting Deputy President, I had to bear Senator Carr upstairs, but I have sat and listened to all the other speakers without interjections. As soon as Senator Tierney stands on his feet, we have both senators on the other side interjecting. I ask you to call them to order.

The ACTING DEPUTY PRESIDENT (Senator Lightfoot)—There is no point of order.

Senator Carr—Mr Acting Deputy President, I have a point of order. I trust that the consideration of this matter will be dealt with in an impartial manner and that the opposition will be entitled to its views. Throughout the opposition speakers so far, there have been constant interjections.

The ACTING DEPUTY PRESIDENT—That is not a point of order.

Senator TIERNEY—Senator Carr will probably interject; I interjected on him. I felt that I had to do that because Senator Carr was just lying about this legislation and giving misleading figures.

The ACTING DEPUTY PRESIDENT—Senator Tierney, that is unparliamentary. You should withdraw.

Senator TIERNEY—I withdraw. With a small number of distorted examples, Senator
Carr is trying to provoke the politics of envy in this debate. I want to come back to deal with that a little later on. I turn to the way in which we have traditionally funded schools. The federal role, as we now know it, only came in in 1973. That is only part of the story. The other part of the story is what the people on the other side constantly ignore, and that is the fact that the prime responsibility for the funding of state schools in this country is a state responsibility. This is why we call them state schools.

We give 40 per cent of the federal budget to the states, untied, to spend how they like in whatever order or priority, supplemented by their own funds from state taxes, fees and other ways of raising money. They then have their own priorities set in terms of police, roads, welfare, rural assistance, schools, hospitals and whatever. That is their prerogative. This is what the opposition totally covers over, particularly in the case of my own state of New South Wales, which represents one-third of the school student population of this country. In New South Wales, a miserable increase in funding of 1.9 per cent was shown in the last budget, while federal funding to state schools increased by five per cent. That shows the different priorities of these governments.

Senator Carr—That is not true.

Senator TIERNEY—It is 1.9 per cent for the Carr government, Senator Carr, and five per cent for the federal government. That shows the different priorities, but my basic point is that it is a state responsibility primarily. The federal government, particularly in this legislation, is offering top-up funding across the state and private school systems. That is the federal role.

Senator Carr—It’s a pretty big top-up.

Senator TIERNEY—Yes, it is a very big top-up. I am glad you acknowledge that, Senator Carr. It is taking a lot of the unfairness out of the system that is currently within the system.

Senator Carr—You call it a social justice measure, do you?

Senator TIERNEY—Let us have a look at the sort of justice that you and the Democrats want to mete out. I want to deal with the amendments to this bill. What is being proposed by the Labor Party and the Democrats is not only unfair but completely unworkable. I turn to what the Labor Party propose to do, and I refer to a press release from Mr Michael Lee, the shadow minister for education, which suggests three major changes. The main one refers to—and Senator Carr spent a lot of time on this in his comments in this debate—the so-called category 1 schools under the old ERI system of the Labor government. According to Mr Michael Lee, Labor proposes to ‘treat category 1 schools as funding maintained’. Let us have a look at what that actually means.

Sixty-one schools are identified as category 1. Senator Carr would have you believe that all 61 schools are like King’s School. They certainly are not. As well as some well-resourced schools, there are some schools that were very unfairly placed in category 1 under the old ERI system. By freezing all that, Senator Carr wants to actually maintain that disadvantage. Under the old ERI system, a school would be classed a particular way at a point in time and then it would never change. The circumstances of the school and the parents who sent their children to the school would change over time but that funding arrangement would not change. The school would be disadvantaged by that. So Senator Carr and the Labor Party want to disadvantage that school.

Senator Carr—You want to tell me Geelong Grammar is struggling now, do you?

Senator TIERNEY—The thing Senator Carr is not telling you about Geelong Grammar, King’s and other well-resourced schools is that his government ran down their funding over 20 years. That was an ideologically based decision. There was originally a high level of funding under the old ERI system—as a matter of fact, the level of funding was higher than what is promised now. Labor used to fund King’s and Geelong Grammar at a higher level, but that funding was allowed to run down over 20 years. In part, this is a restoration but it is also a recognition that, contrary to what Labor members and senators would have you believe, not everyone who attends these schools is rich. The
great thing about our replacement system—the new SES system—is that it reveals the socioeconomic status of parents who are sending their children to these schools. They are not necessarily rich parents.

Senator Carr would not know about this, but some parents cannot really afford to send children to private schools. They pay the fees by going further into debt, selling off assets and by relying on other relatives, such as grandparents. Their income levels are not high. Let us refer to a group that Senator Carr and other Labor senators do not know anything about: the farmers and those in rural and regional Australia. Those people are doing it tough at the moment and many of them cannot afford to pay expensive school fees. One family out of Forbes sent six children to Joey’s residential college and the school educated the final child for free in recognition of their sacrifice—they had struggled to pay fees for five children. They are not all millionaires out there, as Senator Carr would have us believe: these people have paid fees and made enormous sacrifices in the process.

The Labor Party proposes a freeze but, unfortunately, the Democrats—whose representatives have left the chamber—would go even further. They want to freeze not only category 1 but categories 2 and 3 as well. I assure senators that many schools were placed unfairly in categories 2 and 3 under the old ERI system. Let us consider what the industry thinks of the Democrats’ proposal. They want to go a little further than the Labor Party and impose a 12-month freeze: we should not bring in the changes for another 12 months. The South Australian Independent Schools Board described the Democrats’ proposal as ‘an unacceptable mishmash that underscore Democrat ignorance on educational funding.’ Boy, does that sum it up! The Democrats want a 12-month freeze. What precisely does that mean? We have a $22 billion schools bill before us. The Democrats want to freeze the old system, maintaining all its old inequities, and leave it at that. If we followed the Democrats’ advice, we would have to put this bill aside and do things another way. What would that mean for schools planning for next year? It would throw them into chaos, as the comments from the South Australian Independent Schools Board suggest. Worse than simply advocating a freeze, the Democrats would deprive schools of the additional funding—a $285 million boost—in this bill. Under the Democrats’ proposed freeze, that would disappear—more than a quarter of a billion dollars would go. But that does not seem to bother them.

The other Democrat proposal that is really scary involves changing the calculation of the SES system. They want to go back and check every parent’s income. That will be an incredible invasion of privacy. We have taken the census collection district data and worked from that so we do not have to pry into people’s personal records. But the Democrats want to do exactly that: they want to take the Big Brother approach and use health records to determine the matter. That reveals their lack of understanding of how these sorts of things should work. Instead of the sampling procedure that we use, the Democrats would create a whole layer of new bureaucracy to check people’s personal records to ensure that every little bit was precisely correct, when a much better system is being established under the SES model. The other incredibly strange Democrat proposal is to defer the whole arrangement completely. I do not see the government ever agreeing to that. We have a series of amendments to this bill from the Australian Democrats and from the Labor Party. They are unrealistic and a little sad because they have re-opened the sectarian debate in this country by highlighting the funding of a few private schools—totally ignoring the fact that Labor let the funding run down over a very long period.

The reality is that this bill and the way in which it proposes to spend $22 billion over the next four years will increase funding not only to the private schools sector but to the public schools sector as well. Let us look at what the figures will mean. There are two million students in government schools at present who receive $13 billion in funding. Compare that with the non-government schools sector that receives $3 billion in funding. So two million students in the pub-
lic system get $13 billion and one million students in the private system get $3 billion. If we use a bit of simple maths, we can see how far behind private school parents are. In effect, funding levels run at around $6,000 per public school student and $4,000 per private school student.

What is the difference? The difference is the fees that private school parents pay out of their own pockets. Senator Carr would like to ignore that totally: the fact that these parents make enormous sacrifices and pay out of their own pockets an enormous amount of money to fund their children’s education. How much does that save the governments of this country? It saves them more than $2 billion every year—more than $2 billion in fees and other income that goes into the private schools system and does not have to come from the government’s budget. What can governments do with that money? If everyone sent their children to public schools, we would have to find that $2 billion. Instead, we can spend that sum on public schools, roads, defence, hospitals and other government priorities—whatever they may be. That is the great untold story of education in this country: the enormous sacrifice of many parents in making that sort of contribution.

I will conclude by relating to the way in which this bill will proceed from this point. I do take heart from a press release issued today by Senator Kim Carr. It says:

Labor has acknowledged our responsibility to ensure the flowing of funds from 1 January.

He goes on to say:

We recognise that the school bill in some form must pass.

That is very heartening. I do not know whether the Democrats have quite said that. But it is heartening that the Australian Labor Party is making at least—

Senator Carr interjecting—

Senator TIERNEY—Apart from all the noises and fireworks that they are going on with in here—it is giving some sign that, at the end of the day, we will have some sort of legislation. I certainly hope that is so, for the sake of all the schools who are trying to plan for their pupils over the next year, and that this bill will pass. I urge both the Labor Party and the Democrats to pass it urgently.

I want to close on the right of parents to have choice. That is really at the centre of this debate. I have a quote from the Democrats, which indicates that they do not actually believe in choice—and this is from Senator Lyn Allison. Speaking to Fran Kelly on ABC Radio on 13 October, Senator Allison says:

... choice is a difficult issue. How far do we go with choice? Do we allow any student to go to any school?

This is the Democrats. Let me tell you: this is a liberal democracy; parents do have the choice to send their children to any school they like. A fundamental tenet of Australian democracy is freedom of choice. In schooling, this means allowing parents to choose between a wide variety of private schools and—to quote Dennis Fitzgerald, the President of the Australian Teachers Union—the best public education system in the world. So if parents have that choice, that is terrific. What this $22 billion bill does is facilitate that choice.

Senator HUTCHINS (New South Wales) (6.03 p.m.)—Several months ago I had the fortune of being a participating member of the Employment, Workplace Relations, Small Business and Education Committee that heard and assessed public submissions on the States Grants (Primary and Secondary Education Assistance) Bill 2000, now before us. Before I commence my comments on this legislation, I just want to place on the record my involvement in this. First, I want to let the Senate know that I still have four of my five children at school, with all four attending the local Catholic school down the road. So I have an interest in the bill. Secondly, I would like to comment that, of all the committees that I have served on since coming to the Senate, I have never observed so much conflict and contest as I saw from the number of people who came and gave evidence before that committee. There was obviously, amongst a number of people, the feeling that this was an extremely important issue. It was of such importance that you could see the divisions well and truly exposed between the supporters of public education, the Catholic
school system, the Christian school system and also the independent school system. Our committee hearings were very well attended and, as I have said, there was obviously there the conflict that I observed.

But along with Senators Carr and Crossin and other members, I think I am in a bit of a unique position now to be able to advise the Senate of the considerations of the committee and reflect on the broader public discussions that have been canvassed by this bill. In assessing this, I want to bring to the attention of the Senate today three things: the first is the deficiencies of the bill; the second is the benefits of the Labor Party amendments; and the third is the implications this legislation holds for primary and secondary education in Australia.

To begin with, I want to place on the record the fact that the overwhelming majority of the submissions to the committee stated that the states grants bill would have a detrimental effect on government schools right across Australia. In outlining their concerns for public education, these submissions blew apart the government’s myth that the Liberal-National Party coalition is interested in developing educational opportunities for our children. Parents, teachers, professional organisations, academics, teaching institutions and unions were all drawn to the one obvious conclusion. They all said that this bill had been designed by the government to pork-barrel buckets of money into private schools, whilst leaving the public school system out to bleed dry.

Moreover, they recognised that, through the states grants bill, the government is attempting to establish a new class system in Australia. This hierarchy will be different to class divides of past years that were determined by social status or wealth of an individual family. Under the government’s plan, there will be two distinct classes: the information rich and the information poor. The information-rich class would arise from the children who attend public schools and who only receive the most basic level of education, are unable to access further education and are confined to low-paying menial occupations.

Australia has developed as a modern, compassionate and tolerant nation that holds sacred the values of fairness and equality of opportunity. Education has always been an avenue for fighting against disadvantage, for rising above hardship and for exercising the rights of employment, self-determination and social responsibility. If this bill passes the Senate unamended, it will relaunch Australia on a regressive path towards entrenching social disadvantage. We will be removing the one chance many Australians have to lift themselves up and achieve their true potential. This parliament will be signalling to the Australian community that, as its country’s leaders, we no longer regard education as a priority for our citizenry. Australia will revert to a country of class divisions, a country that is segregated into the information rich and the information poor and a country which provides abundant opportunities for the affluent and negligible chances for the rest.

The states grants bill will promote the government’s divisive plan for Australia through several mechanisms. Firstly, the bill facilitates the implementation of a new funding model—the socioeconomic status formula—which determines the distribution of Commonwealth funds to each school. Under this new system, $57 million of funding will go to the 61 category 1 schools—the wealthiest and most elite schools in Australia—while government schools will be left to compete for the crumbs. In a nation where approximately 70 per cent of Australian families either choose or are forced to use the government school system, the new funding structure proposed by the Minister for Education, Training and Youth Affairs, Dr Kemp, will provide it with only 35 per cent of Commonwealth funding. In an area like Western Sydney, this system will lead to the exclusive King’s School in Parramatta receiving $1.4 million a year by 2004, whereas the nearby government schools—say, Darcy Road Public School at Wentworth-
ville and Parramatta High School—will receive only $4,000 each. Dr Kemp’s claims to the House that this bill represents a major investment in the future of our society, particularly schools serving the neediest communities, are also to be seen as redundant when assessed in terms of where the neediest actually receive their education; 80 per cent of the neediest students—that is, Aborigines, students with disabilities, students in rural and regional areas and students from low income homes—are educated in government schools. Under Dr Kemp’s funding system, this will mean they only receive 35 per cent of Commonwealth funding.

The government’s rationale behind its new funding arrangements is that the new system will provide parents with a choice of where to send their children for their schooling. Of such importance is choice to the government that during our committee hearings Senator Brandis went to great pains to explain that choice was a fundamental right, but what kind of choice is he offering where parents can choose between a cash-strapped, under-resourced government school and a private school whose fees, despite generous government funding, cost $10,000 to $15,000 a year per child? There is no choice in such a system for the poor of our community.

During the committee’s hearings, several witnesses critiqued the socioeconomic status, SES, formula. Among their criticisms, they noted that the formula only takes into account parents’ income, occupation and educational qualifications when assessing a child’s schooling needs. As any parent knows, such a limited appraisal can grossly underestimate a child’s potential and educational requirements. Several submissions suggested that a greater plurality of factors should be taken into account. These included employment status, tenancy arrangements, single parent status, family stability and English language capacity. They argued that such barometers would give a more comprehensive and accurate indication of the relative wealth and needs of students at any given school than Dr Kemp’s SES system.

Another indicator that was suggested as worthy of inclusion was the capacity of certain schools over others to benefit from private donations or fundraising activities and thus reduce their reliance on government funding. While for most schools fundraising may consist of cake stalls and school fairs, some schools may be able to rely on wealthy alumni to put money back into their school. During the committee’s hearings, Senator Crossin used the example of millionaire businessman Mr Richard Pratt, who donated $1 million to his old school, Scotch College, to fund a new library. Nobody could begrudge Mr Pratt’s generosity, his civic consciousness or his desire to contribute to his community through such a charitable gift, but this example highlights an inequity in Dr Kemp’s system. It is a case in point of how certain schools may be able to benefit from wealthy alumni in addition to bonus government funds while needy government schools go without.

Another disturbing aspect of the SES model uncovered by the committee was the actual number of non-government schools that the new system will apply to. Under a complex network of prior agreements to various education service providers, only one-third of non-government schools will be subjected to the SES model. Dr Morgan of the Australian Council of State Schools Organisations advised the committee that this figure could even be as low as 20 per cent. Such revelations completely undermine the minister’s claim that the formula is a fairer funding system. If it is as fair as the minister purports it to be, then all providers of school education services would have signed up to the new system. Instead, its selective application underlines the fact that Dr Kemp is using the model to achieve his ideological pursuit of funding private schools over public facilities.

The final point I wish to make about the SES model relates to the currency of information used to assess the levels of funding for each school. The model relies on the evaluation of census data that relates to a sample of parents who send their children to each school. With the last census being conducted in 1996 and the results of the next one not being available until 2002, this means that information used to determine funding levels will be up to seven years out of date.
by the time it is used to allocate grants. This situation is hardly comforting to those teachers and administrators of schools whose students come from rapidly changing areas.

Another disturbing fact unveiled by the committee was the lack of consultation undertaken by the government with members of the schooling fraternity regarding this bill. Representatives from the Australian Parents Council told us of having to download the government’s proposal off the Internet after the bill was tabled in parliament, and that was their only contact with the government over this proposal. Despite the bill being tabled on 30 June, the South Australian education department was only notified of it on 3 August. The Queensland Department of Education had to wait until 11 August to be advised of its existence. The federal government’s reluctance to consult government departments, teachers, parents, school associations and unions was probably due to the prolonged barrages of hostility that would have been directed towards the minister if consultations had continued for any period of time.

The late introduction of the states grants bill into the parliament has also generated unnecessary angst for school communities planning for the next year and beyond. Without knowing until now how much funding they are going to receive from the federal government, it is almost impossible for schools to allocate funds for books, computers, teacher aids and other educational expenses. Many school principals would not find the government’s inaptitude in this regard surprising. During the course of the committee’s hearings, the chairman, Senator Tierney, could not decide whether the bill was for $18 billion or $22 billion. It is near impossible for schools to progress past this constraint with any certainty, and it is undoubtedly causing distress for teachers, administrators and parents. This angst can be solely attributed to the government and its incapacity to get this bill into the parliament on time and on budget.

Over the past two months, many concerned teachers and parents have written to me expressing their disappointment and anger with the government and its introduction of this bill. Most of the letters contain a similar message—that the bill is grossly unfair and must be amended in the interests of quality education for all Australians. Mrs Sheree Roberts from Armidale wrote:

I am a mother of 3 wonderful children who attend state public schools—and I am proud they do. I ask you why are my children disadvantaged and Private school children so advantaged by the reward of the Howard government’s school funding Bill?

Are my children not as worthy or as good as those that attend private schools? Is it my fault that I cannot afford to send my children to private schools?

I am outraged, appalled and can say only that this Bill is unjust discrimination. At least vote against this Bill for all the children in Australia.

Senator Ian Macdonald—I hope you wrote back and told her the truth.

Senator HUTCHINS—I did and I am now highlighting it here today, Senator Macdonald. Mrs Robyn Whalley from Murwillumbah—one of your marginal seats which will not be marginal next time—wrote:

My children and myself deserve to live life to its fullest and education is the key. Please give back the resources of all public education. Having knowledge is power. Is this why they do not want us educated? To keep us blind and weak. NO, I will not go back to the days of ‘lords and serfs.’

We must have an equilibrium in our society; this begins with education, so respect can be towards all, not just to those who can afford it.

I have a petition from Tolland Public School in Wagga Wagga, which is not in a marginal seat but a seat which is held by Mrs Hull—and I hope she will be able to explain it to them. The petition states:

ATTENTION: Steve Hutchins

Pencils, cardboard, glue sticks, paper vs swimming pools, soccer fields, gymnasiums and overseas excursions.

Without resort to a single slippery statistic—could you tell us why The Kings School is in need of more funding than Tolland Public School.
P.S. We raised $3000 last Friday night at the school fete. Elite private schools raise in the vicinity of $300,000.
You do not need to be a genius to see the discrepancy.

Vote NO to the Howard Governments Schools’ Funding Bill.
I am sure many other senators have received extreme amounts of correspondence from teachers, parents, and organisations protesting about this bill. Mr John Amery, a teacher at Arthur Phillip High School in Parramatta—one of your other marginal seats, Senator Macdonald, and one I guarantee you next time will not be marginal—writes:
I am writing to express my concern about the Howard Government’s new schools’ funding bill. It simply disadvantages public education. Private education prospers and public education becomes even poorer. I would urge you to vote against the States Grants Bill.

We have before us a second reading amendment, moved by Senator Carr. Later we will also be moving three other amendments, which I will talk about in a moment. As I have said, access to education in Australia is a right for all children, not a commodity to be sold. Unfortunately, this bill, as with so many others that originate from the government, is underpinned by an ideology that serves to denigrate education into a privilege that is only accessible to the wealthy of our community. With the implementation of the enrolment benchmark adjustment in 1997, the government’s true colours regarding the future of education in Australia became evident. This bill takes their agenda another step forward. If we are in any doubt, we need only track the figures of government spending in public schools since this government was elected. In 1996, 43 per cent of Commonwealth funding for education went to public schools. Under this bill, the coalition plans to reduce funding to public schools to 35 per cent by the year 2004.

In contrast, the Labor Party believes in the value of fairness, equality of opportunity and the right for all Australian children to receive a quality education. In a press release by the shadow education minister, Michael Lee, last week, Labor reiterated its credentials on education. The Labor Party will propose three amendments to this bill, which are drafted to make the allocation of Commonwealth funding more equitable for our children. Firstly, Labor will propose freezing funding to the elite category I schools at their present arrangements. Secondly, Labor will seek to abolish the EBA—a hugely unjust funding mechanism that has been punishing government schools since its introduction in 1997. Thirdly, with the money available through these amendments, Labor will redirect funding to where it is most needed—special needs students. There are more than 100,000 students with disabilities in Australia with a greater need for funding than the 61 wealthiest schools. The Labor Party’s plan will ensure that they get it.

Over the past few months the Australian public have had the opportunity to assess the education landscape and the government’s plans for Australia. They have come to learn that this government is determined to impose a new class system on Australia, a system that divides Australians into the information rich and the information poor and that denigrates the acquisition of a quality education from being an entitlement to being a purchased commodity. If this situation is to be avoided, then the Senate must amend this bill. Only by amending this bill will our education system be a bastion of equal opportunity that provides a chance for the underprivileged to rise above hardship and to achieve their true potential. Only by supporting the Labor Party’s amendments will this parliament ensure that a quality education is available to all Australian children and that Australia gains its rightful place as an international leader in the information age.

Senator ALLISON (Victoria) (6.22 p.m.)—The States Grants (Primary and Secondary Education Assistance) Bill 2000 renews government and non-government school funding for the 2000-04 quadrennium and, most significantly, introduces the new so-called socioeconomic status, or SES, funding model for non-government schools. It also represents a 40 per cent increase over four years in Commonwealth contributions to the non-government school sector. This
model is a radical departure from the current funding formula for non-government schools, known as the education resource index, or ERI. The ERI uses the overall income of a school to determine its level of Commonwealth funds and places schools in one of 12 categories. The SES model, on the other hand, is said by government to be much more needs based because it is calculated on parents' incomes. In fact, the model is not based on actual parents' incomes; rather, it is based on the average income of households, as reported by the Australian Bureau of Statistics, over districts of 250 or so households. This averaging is what has led to the bulk of increases going to the wealthiest non-government schools.

I think this legislation and legislation on schools since 1996 tell us quite a lot about the direction of the coalition government in this country in terms of the provision of public and private education. On coming to office in 1996, the Howard government effectively deregulated non-government schools by abandoning the process new schools had to go through in order to receive Commonwealth funding. There were no minimum enrolment requirements, there was no need to demonstrate that there was a need for a new school in that location, there was no need to demonstrate anything other than the very minimal state and territory registration requirements and there was no need to demonstrate a support base before public money began to flow. Private schools in Victoria took over government schools that were closed by the Kennett government in some number.

The government says that this deregulation was about providing parents with more choices. Parents, the government says, are voting with their feet. There is, however, plenty of evidence to show that the expansion of private sector enrolments is now being supply driven. There are new schools, new locations, new options and aggressive marketing, and now we have the promise of massive increases to assist in the business of selling schools to parents. Of course, the privatisation of schooling fits very neatly into coalition ideology. Parents pay more, governments overall pay slightly less and, importantly, governments hand over the provision of services to the private sector so that the market sorts out who gets what according to what parents can and are prepared to afford.

When the Senate finally received details from the government of which schools would receive what funding, there appeared a column declaring the estimated taxpayer saving per school. The losers in this system, however, are the 70 per cent or so of government school students who must get by in a system which is seriously underfunded and the parents who feel that they must make huge financial sacrifices to send their children to schools which are not so underfunded. The government seems to have forgotten that Australia has both moral and treaty obligations to provide for free universal and secular education. The Democrats hold the view that all individuals should have first and foremost a right to and access to free, quality public schooling.

Why then is it that the government sector remains so chronically underfunded? Spending is on average just over $6,000 per year per student whilst the Commonwealth government tops up schools which can afford to spend more than twice that sum on every student. When are we going to see serious work done to establish the cost of providing schooling at an acceptable community standard? When is public education going to be good enough for all students? Why is it that the legislation guarantees a minimum entitlement to all students, regardless of how wealthy the school is, of 13.7 per cent of the average government school recurrent cost? The answer is that the federal government has lost sight of its obligation to fund high quality, free public education. It prefers to foster an educational environment of user pays. This bill is about encouraging more parents to abandon the government sector in search of better resourced private schools. Almost any non-government school is now much better resourced than the majority of government schools.

I would like to talk about need. Dr Kemp’s defence of the SES funding model is that it delivers to the neediest non-government schools and that the level of need
amongst non-government school communities had been severely underestimated until he came along. How does Dr Kemp know what real need is? A number of Victorian members of parliament will by now have received a letter from the Berwick Secondary College. This school, in Victoria, is described by its principal as being in the middle range of the socioeconomic categories for a state school. This means medium percentages of Education Maintenance Allowance students—a system of supplementing the incomes of families in order to allow the payment of fees and the like—and low numbers of non-English speaking background categories. Even so, 29 per cent of this school population from years 7 to 10 cannot afford to pay $160 a year in school fees. They do not have any choice of schools. Berwick is in a growth corridor and there are now eight private schools in the area competing for students. These schools will receive between $3,367 and $4,495 per student per annum. The schools receiving the lowest level of Commonwealth assistance charge fees of around $10,000 per annum. Therefore, they spend around $14,000 on every student.

The non-government schools in the Berwick area have new permanent buildings, theatres, swimming pools and indoor sports facilities. Berwick Secondary College will increase its enrolments by 100 to 1,800 next year, and up to 700 of these students will be taught in portable classrooms. Berwick with its portable classrooms is not an isolated instance. I cannot think of one government school in Victoria that I have been into over the last few years which does not rely on portable classrooms—sometimes they are more than 20 years old and falling to pieces. Of course, they are not really portable or temporary any more than they are comfortable to teach and learn in.

It is a very different story, however, in some of the non-government schools which will benefit from this new funding formula. Penleigh and Essendon Grammar School is currently a category 3 school and will receive $3.89 million extra. Penleigh has gymnasiums, a swimming pool, an astroturf hockey field, ovals, soccer grounds and squash courts, and it charges $8,994 a year for year 12 students. St Margaret’s School boats expeditions to Nepal, Nordic skiing, whitewater rafting and scuba diving. Its fees are just under $10,000. Tintern Anglican Girls Grammar School, a category 2 school, will receive $1.6 million extra per year. It has a farm attached to the school called Tinternwood. Fees for year 12 are just under $10,000.

At Strathcona, the fees for years 11 and 12 are $9,234. That school has water polo, snow skiing, a heated indoor swimming pool, three netball courts, two basketball courts, a gym, a boat shed, an oval and a dark room. Strathcona will receive $327,000 extra. Camberwell Grammar’s web page offers skiing trips on which boys receive three to four hours of instruction a day on a two-week program. The page says:

Many Camberwell Grammar families stay together in one of the lodges on the mountain. Other families book private apartments.

In most years the school arranges a ski trip to New Zealand and then in January another to Canada at a premier ski resort where they can rub shoulders with John Cleese and Gillian Anderson. Camberwell Grammar has an indoor pool, a performing arts complex and three orchestras. Korowa Anglican Girls School has two gymnasiums, a 25-metre heated indoor pool, several netball and tennis courts and a creative arts centre—and it has a counsellor. Ruyton charges $11,400 in year 12 and has a gym, leased boat sheds on the Yarra, and will receive $152,000 extra per year.

I recently had a letter from Mill Park Secondary College. Geelong College will receive more than 65 per cent of all the per capita funding that Mill Park receives for each student. Geelong now has access to funds of more than $15,000 per student per annum. Mill Park said:

At Mill Park we can only imagine what we could provide for each of our students with another $2039 per head or $3.74 million a year: We could provide desperately needed facilities like permanent state of the art classrooms equipped with the latest in learning technologies rather than old portables with four-year-old computers. We could build a performing arts centre so that our students could perform their music, dance and
drama in an appropriate facility rather than the school gymnasium or a hired hall three kilometres away from the college. We could provide a dance studio so that our students didn’t have to use the local kindergarten to save their ankles from concrete floors. We could buy a bus to transport our sporting teams to venues and to support our outdoor education and camps program.

We willingly subject ourselves to Commonwealth and State Government policies and continually have to enrol students abandoned by the non-government system, many of whom seem to pick the eyes of the best students via scholarships from areas like Mill Park and then claim ‘poor’ because they have some students from socio-economically disadvantaged areas.

The Lakes Entrance Secondary College has between 60 and 70 per cent of families on the education maintenance allowance. Eight per cent of students are Kooris and 48 per cent of youth are unemployment in Gippsland. Dr Kemp says that drawing attention to the hugely unequal circumstances of the wealthy schools compared with schools like Lakes Entrance, Berwick or Mill Park Secondary College is engaging in the politics of envy. In my view, these schools have a right to be envious—not just envious but angry at the social divisions emerging between the have and the have-nots, angry at the self-satisfied attitude of the minister for schools, who is happy to have been part of a government which for more than four years has kept government school funding at an all-time low whilst lavishing more money on those already enjoying educational privilege.

Dr Kemp this year discontinued the only federal program supporting kids at risk. The Full Service Schools program ran over three years for a little over $20 million. It helped schools work with agencies in their area to provide integrated support. With no explanation this promising pilot program was discontinued, with nothing to replace it and no evaluation of its worth having taken place. Ardoch gets no government funding for its work with students at risk of suicide, homelessness and early school leaving. It runs basic needs programs for things like food, toiletries and blankets; breakfast, lunch, and after-school clubs; literacy and numeracy programs; and a host of other things.

Why aren’t these children’s needs being addressed before massive increases are handed out to the wealthiest non-government schools? Hilton says:

We see kids’ eyes light up at the sight of a toothbrush or food. 13, 14 and 15 year old kids are referred to us for housing. They are excluded from excursions because they can’t afford them. Students are allowed to attend home economics classes, but not allowed to eat the food because they can’t afford the $2 in fees.

60 per cent of the primary school population come to school hungry. Child protective services involvement in some school populations is up to 50%.

In some, up to 20 per cent of families are referred to mental health services.

This is a very grim picture, and I do not mean to suggest that all government schools have such disadvantaged students. However, there are too many instances of principals in
government schools being powerless to help kids who need it—they just do not have the resources. The Australian Council of State School Organisations recently called for federal funding for a counsellor in every public school. That call went ignored. The federal government is not helping our most disadvantaged children to reach their potential.

The Democrats will not be supporting this legislation in its present form. Our preference is that the current ERI system be extended for a further year until there is time to take a careful look at a system of funding non-government schools which does not just pretend to be needs based. We have developed terms of reference for a National Education Board to advise the minister on a fairer funding model for government and non-government schools, with specific terms of reference to look at what it takes to deliver a standard of education expected by the community and a way of overcoming the wide disparity in resources available to schools. If we cannot get Senate support for those amendments, we will push for actual parental incomes to be the measure for funding rather than the average income over a given area.

We have amendments which will require greater accountability for the expenditure of public funds in non-government schools. I think the public has a right to know about exclusion policies, the number of untrained teachers in charge of classes, retention rates and unequal gender outcomes. We think non-government schools should not receive Commonwealth funds if they are not approved by state governments. We will move to have establishment grants and transitional emergency assistance available to all schools. I hope the ALP will at least support a review after two years of the SES model, if that is what we are going to be struck with. We will move to bring the per capita grants for special education in primary schools up to the level of those in secondary schools, instead of taking grants in secondary schools down to lower than the midpoint between the two. We also have amendments to stop the government applying its divisive and inequitable enrolment benchmark adjustment.

There is much to be done to make this bill live up to the objectives the government say it has. Our amendments will make it more needs based. They will seek to redress some of the worst aspects of this legislation. I look forward to the debate and to the two major parties being persuaded by our arguments.

Senator FORSHAW (New South Wales) (6.40 p.m.)—I rise to speak in this most important debate regarding the States Grants (Primary and Secondary Education Assistance) Bill 2000. This legislation has generated an incredible amount of comment and communication from the public to members of parliament. Overwhelmingly, almost 100 per cent of the responses and comments we have received by email, letter and fax and through direct representation have been in opposition to the quite inequitable aspects of the proposed Commonwealth funding for government and non-government schools for the next quadrennium.

One thing I have discovered since this government came to office is that, if you want to find out what this government’s legislation is not about, you should read the explanatory memorandums to the legislation. So I went to the explanatory memorandum for this legislation, and on page 3 I found this opening paragraph:

The purpose of the Bill is to implement the Government’s commitment to maintain stability in Commonwealth funding for primary and secondary education in Australia for the 2001 to 2004 quadrennium.

I do not think there is anybody in this country, except for government members, who believes that this legislation is going to maintain stability in Commonwealth funding for primary and secondary education in Australia for the 2001 to 2004 quadrennium. I do not think there is anybody in this country, except for government members, who believes that this legislation is going to maintain stability in Commonwealth funding. It is actually going to do the opposite; it is going to create great instability, promote inequity and, I believe, do great damage to the fabric of education funding in this country. Page 3 of the explanatory memorandum further says:

The Bill includes provision for the new socioeconomic status or SES based funding arrangements. Under the new arrangements general recurrent funding will be distributed according to need and schools serving the neediest communities will receive the greatest financial support.
Again, I believe there is not a person throughout this country, other than the government senators and a few of the schools that will clearly substantially benefit from this bill in the elite private school sector, that believes the funding provided through this legislation will be distributed according to need. It is a nonsense to suggest that this proposal is based upon need. Further, to go on and claim, as they do, that ‘schools serving the neediest communities will receive the greatest financial support’ is the absolute antithesis of what is going to happen. Frankly, the evidence that has been put on the table during the committee inquiry of the Senate Employment, Workplace Relations, Small Business and Education Legislation Committee and the evidence that has been presented by speaker after speaker from the opposition and the Democrats in this chamber demonstrate that it is not the neediest communities, the neediest schools, that are going to benefit from this legislation at all; it is going to be those elite private schools—the category 1 schools, the 61—that are going to get the lion’s share of this funding. I cannot understand how government senators can stand up here and the minister can stand up in the other place and claim the contrary. The figures just demonstrate it is not correct. I want to put on the record at the outset that I—like everybody here, I am sure—have a direct interest in this legislation. We either have children who are attending schools or are ourselves the products of the school system in this country. As a person who has been educated in the Catholic school system I can say I have a pretty good understanding of that system. Further, I have three children, one of whom is today completing his HSC through the state school system in New South Wales. One thing I can say is this: when the government talks about choice they do not understand what choice for parents in education is all about. I stand here as a person who was educated in the Catholic school system. Like the shadow minister for education, Michael Lee; like my colleague Senator Steve Hutchins; like the member for Blaxland, Michael Hatton—

Senator Ian Macdonald—And me.
Senator Cooman—And me.

Senator FORSHAW—Hang on; like two of my state colleagues, Carmel Tebbutt and John Della Bosca, I was educated at Cronulla De La Salle College. That is not a bad record: one school that has produced six currently serving Labor members of Parliament. Some people may argue about whether that has actually been good or bad for the community—I will accept that. But the point I want to make is this: we in the Labor Party—particularly those I have mentioned, and many others—understand the issues regarding choice for the Catholic school system.

It is important to also note that whilst our party has for a long time supported funding for the non-government school sector it has always been on the basis of equitable distribution. Having attended a non-government school, having children attending non-government schools and knowing many parents who have children in non-government schools, particularly in the Catholic systemic system, I can tell you they do not have a choice when it comes to whether or not they can send their children to the wealthy elite private schools. It is an absolute disgrace for the government to suggest that parents in the communities I have just mentioned, for instance, who choose to send their kids to non-government schools in the Catholic systemic system somehow can choose the wealthy private schools.

Many of the kids who attend those schools are the kids of battlers. That is why we have always supported choice in education—but choice based upon equity. That is why we developed the needs based system for schools funding: to ensure that the poorer schools—whether they be the state schools.
or the non-government schools, particularly those in the Catholic systemic system—educating the kids of the battlers would have the educational resources and the funding to provide the same level of education that is provided at many of the elite private wealthy schools. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

DOCUMENTS

Wet Tropics Management Authority
Motion (by Senator Ludwig) proposed:
That the Senate take note of the document.

Senator McLUCAS (Queensland) (6.51 p.m.)—I note that today we received the annual report of the Wet Tropics Management Authority. I would like to bring to the attention of the Senate a couple of highlights that are noted in this report. I note that the chairperson of the report, Professor Tor Hundloe, has made a couple of comments about what he sees as the achievement of the board over the past 12 months, noting that this is the final report from the current board of the authority. He says that he would have liked to achieve more, that this term saw the finalisation of the wet tropics management plan. He also said that during this period work has been undertaken to put in place strategies to develop nature based tourism, including a walking track strategy, throughout the wet tropics area.

The relationship between the community, the tourism industry and the world heritage area is a very difficult relationship, and negotiating an outcome that is acceptable and amenable to all parties will always be fraught with difficulties. It is disappointing that, from time to time, the community’s objectives and those of the authority are not synchronised. I have to make a comment about a media release that I received only late this afternoon from Councillor Bob Owen, a division 1 councillor of the Cook Shire Council, expressing enormous concern about the lack of consultation of the Wet Tropics Management Authority with the people north of the Bloomfield River about the nature based tourism strategy. I have undertaken to write to the board of the Wet Tropics Management Authority to try to facilitate some sensible and reasonable resolution of this problem. There is no point in people getting into what I call ‘camps’ over this issue, as we have seen happen in the area between the Daintree and the Bloomfield River. I hope that can be resolved quickly.

Professor Hundloe also talks about the strategy to involve Aboriginal people in the development of the wet tropics management area. I congratulate the authority on the work they have done there. In doing so, I pay tribute to the Bama Wabu Aboriginal Association for the work that they have done over many years, first of all, in making the Wet Tropics Management Authority aware of the importance of indigenous involvement and then in putting together a very sensible and achievable strategy to achieve that result. Professor Hundloe goes on to talk about the operations of the Cassowary Advisory Group and is glowing in his comments about the success of that group. I do note, though, that, as we have been made aware in this chamber, cassowary management is an ongoing problem in the wet tropics area. It is of concern to me that ongoing funding has not been maintained in order to manage cassowaries in this important area.

Finally, I would like to make some comments about the difficult job that WTMA and the board do. There has been a growth in community acceptance of the wet tropics since the original listing—in difficult circumstances, I acknowledge—and that is due to the work of boards over the last 10 years. But I would like to say that one of the major problems faced by Professor Tor Hundloe over the last 12 months has been his difficult relationship with the member for Leichhardt. The sort of relationship a federal member should have with an authority that has an enormous responsibility for and impact on our region is one that is far more constructive than the one that we, as a community, have witnessed in Far North Queensland. Instead of working with the authority, Mr Entsch has lowered himself to sling insults at the management authority and, in particular, the chairperson of the board. I do not know that this is positive or professional behaviour from a federal member of parliament.
Senator IAN MACDONALD (Queensland—Minister for Regional Services, Territories and Local Government) (6.56 p.m.)—This report was tabled only today, and I have not had an opportunity to go through it any detail. But I do think that, while I am in the chamber, I should comment in a very broad way on the work of the Wet Tropics Management Authority. I must say, though, at the outset that Senator McLucas’s comment about my colleague the member for Leichhardt, the Hon. Warren Entsch, is untoward.

Mr Entsch is a great representative for his electorate, including Far North Queensland and the Torres Strait area. He is very much in tune with his constituency and his constituents, and reflects their views on a whole range of issues very well. He is a committed environmentalist—committed in many ways.

Senator Ludwig—Think so?

Senator McLucas—We know about that, too, don’t we?

Senator IAN MACDONALD—A lot of his practical achievements in that area would leave the work of others in this chamber—some of whom are smirking and laughing—far behind. A lot of people talk about these things and do absolutely nothing. Mr Entsch is one of those who, by his actions and deeds, has shown himself to be a genuine environmentalist.

Having said that, I congratulate the Wet Tropics Management Authority on the work it has done, particularly since the change in membership of the board following the advent of the first Howard government. I have been around the north of Queensland for a long time, and I well remember the initial Wet Tropics Management Authority’s approach to life: it was one of confrontation with the people of North and Far North Queensland ad infinitum. Not a week went past when there was not a headline about some of the very poor decisions that the original board of the Wet Tropics Management Authority and some of its personnel made. They were politically motivated decisions, Mr Acting Deputy President Bartlett. They were made in a time when, you might recall, Graham Richardson quite openly boasted that he won a couple of elections by fooling the green vote into supporting the Labor Party. He then proceeded to do whatever it took to get that radical green vote on-side and hold the seat of Leichhardt for some time. But I do not want to go into the politics of the situation in the north—that is all a matter of record.

I do say that in the early days the Wet Tropics Management Authority was the forum for confrontation with the people of Far North Queensland. Things had to be done and difficult decisions had to be made, but the original authority was not in a position to do it because it was very often running a political line and having little regard for genuine environmental outcomes. However, that did change with the appointment of the board following the advent of the Howard government. Almost overnight things were done, but it went off the front pages. There was not the same sort of confrontation. The radical green groups who used to have enormous sway—a very noisy minority that some in this chamber would be aware of—were not paid heed to. Sensible environmental decisions were made and, fortunately, the Wet Tropics Management Authority and all it did disappeared from the regular pages of the news media.

They have had a difficult job. Perhaps they have not done everything that I would like to have seen. Perhaps others may have done it better. But across the board I think the authority has done a magnificent job in recent years and has certainly helped to achieve the goals of the authority and certainly the goals of the Howard government. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Consideration

The following government documents were considered.


Motion to take note of document moved by Senator Denman. Debate adjourned till Thursday at general business, Senator Denman in continuation.

**ADJOURNMENT**

The ACTING DEPUTY PRESIDENT (Senator Bartlett)—Order! The consideration of government documents having concluded, I propose the question:

That the Senate do now adjourn.

**CARE Australia Workers**

Senator PATTERSON (Victoria—Parliamentary Secretary to the Minister for Immigration and Multicultural Affairs and Parliamentary Secretary to the Minister for Foreign Affairs) (7.02 p.m.)—I rise tonight to address a matter which has only recently been drawn to my attention through a letter I have received from Mr Steve Pratt. It concerns the very serious matter of the detention of aid workers Steve Pratt, Peter Wallace and their Yugoslav colleague Branko Jelen on spying charges in the former Yugoslavia. Senators will recall the strength of the public response to the aid workers’ incarceration and strong bipartisan support for their release.

On 4 February this year the Australian newspaper published a letter from Mr Andrew Macleod of Albert Park in Victoria, which made serious allegations against Pratt regarding his work in the former Yugoslavia. Mr Macleod alleged that Mr Pratt was engaged in intelligence activities in the former Yugoslavia. Such allegations are not only extremely serious for Mr Pratt but have the potential to endanger other humanitarian workers overseas. Given that Mr Andrew Macleod is now the endorsed Labor candidate for the seat of McEwen, I can only wonder if his statements were brought to the attention of Mr Beazley prior to Mr Macleod’s endorsement as the Labor candidate.

Given the wholly and properly bipartisan support for the release of Pratt, Wallace and Jelen, I wonder whether the Leader of the Opposition supports the published statements of the endorsed Labor candidate for McEwen. Mr Macleod’s allegations were published in a national newspaper. I would like to take the opportunity tonight to read into the *Hansard* the response by Mr Steve Pratt, so that his response to these allegations can be placed on the public record. Mr Pratt’s letter states:

I refer to the letter published in ‘The Australian’ on 4th February 2000, ‘Care transgresses the danger zone’, from Mr. Andrew Macleod of Albert Park, which has only this week been brought to my attention. Despite the passing of time, my family and I are outraged by this dishonest piece of diatribe.

Mr. Macleod’s letter made serious, unsubstantiated and false allegations about my work for Care Australia in the former Yugoslavia. In doing so, Mr. Macleod sided with a Serbian regime whose former leader has to answer to the heinous charges of war crimes. Mr. Macleod’s authority to speak on such issues is that he describes himself as a ‘humanitarian worker’, with previous responsibility for negotiating with a ‘government or military’ organization.

In making his outrageous and irresponsible allegations, Mr. Macleod has simply reacted to a sensational and poorly researched news story about the allegations relative to CARE Canada. Mr. Macleod contends that CARE Canada was contracted to provide what he terms as ‘intelligence monitors’, a provocative and unnecessarily sensational term. The cease-fire monitors that he refers to were civilians appointed under the terms of the Rambouillet Peace Agreement to monitor a cease-fire line, an agreement that was signed by the Serbian [state] government. Their role was entirely honourable and morally responsible. For Mr. Macleod to state otherwise demonstrates a lack of understanding and inexperience from someone who claims to have played a prominent role in humanitarian aid.

In his letter, Mr. Macleod finds sympathy for the Yugoslav position, alleging that “… Steve Pratt contravened Serbian law by undertaking intelligence activities.” That is a very serious and totally false allegation. Mr. Macleod’s other allegations relative to behaviour, which he infers points to ‘intelligence gathering’ are glibly sensational observations, without any basis of truth. Mr. Macleod quite ruthlessly, foolishly and naively blames our actions for further difficulties that others had operating with the Milosevic regime. This is a gross and irresponsible distortion of the situation. Further, broad international objective opinion is that our arrest was a ploy, a total fabrication for propaganda purposes and the regime knew that we had not been undertaking intelligence activities. Care Australia being allowed to maintain its office in Yugoslavia and
resume operations at the earliest opportunity refutes and reinforces proof of this.
Mr. Macleod gives legitimacy to the pariah Milosevic regime and its illegal propaganda driven detention of my colleagues and myself. Mr. Macleod also infers we have broken laws that are benchmarked against international law and therefore against the international laws of this country. However, none of these allegations have resulted in charges being laid under international or Australian law, nor has there ever been the mere suggestion.
How dare Mr. Macleod infer that my colleagues or I were involved in ‘intelligence activities’ or that we had broken international law covenants that would also be considered offences in this country? It would be doubtful either that The International Committee of the Red Cross and Red Crescent would thank him for unfairly attacking one of Australia’s front line INGOs. By definition, Mr. Macleod is also calling into question the judgement, support and efforts of not only the Minister for Foreign Affairs, but also that of the Prime Minister, Governor General and the Leader of the Opposition. Quite clearly this issue had bi partisan support.
How could a man who professes to be a humanitarian and to my alarm claim to be a ‘trouble-shooter’ for the International Committee of the Red Cross, supposedly responsible for negotiations with humanitarian staff, government and military forces, make such allegations against humanitarians? Such actions can only further place in jeopardy the well being of CARE International workers and their operations in Balkan countries, and perhaps in other countries governed by regimes who have similar sympathies.
Mr. Macleod has naively given the benefit of the doubt to a pariah regime, by siding with Milosevic and making totally baseless allegations and effectively supporting a murderous and treacherous regime which has engaged in untold acts of violence and atrocities. Is this the Australian way? I think not. To hell with you Mr. Macleod.
Steve Pratt
Isaacs, ACT
6 November 2000
The Australian public was outraged by the imprisonment of these humanitarian workers and strongly supported all efforts to secure their release. Most Australians would be concerned by any statements which have the effect of putting other Australian humanitarian workers at risk. In view of that, I think that most Australians would be profoundly troubled by Mr Macleod’s statements in the letter that appeared in the Australian on 4 February. The Australian public are entitled to see his ill-considered and reckless statements as unAustralian and they are also entitled to wonder at his credibility.

Youth: Operation Flinders

Senator FERRIS (South Australia) (7.09 p.m.)—Imagine a still and balmy Saturday night, a glowing camp fire and a sky that looks like black velvet sprinkled with diamonds. Two indigenous elders are sharing their dreaming stories with a group of troubled young women, and I am a spectator, quietly spending a weekend with Operation Flinders, a very special program for young people in South Australia. Operation Flinders targets young people at risk aged between 13 to 18. Many participants are identified by the education system, ranging from the low risk category, who are still at school but are showing signs of problem behaviour, through to those at high risk, who are either under the care of Family and Community Services or on court orders for offences.

These are young men and women likely to become offenders without some form of intervention. In a bid to keep them out of the prison system, some South Australian court orders now oblige young offenders to participate in the Operation Flinders program. Operation Flinders is an innovative response to crime within our community. It aims to prevent young people falling into a cycle of crime, welfare dependency and substance abuse. It aims to keep our kids out of the criminal justice and prison systems and to give them a chance to take a positive turn on life’s pathway. The camps are held on Moolooloo Station, about 650 kilometres from Adelaide, in the far north Flinders Ranges in South Australia, with the support of the Slade family, who are the property owners. This station does have a great historical importance. It was from this remote property that explorer John McDouall Stuart left in 1862 to successfully negotiate Australia from the south to the north.

Each camp involves teams of 8 to 10 young people and two counsellors. Some 18
per cent of the young people are from an indigenous background and 20 per cent are female. The team leaders are usually selected from serving or retired army personnel and serving police officers, with ambulance officers taking part, all of them selected for their bush survival and navigation skills as well as for their character and, of course, their patience. Teams walk an average of 100 kilometres through the starkly beautiful Flinders Ranges over eight days to designated stands with tin trunks with sufficient rations for the team’s dinner on the night of arrival, their breakfast the next day and something to eat for lunch the next day. There is a supply of water, implements to dig latrines, a bush shower and cooking implements, and each person carries their own sleeping bag and mattress.

Three of the camp sites are permanently attended. One has some police officers situated at a cliff where there is abseiling. I am pleased to say that, for the first time, I was able to go over the cliff without any fear. As I prepared to descend, the assisting officer asked me which party I came from, and I was happy to tell him that it was his, whichever it was. Another camp site has members of a local Aboriginal group, and a third has a couple of volunteers who dress as miners from two or three decades ago and who appear to live at a deserted copper mine. Headquarters is also staffed by medical, logistic and support staff. These young people arrive by bus at the side of a dusty road, far from any sign of human life. The teams never meet each other but they are aware of each other from evidence at the camp sites and from radio chatter.

Each of the day’s activities has a specific purpose. At Hannigan’s Gap, the abseiling stopover, team members have to place their trust in the police officers and overcome their fear of heights to abseil down the 30-metre cliff. The Aboriginal camp is staffed by two people from the Adnyamathanha tribe, an elder and a younger, well-versed tribe member. Here, the teams hear of the Dreamtime and help prepare bush tucker. The Flying Fox mine is an abandoned copper mine which was last worked in the 1890s. Two members of the Operation Flinders team, who are also experienced bush survival experts, dress in old clothes and act out a scene as two miners from the era. The teams are taken through the old mine and told various stories and folklore.

The young people also participate in team challenges, which they are marked on. One involves building a raft to transport them and their knapsacks over a waterhole said to be poison and the other involves building a bridge as part of a bushfire exercise. Each team usually undergoes a storming period early in the exercise when they object, complain and grizzle about the physical aspects of the camp and the discipline. They are a bit rebellious and somewhat difficult to control. However, after three or four days they settle to their circumstances, come to terms with their surroundings, develop relationships with other team members and form a team, and the trust that goes with it. Importantly, since Operation Flinders began in 1991, only 29 participants have left.

At the end of the exercise, a top team is selected and a trophy is awarded to the participant who achieves the most outstanding results from the eight days and shows the most improvement. Each member who completes the week-long exercise receives a T-shirt and a set of dog tags, one of which is numbered and the other has a 24-hour 1800 telephone number that participants can ring subsequently.

Operation Flinders is an excellent example of government working in partnership with the community and business, but funding is very tight and resources are extremely limited. Currently 37 per cent of funding is received from the South Australian government, with the remaining 63 per cent coming from corporate sponsorship and the community support of volunteers. The organising committee would like very much to have some federal funding for this program and expand it to a national level. I have made a commitment to Operation Flinders to assist them with this task.

Research shows that Operation Flinders has positive effects on its participants in generating positive attitude and behavioural changes. It is a cost effective crime prevention initiative. It presently costs $92,000 to
hold a young offender for 12 months in some form of incarceration whereas it costs only $1,250 to put a participant through an Operation Flinders program. Operation Flinders has been commended by other states and territories as well as other countries. In fact, the federal government has selected Operation Flinders as an example of best practice in crime prevention.

There is no doubt in my mind that the combination of a remote location, bush survival skills and a supportive network of caring adults trained in youth support skills can deliver a fresh start to a troubled youngster. As one of the young women told me on Saturday night as we sat by that glowing fire, ‘I was going to drop a kid and go on the pension when I left school, but maybe I won’t. I quite like writing. Could I become a journalist?’ I replied, ‘You can do anything if you set your goal and you focus on it, no matter what the obstacle.’

In closing, I express my gratitude to Operation Flinders for the warm and generous hospitality showed to me over last weekend by the team ably led by John Shepherd. I also thank those young people who unknowingly sat with me by the abseiling cliff and in some other locations and shared with me some very valuable thoughts on life that I will never forget.

East Timor: Education

Senator BROWN (Tasmania) (7.18 p.m.)—I have a petition from hundreds of East Timorese high school students. It is not in the proper form to be admitted to the Senate as a petition, but I will seek leave of the Senate to table the petition and I will talk a little about it. It is addressed to Australia and to the Australian government, and it reads: We East Timor’s students call upon the Australian Government to:

1. Apologize to East Timor for its complicity in the Indonesian occupation.
2. Give scholarships to East Timor’s students up to 300 scholarships for both under graduate and postgraduate level.
3. Sponsor lecturers from Australia or other countries to support East Timor’s tertiary education.
4. Provide more funds to rebuild schools and facilities.
5. Facilitate more English courses in East Timor.

This is unusual in that it is a petition from youngsters from a neighbouring country, and it bears all the marks of much deliberation by the students involved. The petition has been exposed to the weather, the water and goodness knows what, but it is very important that this parliament take note of it. While it begins by asking for an apology from the Australian government—and I think it means governments—for past complicity in the Indonesian occupation—and we are all quite clear about that—it looks to the future. The youngsters are saying that education will play an important part in rebuilding their country and they are looking to Australia for assistance.

I understand that AusAID is offering 53 scholarships to East Timorese youngsters to study at universities in Australia, but that some 3,000 to 4,000 youngsters have applied for them. There are hurdles. To apply, students must have their school and education certificates translated into English. If that is not difficult enough, many students’ documents have been destroyed—burnt, for example. The University of East Timor is due to open next month, but it will cater to only 1,500 students at the outset. Many of those applying to university have only a subject or two to complete in order to graduate as they studied previously in Indonesia.

The opportunity for Australia to be a good friend and supporter of these students—who one must logically assume will be very important to the next generation of leaders in East Timor—is embodied in this petition and our response to it. I hope that the government will look carefully at this plea for education assistance in East Timor by tertiary students—both undergraduate and postgraduate. I hope that it will assist in establishing the new university and other tertiary facilities particularly by sponsoring lecturers from Australia or other countries and of course by providing the all-important funds to rebuild both schools and tertiary facilities. The petition also calls for the facilitation of more English language courses in East Timor—which is something that Australia can do
ich is something that Australia can do very readily. I commend this petition to the Senate. I ask that the government take particular note of it and see whether it can respond. I seek leave of the Senate to table the petition.

Leave granted.

Senator BROWN—I thank the Senate.

Vocational Education and Training

Senator PAYNE (New South Wales) (7.23 p.m.)—I rise this evening to make some remarks which echo some sentiments I have expressed before. I have said before that I think one of the most significant challenges for individuals is a very constantly changing workplace environment. The challenge is represented, in many ways, by the need to provide the employees of the future with the right skills to meet the demands of industry. Part of those constant changes is also a change in the approach to job training from the way it has been in previous decades. For example, in the post World War II period, the common practice was in-service training by employers. Then a rapid changeover in industry in later decades led to training schemes for semiskilled workers and transferees. But, in many ways, it is technological advances in nearly all workplaces which have made training a necessity for all employees. I think it is also fair to say that the need for further qualifications at the completion of secondary schooling, whether a university degree or by way of an apprenticeship, has also increased in importance during this period.

Most commentators would say that the coalition inherited a pretty damaged economy when it was elected in 1996. After 13 years, Australia had high rates of deeply entrenched unemployment, and we had an employment and training system that was in need of serious repair. We do not need to look back very far to realise that in 1992, for example, unemployment rose to 11.2 per cent. We do not need to look back very far to assess the problems in relation to school accountability, for example, in literacy and numeracy. In 1993, 20 per cent of primary students had literacy problems. The previous government ignored in large part the 70 per cent of school leavers who were not going on to university. And when, at the end of the 1980s, the numbers of semiskilled and unskilled jobs dwindled significantly, little was really done to provide alternative training to find jobs for those people.

Under the last five years of the previous government, school retention rates dropped by six per cent. Many would say that this was primarily as a result of an unemployment system which virtually encouraged young people to drop out of school and do nothing. Even the apprenticeship system had declined dramatically. Some might blame union influence for that. For example, employers’ costs of taking on apprentices increased markedly and a very limited range of industries was supported in the system, substantially destroying quality on-the-job training for young people.

In contrast, since 1996 the coalition has made significant headway in addressing these problems. The nation’s unemployment rate now stands at 6.3 per cent, literacy rates for year 5 students are at 71 per cent and the retention rate of year 10 to year 12 students has risen to 74 per cent. In the year 1998-99, over 3,000 New Apprenticeships were established, and the percentage of wage earners that had post-secondary qualifications increased markedly and a very limited range of industries was supported in the system, substantially destroying quality on-the-job training for young people.

In contrast, since 1996 the coalition has made significant headway in addressing these problems. The nation’s unemployment rate now stands at 6.3 per cent, literacy rates for year 5 students are at 71 per cent and the retention rate of year 10 to year 12 students has risen to 74 per cent. In the year 1998-99, over 3,000 New Apprenticeships were established, and the percentage of wage earners that had post-secondary qualifications increased from just over 47 per cent in 1993 to over 53 per cent in the last ABS statistics.

Many people would agree that the workforce in the 21st century will need to be better qualified and skilled to react to developing technological change in the workplace. Much future job growth will be found in the professions, the service industry and, of course, the IT industry—and I have made comments in this place before about the relevance and importance of that industry to our future. Commitment to training our school leavers to meet future labour force demand was announced recently, on behalf of the government, in the form of a national investment project to be run by ANTA, the Australian National Training Authority. It is about improving our national training system with new and better products and services and aims to change the Australian vocational training system so that we are ready to face continual job changes and reskilling. That
need for individually tailored training has been identified as essential.

Pressingly, though, we have to catch the 30,000 to 50,000 students who are currently studying and/or looking for work and considering actually dropping out of education. I would also note, as an issue of personal interest to me, that there is a real issue about keeping young mothers and pregnant students in the education system as far as possible. In 1997, over 13,000 Australian women under 19 years of age gave birth to a child. Few of those young mothers complete high school. They face enormous financial and parental pressures. They often face an unwelcoming school. And that sees them drop out of education, never to return. We all know what an amazing ticket to life education can be, and it is one which they deserve as much as any other student.

So vocational education and training becomes a golden opportunity for both students and teachers. VET, as it is known, has expanded rapidly. In 1998-99, as I have said, there were over 3,000 New Apprentice-ships—primarily in the transport sector, some in the construction industry and over 1,000 in a range of sectors including primary health and community services, specialist manufacturing and, again, IT. This is an enormous increase from 1997, when 1,500 new apprenticeships were brokered.

Creation of more places in further education institutions is also necessary, and that is a policy the coalition is firmly committed to. Capacity, though, is often limited by the need for more teaching skills as well. One solution to that shortage seems to be in the development of partnerships between industry and educational institutions to actually provide teaching resources. Pursuing further solutions might include further promotion of the use of private commercial education providers and the development of trainee apprenticeship schemes, particularly in the IT sector. The future of the system rests, I think, with its ability to adapt to the pressures of globalisation and, at the same time, to become an integral part of the Australian education system.

I want to talk briefly about programs I have seen working well on the ground, particularly in Greater Western Sydney. The approach of the ‘Pathways to Real Jobs’ policy is to establish a network of regional and community employment councils designed to develop appropriate employment programs. That is an initiative that also provides a potential solution in helping to meet both individual and enterprise needs. Having been to a graduation ceremony of that particular network in western Sydney in the electorate of Werriwa, I have always been impressed with the participants and the providers. As I commented earlier, the new growth industries in employment are in the service sector, whether it is tourism, hospitality or information services. The growth of knowledge industries coupled with the growth in the service industries suggest that there might be a need for further integration of vocational skills into the actual curriculum and, on top of that, a need for general education skills to be incorporated as part of the vocational training program as specific industry skills become less relevant with the expansion of industry and the diminution of individual skills.

Advances in the TAFE system and other vocational institutions will therefore be vital. They need to focus on customised training for small and medium businesses and providing employment related services so that, at the end of the training, the trainee has easier access to employment. Development of those foci will help to promote vocational education. It does not always enjoy the same focus as university education, but only one in three school leavers gains entry to university. This highlights the need for having the very best vocational education system to help retain people in education after the compulsory years. Whilst much of the pressure continues to be on preparing students for university, the need for greater vocationalisation, if that is a word, of our education system is gathering pace. An examination of the United States provides a very strong reference point on which to develop the future vocational education system in Australia.

I want to conclude by briefly looking at some aspects of workplace training which the coalition has pursued in policy terms in the last few years. We have set in place what
is a coherent national policy framework to further improve the national training system—for example, the ‘Pathways to Employment’ policy, which includes the introduction of a new Return to Work Program to provide skills assistance, to build confidence and to increase familiarity with current technology for people who are seeking to re-enter the work force after two or more years absence. I have spoken before about the Return Program, the pilot offered by the National Office of Information Economy, which I saw operating in situ at the Western Sydney Institute of TAFE at Mount Druitt and operating to the great advantage and benefit of the women who were participating.

We have also recently announced an additional $91.5 million over four years to boost New Apprenticeships in rural and regional small businesses—small businesses of any colour you can possibly imagine—to encourage young people to participate in that apprenticeship program and to encourage employers to do the same.

We have addressed one of the underlying causes of youth unemployment—and, as members of this place, we see regularly the problems that it presents—that is, literacy and numeracy. We have offered $112 million over four years to address those very significant problems. We are also working to strengthen school to work initiatives so that younger people can make a smoother transition from school to the labour market without hopefully experiencing those periods of unemployment.

We have made great inroads. There have been significant drops in youth unemployment—still not enough but very significant changes. Our policies are directed to generate more jobs, to give those people without employment the best opportunity to get a long-term stable job because, ultimately, we recognise that the better trained Australia’s work force is the stronger our economy will be in the competitive global market.

Senate adjourned at 7.33 p.m.

DOCUMENTS

Tabling

The following government documents were tabled:

- Department of Communications, Information Technology and the Arts—Implementation and operation of the Australasian Performing Right Association (APRA) complementary licence scheme.

Tabling

The following documents were tabled by the Clerk:


Return to Order

The following document was tabled pursuant to the order of the Senate of 25 March 1999:
Australian Competition and Consumer Commission—Report to the Australian Senate on anti-competitive and other practices by health funds and providers in relation to private health insurance for the period ending 30 June 2000.
QUESTIONS ON NOTICE

The following answers to questions were circulated:

Treasury Portfolio: Agency Boards
(Question No. 2145)

Senator O’Brien asked the Minister representing the Treasurer, upon notice, on 10 April 2000:

1. How many agencies within the Minister’s portfolio are administered by a board.
2. Are all members of the above boards appointed by the Governor-General on the advice of the Executive Council; if not, who is responsible for making board appointments.
3. In each case, does the Remuneration Tribunal have a role in the setting of fees, allowances and other benefits for members of the boards; if not:
   a. under which section of the relevant legislation are such fees, allowances and benefits authorised; and (b) how is the value of these fees, allowances and other benefits determined.
4. In each case, what is the nature and value of fees paid to board members.
5. What other benefits, such as mobile phones, home computers and home phone/facsimile machines, are provided to board members by virtue of their membership of a government board.
6. What class of air travel, what standard of accommodation and what car allowances are paid to board members and, in each case, what is the value of these benefits and who determines that value.
7. Are board members entitled to, or do they receive, any spouse benefits; if so, what is the nature and value of these benefits.
8. (a) On how many occasions since January 1998 have the above fees, allowances and other benefits been varied, (b) what was the reason for each variation; and (c) what was the quantum of each variation.
9. If variations to fees, allowances and other payments to board members were not determined by the Remuneration Tribunal, who determined the quantum and timing of each increase.
10. Do board members qualify for, and are they paid, superannuation benefits; if so, are such payments additional to, and separate from, other allowances they receive.
11. Do board members receive any additional allowances if they are appointed to board sub-committees; if so, are such additional benefits provided for in the relevant legislation.

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

1. Six
2. 

<p>| Australian Competition and Consumer Commission | Yes. |
| Australian Prudential Regulation Authority    | Board members are appointed by the Treasurer. The Governor of the Reserve Bank and the Chairperson of Australian Securities and Investments Commission, or their delegates, are ex-officio members. |
| Australian Securities and Investments Commission | Yes. |
| National Competition Council                   | Members of the Council are appointed by the Governor-General after consultation with the State and Territory Governments as directed by Section 9 (1) - (4) of the Competition Principles Agreement. |
| Productivity Commission                        | Commissioners are appointed by the Governor-General on the advice of the Executive Council. Associate Commissioners can |</p>
<table>
<thead>
<tr>
<th>Organisation</th>
<th>Arrangement</th>
<th>Information on fees paid to Board members</th>
<th>Information on spouse travel for Board members</th>
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</thead>
<tbody>
<tr>
<td>Reserve Bank of Australia</td>
<td>be appointed by the Treasurer after consultation with the Chairman. Yes. The Secretary to the Treasury is an ex-officio member.</td>
<td>(4) Information on fees paid to Board members is available on the Remuneration Tribunal’s website.</td>
<td>(7) Information is available on the Remuneration Tribunal’s website.</td>
</tr>
<tr>
<td>Australian Competition and Consumer Commission</td>
<td>Yes.</td>
<td>(5)</td>
<td>(9) N/A.</td>
</tr>
<tr>
<td>Australian Prudential Regulation Authority</td>
<td>Yes.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Australian Securities and Investments Commission</td>
<td>Yes.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>National Competition Council</td>
<td>Yes.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Productivity Commission</td>
<td>Yes.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reserve Bank of Australia</td>
<td>Yes.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Australian Competition and Consumer Commission</td>
<td>Only as required by operational/work needs of each Commissioner.</td>
<td>(6) Information is available on the Remuneration Tribunal’s website.</td>
<td>(7) Information is available on the Remuneration Tribunal’s website.</td>
</tr>
<tr>
<td>Australian Prudential Regulation Authority</td>
<td>Apart from the Chairman who has the use of a home computer no other benefits are provided to Board members.</td>
<td></td>
<td></td>
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<tr>
<td>Australian Securities and Investments Commission</td>
<td>All three ASIC Commissioners are provided with a mobile phone and a home computer.</td>
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<td></td>
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<tr>
<td>National Competition Council</td>
<td>The President has been supplied with a mobile phone and the NCC pays for only those calls related to Council activities.</td>
<td></td>
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</tr>
<tr>
<td>Productivity Commission</td>
<td>Commissioners are assigned a mobile phone, semi-official home phone and home facsimile machine. One interstate Commissioner has been assigned a home computer and remote access facility.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reserve Bank of Australia</td>
<td>None.</td>
<td></td>
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</table>

(4) Information on fees paid to Board members is available on the Remuneration Tribunal’s website.

(5) Australian Competition and Consumer Commission

(6) Information is available on the Remuneration Tribunal’s website.

(7) Australian Competition and Consumer Commission

(8) Information is available on the Remuneration Tribunal’s website.

(9) N/A.
(10)

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Response</th>
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</thead>
<tbody>
<tr>
<td>Australian Competition and Consumer Commission</td>
<td>Yes, only full time members. These are additional to allowances.</td>
</tr>
<tr>
<td>Australian Prudential Regulation Authority</td>
<td>Yes. Superannuation is in addition to the allowance received.</td>
</tr>
<tr>
<td>Australian Securities and Investments Commission</td>
<td>Yes. They are separate from other allowances.</td>
</tr>
<tr>
<td>National Competition Council</td>
<td>Yes. They are separate from other allowances.</td>
</tr>
<tr>
<td>Productivity Commission</td>
<td>Yes. They are separate from other allowances.</td>
</tr>
<tr>
<td>Reserve Bank of Australia</td>
<td>Yes. They are separate from other allowances.</td>
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(11)

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<tr>
<th>Organisation</th>
<th>Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian Competition and Consumer Commission</td>
<td>No.</td>
</tr>
<tr>
<td>Australian Prudential Regulation Authority</td>
<td>Chair of Risk Management and Audit Committee is paid $10, 500 for that office.</td>
</tr>
<tr>
<td>Australian Securities and Investments Commission</td>
<td>No.</td>
</tr>
<tr>
<td>National Competition Council</td>
<td>No.</td>
</tr>
<tr>
<td>Productivity Commission</td>
<td>No.</td>
</tr>
<tr>
<td>Reserve Bank of Australia</td>
<td>Members appointed to the Audit Committee of the RBA Board receive remuneration of $5000 per annum as determined by the Remuneration Tribunal.</td>
</tr>
</tbody>
</table>

Treasury Portfolio: Agency Boards
(Question No. 2203)

Senator O’Brien asked the Minister representing the Treasurer, upon notice, on 4 May 2000:

1) Do chairpersons of any boards that administer agencies within the Minister’s portfolio receive any payments, or other allowances, in addition to those paid to other board members; if so: (a) what is the nature of these additional payments or allowances; and (b) how is the quantum of these additional payments determined.

2) On how many occasions since January 1998 have the above payments been varied, and in each case: (a) what was the reason for the variation; (b) who determined the quantum of the variation; and (c) what was the quantum of the variation.

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

1) No

2) N/A.

Bureau of Air Safety Investigation: Staff Training
(Question No. 2284)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 16 August 2000:

1) Did the then Bureau of Air Safety Investigation (BASI) recommend in Investigation Report 9402804, issued on 21 April 1995, that regional and district office staff be given training in the use of published guidance material to ensure consistency of application throughout the Civil Aviation Authority (CAA).

2) Did the same BASI report recommend that training be provided to Flight Operations Inspectors and Airworthiness Inspectors to assist them in providing guidance in the preparation of operations manuals and in the required standards for the inspection of operations manuals.

3) Has the Civil Aviation Safety Authority (CASA) addressed these recommendations; if so, can details be provided of how these training programs were carried out.
(4)(a) When did these training programs commence; and
(b) What resources have been applied to these training programs since that date.

(5)(a) Specifically, can the Minister provide details of how training was provided; and
(b) how many officers received that training, covering Air Operator’s Certificate Entry Control (AOCEC) and renewal and operations manuals.

(6) If these BASI recommendations have not been addressed, how does CASA ensure the standardisation of the essential requirements of assessing an Air Operating Certificate.

(7) Have any inconsistencies resulting from a lack of standardisation of procedures relating to AOCEC and renewals and operations manuals been drawn to the attention of the Director of CASA or any other senior staff since 1 January 1998; if so:
(a) on how many occasions were such problems drawn to the attention of senior CASA management; and
(b) in each case, what was the nature of the problem raised with Senior CASA management.

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

The Australian Transport Safety Bureau (ATSB) has provided the following advice:

(1) Yes. The fifth recommendation was (IR950062, issued 21 April 1995):
BASI recommends that the Civil Aviation Authority (CAA) review all documentation relating to Maintenance Control Manuals and Maintenance Controllers to ensure that:

(v) Regional and District office staff be given training in the use of published guidance material to ensure consistency of application throughout the CAA.

(2) Yes. The fourth recommendation was (IR950074, issued 21 April 1995):
BASI recommends that the CAA:

(iv) train Flying Operations Inspectors (FOIs) and Air Worthiness Inspectors (AWIs) to provide guidance in the preparation of operations manuals and in the required standards for the inspection of operations manuals.

The Civil Aviation Safety Authority (CASA) has provided the following advice:

(3) The CAA responded on 14 July 1995 to Interim recommendation IR950062 (v). The CAA response stated that:

“The Authority agrees with the recommendations contained in the above Interim Recommendation. The Authority is currently in the process of preparing amendments to the Civil Aviation Regulations to require Maintenance Controllers and Maintenance Control Manuals to be approved by the Authority. The amendments will overcome any existing ambiguity on this issue”.

The CAA responded on 14 July 1995 to Interim recommendation IR950074 (iv). The CAA response stated that:

“Although operations manuals are not approved under CAR 215, the operations manuals of AOC holders must be approved under CAO 82.0. CAO 82.0 para 3.3 states:
‘An applicant for a certificate must ... provide the Authority for its approval an operations manual ...

Guidance on the contents of operations manuals is contained in a CAA publication titled “Guide to Preparation of Operations Manuals” dated October 1998, which is presently being updated and MAOC Vol 1 Part A Ch 2 para 3.4.2.1 The regulatory requirements pertaining to operations manuals are contained in CAR 215. An operations manual provides guidance to company personnel on how flying operations are to be conducted within that company. It is not a substitute for legislative requirements. Comments on the specific recommendations are:

(iv) Ample guidance on the legal requirements, contents, compliance checks, style and layout of operations manuals is available to both industry and CAA staff.

The amendments to the Civil Aviation Regulations (CARs) 1988 42ZV and 42ZZA inclusive (as referenced in CASA’s response to Interim recommendation IR950062 M) were made on 14 May 1997 and came into effect on 21 May 1997.

Information relating to CASA staff training programs is included below.

(4) and (5)

CASA is committed to the provision of staff training in areas appropriate to the officer’s role, experience and expertise.
Since 1 July 1996, CASA has offered the following staff training opportunities in areas dealing with Air Operator Certificates and Operations Manuals. The need for standardisation and consistency is promoted in these courses.

**General Induction Program**

**Course Aim:** To provide new staff with a ‘big picture’ of CASA’s roles and responsibilities and where they fit in the organisation.

**Resources:** Officers from each CASA Branch.

- Course Date: 2 to 6 December 1996, 17 participants
- Course Date: 27 to 31 October 1997, 2 participants
- Course Date: 30 March to 1 April 1998, 1 participant
- Course Date: 28 to 30 March 1998, 6 participants
- Course Date: 9 to 10 June 1998, 4 participants
- Course Date: 6 to 8 July and 9 to 11 November 1998, 19 participants
- Course Date: 21 to 23 June 1999, 6 participants
- Course Date: 3 to 27 November 1999, 1 participant
- Course Date: 1 to 3 February 2000, 16 participants

**Ensuring Compliance Training Program**

**Course Aim:** To give participants an understanding of, and an appreciation for, a systems approach to aviation safety and to have a working knowledge of the procedures contained in the ASSP, Compliance and Enforcement and ASO Manuals.

**Resources:** 4 CASA officers from CASA’s Training and Development Area; 10 Officers from other areas in CASA.

- Course date: 16 to 27 September 1996, 15 participants
- Course date: 18 to 29 November 1996, 25 participants

**Airworthiness Entry Control - Module One**

**Course Aim:** To present participants with exposure to the breadth of issues to be considered in regard to the issue of a Certificate of Airworthiness, issue of a Certificate of Approval, and in relation to approval of a maintenance program, extend the process to include RPT AOC holders.

- To focus the participants attention onto key procedural steps contained in the relevant CASA Procedures Manual.

**Resources:** Presentation by 2 CASA officers.

- Course date: 30 September to 11 October 1996, 7 participants
- Course date: 21 October to 1 November 1996, 4 participants

**Airworthiness Entry Control**

**Course Aim:** To provide inspectors with an in depth coverage of airworthiness issues surrounding the activities of maintenance organisations.

**Resources:** Hire of venue; 3 CASA officers from Training and Development Branch.

- Course Date: 3 to 14 March 1997, 16 participants
- Course Date: 5 to 16 May 1997, 14 participants
- Course Date: 30 June to 11 July 1997, 15 participants

**Securing Compliance**

**Course Aim:** To ensure participants have a working knowledge of the procedures in the ASSP Manual, the Compliance and Enforcement Manual, the Aviation Safety Occurrence Manual and the concepts of system safety. The program also covers communication skills, and court and AAT practices and procedures.

**Resources:** 6 CASA District officers as presenters; 3 CASA officers from the Training and Development Branch; 1 co-ordinator Training and Development Branch.

- Course Date: 3 to 14 February 1997, 25 participants
- Course Date: 7 to 8 April 1997, 25 participants
- Course Date: 17 to 26 June 1997, 24 participants
Safety Program for Passenger Carrying Operators - SAPCOM Briefing

**Course Aim:** To educate and inform CASA staff about Safety Management Programs which are being presented to industry. AOC holders are being educated on their responsibilities for aviation safety and are being encouraged to implement safety programs.

**Resources:** 5 CASA officers.

- 15 April 1998: Brisbane District Office, Archerfield District Office
- 17 April 1998: Brisbane Regional Office
- 20 April 1998: Cairns District Office and Townsville District Office
- 21 April 1998: Tamworth District Office
- 22 April 1998: Sydney Regional Office, Sydney Flying Operations
- 23 April 1998: Moorabbin District Office, Melbourne District Office and Bankstown District Office
- 27 April 1998: Parafield District Office and Adelaide District Office
- 28 April 1998: Darwin District Office
- 5 May 1998: Jandakot District Office and Perth District Office

**Attendees:** All CASA staff on duty on the day of the briefing and able to attend.

Financial and Legal Awareness - The AOC process

**Course Aim:** To provide CASA Officers involved in the AOC process an awareness of the relevant fundamentals of corporate structures, management and finance.

**Resources:** 1 external consultant.

- Course Date: 20 August 1998, 12 participants
- Course Date: 10 to 11 September 1998, 10 participants
- Course Date: 1 to 2 October 1998, 9 participants
- Course Date: 11 to 12 February 1999, 12 participants
- Course Date: 3 to 4 May 1999, 13 participants
- Course Date: 31 May to 1 June 1999, 9 participants
- Course Date: 17 to 18 June 1999, 13 participants
- Course Date: 1 to 2 July 1999, 16 participants
- Course Date: 15 to 16 November 1999, 6 participants
- Course Date: 18 to 19 November 1999, 14 participants
- Course Date: 22 to 23 November 1999, 6 participants

Operations Engineering

**Course Aim:** To provide CASA ‘inspectors with the knowledge and skills to perform aircraft operations engineering regulatory compliance tasks for aircraft weighing more than 5,700 kgs.

**Resources:** 1 Industry consultant.

- Course Date: 13 to 15 October 1998, 17 participants
- Course Date: 27 to 29 March 2000, 7 participants

Area Managers Familiarisation Training Program

**Course Aim:** To familiarise managers with CASA’s regulatory philosophy, procedures and processes applicable to the managers role within the Compliance Division.

**Resources:** Various specialist presenters

- Course Date: 1 to 30 March 1999, 13 participants

Aviation and Administrative Law

**Course Aim:** To provide the target audience with a sound understanding of the legislative framework applicable to Australian aviation and regulation.

**Resources:** One officer from Office of Legal Counsel.

- Course Date: 6 to 10 September 1999, 15 participants
- Course Date: 1 to 5 May 2000, 6 participants
- Course Date: 15 to 19 May 2000, 13 participants
- Course Date: 29 May to 2 June 2000, 6 participants
- Course Date: 12 to 16 June 2000, 9 participants
Course Date: 26 to 30 June 2000, 13 participants

**Team Leader Familiarisation**

**Course Aim:** The workshop provides a forum for the Compliance Division Team Leaders to discuss a range of workplace issues and regulatory interpretation matters for the purpose of establishing a standardised implementation of those matters. The workshop will also provide strategic team leadership skills and promote team building and networking between Team Leaders.

**Resources:** Use of Team Leaders.

Course Date: 13 to 16 June 2000, 22 participants

(6) Part (v) of IR 950062 and Part (iv) of IR 950074 have both been addressed and are classified as closed by the ATSB.

(7)(a)and (b) Inconsistencies resulting from a lack of standardisation of procedures relating to Air Operator’s Certificate Entry Control and renewal and operations manuals have been drawn to the attention of the Director of CASA, and senior CASA management on a number of occasions.

The inconsistencies largely related to interpretation of the published CASA procedures; subjective safety determinations and inconsistencies in fee charging. CASA has addressed these inconsistencies through the establishment of central management accountability, the provision of Flying Operations Inspector and Airworthiness Inspector national standardisation meetings and forums, training, revisions to the published procedures to simplify processes, and minimisation of the number of CASA Delegates responsible for the issue of AOC issues, (AOC re-issues, and new entrant AOC’s).

In addition, CASA Area Managers are now required to review the work of their staff to ensure that the assessments have been conducted in a standard and consistent manner. These processes are reflected in CASA policy and copies of the policy documents have been provided.

**Australian Electoral Commission: Provision of Electoral Rolls to the Australian Taxation Office**

(Question No. 2333)

Senator Robert Ray asked the Assistant Treasurer, upon notice, on 9 June 2000:

Following the Australian Electoral Commission’s appearance at the Economics Legislation Committee’s estimates hearing on 24 May 2000 (Department of Finance and Administration portfolio):

(1) When did the Australian Taxation Office seek legal advice as to the legality of its proposed use of an electronic version of the Electoral Roll for the purposes of a mail out to all Australian electors.

(2) (a) From whom was the legal advice sought; (b) when was the legal advice furnished; and (c) what was the cost of the legal advice.

(3) Will the Tax Commissioner provide that legal advice to the Economics Legislation Committee.

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

To assist the Senator, it is noted that the advices from the Australian Government Solicitor of 19 May and 12 June 2000 (referred to below) stated that the provision of the Electoral Roll to the Commissioner of Taxation, and the use by him of Roll for the purposes of a mail out, were authorised under the Commonwealth Electoral Act 1918 (the Act).

These advices confirmed the long held view (dating back at least to 1991) that the specific section in the Act dealing with the provision of information to prescribed authorities such as the Australian Taxation Office (ATO) authorised provision to them, and use by them, of electronic information in the electronic form.

In fact, authorised Federal Government agencies, including the ATO, Customs, the National Crime Authority and Passports Office have been using electronic copies of the Electoral Roll since 1993.

However, on 8 June 2000, the Solicitor-General advised that he disagreed with the view of the Australian Government Solicitor. While the Solicitor-General considered that the Act authorised the provision of the electronic copy of the Electoral Roll to the Commissioner of Taxation, he also said that
a regulation was required to authorise the use of information in electronic form by the Commissioner of Taxation.

Because of the Solicitor-General’s opinion, the Commissioner of Taxation did not use the electronic information in the mail out about the New Tax System.

The Government has introduced regulations and proposed amendments to legislation to validate past and future use of electronic information from the Electoral Roll.

(1) The Australian Taxation Office sought legal advice on 17 May and 31 May 2000.
(2) (a) The advice was sought from the Australian Government Solicitor, (b) the advice was received on 19 May and 2 June 2000, (c) $10,258.00.
(3) Yes. A copy of each advice has been provided.

Australian Electoral Commission: Provision of Electoral Rolls to the Australian Taxation Office
(Question No. 2334)

Senator Robert Ray asked the Assistant Treasurer, upon notice, on 9 June 2000:
Following the Economics Legislation Committee’s estimates hearing on 29 May 2000:

(1) When did the Australian Taxation Office seek legal advice as to the legality of its proposed use of an electronic version of the Electoral Roll for the purposes of a mail out to all Australian electors.
(2) (a) From whom was the legal advice sought; (b) when was the legal advice furnished; and (c) what was the cost of the legal advice.
(3) Will this legal advice be provided to the Economics Legislation Committee.

Senator Kemp—The answer to the honourable senator’s question is as follows:
See answer to Senate Question No. 2333.

Australian Electoral Commission: Provision of Electoral Rolls to the Australian Taxation Office
(Question No. 2335)

Senator Robert Ray asked the Assistant Treasurer, upon notice, on 9 June 2000:

(1) Did the Australian Taxation Office (ATO) seek legal advice in relation to the Victorian Attorney-General’s letter regarding the legality of the ATO’s proposed use of an electronic version of the Electoral Roll; if so: (a) from whom was that legal advice sought; (b) at what cost; and (c) when was that legal advice received by the ATO.
(2) Apart from those legal advices referred to in this question, and Senator Ray’s previous two questions on notice (nos 2333 and 2334) on this matter, was any further legal advice sought in relation to the ATO’s proposed use of an electronic version of the Electoral Roll.

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

To assist the Senator, it is noted that the advices from the Australian Government Solicitor of 19 May and 2 June 2000 stated that the provision of the Electoral Roll to the Commissioner of Taxation, and the use by him of the Roll for the purposes of a mail out, were authorised under the Commonwealth Electoral Act 1918 (the Act).

These advices confirmed the long held view (dating back at least to 1991) that the specific section in the act dealing with the provision of information to prescribed authorities such as the Australian Taxation Office (ATO) authorised provision to them, and use by them, of electronic information in electronic form.

In fact, authorised Federal Government agencies, including the ATO, Customs, the National Crime Authority and Passports Office have been using electronic copies of the Electoral Roll since 1993.

However, on 8 June 2000, the Solicitor-General advised that he disagreed with the view of the Australian Government Solicitor. While the Solicitor-General considered that the Act authorised the provision of the electronic copy of the Electoral Roll to the Commissioner of Taxation, he also said that
regulation was required to authorise the use of information in electronic form by the Commissioner of Taxation.

Because of the Solicitor-General’s opinion, the Commissioner of Taxation did not use the electronic information in the mail about the New Tax System.

The Government has now introduced amendments to legislation and new regulations to validate past (going back to 1993) and future use of electronic information from the Electoral Roll.

(1) No.

(2) No further advice was obtained by the ATO.

**Australian Electoral Commission: Provision of Electoral Rolls to the Australian Taxation Office**

*Question No. 2336*

Senator Robert Ray asked the Assistant Treasurer, upon notice, on 9 June 2000:

Has the Australian Taxation Office (ATO) established when it has previously used an electronic version of the Electoral Roll provided by the Australian Electoral Commission; if so: (a) when, and for what purpose(s) has it been used; (b) has the ATO sought legal advice as to whether any such previous use was unlawful; and (c) from whom has this legal advice been sought.

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

(a) In 1993 the ATO received an electronic copy of the Electoral Roll from the Australian Electoral Commission (AEC). Updates of the information were provided by the AEC, originally on a bi-annual basis and more recently on a quarterly basis. The Roll has been used to enhance debt collection, lodgement enforcement and other audit activity by the ATO. The use of AEC data improves the integrity of client identification and the effectiveness of tracing client locations.

(b) and (c) The Solicitor-General advised that past use of electronic copies of the Roll was unlawful. However, since receiving the Solicitor-General’s advice, legislation and regulations have been introduced to permit the provision and use of information from the Electoral Roll.

**Prime Minister: Direct Mail Letters**

*Question No. 2337*

Senator Robert Ray asked the Assistant Treasurer, upon notice, on 13 June 2000:

(1) (a) How many direct mail letters from the Prime Minister were printed as at 8 June 2000; and (b) how many were pulped.

(2) (a) What was the cost of the printing of the Prime Minister’s direct mail letters; and (b) what was the cost of pulping the Prime Minister’s direct mail letters.

(3) What measures were taken to protect the privacy of the letters that were pulped.

(4) Was the text of the Prime Minister’s direct mail letter identical, or did it vary according to gender and/or age.

(5) Were any of the Prime Minister’s letters either enveloped or plastic-wrapped together with the tax booklet prior to the decision to halt the direct mail; if so: (a) how many; and (b) what was the cost of the extraction.

(6) Was there an authorisation on the Prime Minister’s direct mail letter.

(7) Was there a photograph of the Prime Minister on his direct mail letter; if so, was it a black and white photograph or a colour photograph.

(8) When was a facsimile of the Prime Minister’s signature obtained for use in the printing.

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

(1) (a) 4 million copies were printed and (b) 4 million copies were pulped.

(2) (a) The cost of printing the original Prime Minister’s letter was $535,000 and (b) there was no cost incurred for the pulping of the letters.
(3) The letters to be pulped were kept under security and were fully supervised. The letters were placed into steel cages and wrapped in plastic. This wrapping ensured that all were fully contained. These cages were then transported to the pulping site. This process was strictly supervised under security conditions.

(4) The content of all letters in each case was identical.

(5) Yes. (a) Approximately 2.95 million packs had been plastic wrapped at the time the decision was made to halt the mail out and (b) the total cost of the extraction of the three pages of the letter and flysheet was $332,500.

(6) The authorisation on the letter was in the form of the Prime Minister’s name, signature and his address at Parliament House Canberra, ACT 2600. The enclosed booklet carried standard authorised details.

(7) No.

(8) A facsimile was provided on 15 May 2000 as part of on-going preparations for the production of the letter.

**Prime Minister: Direct Mail Letters**

(Question No. 2338)

Senator Robert Ray asked the Assistant Treasurer, upon notice, on 13 June 2000:

When was the text of the Prime Minister’s direct-mail letter forwarded to the Australian Taxation Office.

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

As would be expected of a process involving a number of government agencies, successive working drafts were developed during May 2000 and circulated between agencies, including the Australian Taxation Office.

**Prime Minister: Direct Mail Letters**

(Question No. 2339)

Senator Robert Ray asked the Assistant Treasurer, upon notice, on 13 June 2000:

(1) Which direct mail companies were contracted to dispatch the tax booklet and the Prime Minister’s direct mail letter. (2) In each case, what was the cost. (3) Has the Australian Taxation Office offered compensation to the direct mail companies; if so, how much.

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

(1) Australia Post were contracted for the dispatch.

(2) A unit cost of approximately $0.55 per unit.

(3) No.

**Prime Minister: Direct Mail Letters**

(Question No. 2340)

Senator Robert Ray asked the Assistant Treasurer, upon notice, on 13 June 2000:

Given that the Treasurer has estimated that a saving to the taxpayer of $52 million will result from the cancellation of the proposed direct mail out of the Prime Minister’s letter, has the Australian Taxation Office been approached by the Department of the Prime Minister and Cabinet to repatriate that saving for the purpose of funding the Prime Minister’s entourage to London in July 2000, that is, in the first week of the operation of the goods and services tax.

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

This question owes more to political bias and partisan point scoring than to concern about, or understanding of, funding arrangements for government programs. Of course the Department of the Prime Minister and Cabinet did not approach the Australian Taxation Office to "repatriate" funds which had been properly appropriated to the Taxation Office.
Australian Electoral Commission: Provision of Electoral Rolls to the Australian Taxation Office
(Question No. 2341)

Senator Robert Ray asked the Assistant Treasurer, upon notice, on 9 June 2000:
(1) When did the Australian Electoral Commission (AEC) supply the Australian Taxation Office (ATO) with the electronic version of the Electoral Roll that was requested on 19 April 2000.
(2) In what form was it delivered.
(3) How much did the ATO pay the AEC for the modified Electoral Roll.

Senator Kemp—The answer to the honourable senator’s question is as follows:
(2) As an electronic file on both tape and CD.
(3) The modified Electoral Roll was provided at a cost of $12,594.20.

Goods and Services Tax: Booklet
(Question No. 2342)

Senator Robert Ray asked the Assistant Treasurer, upon notice, on 9 June 2000:
(1) What is the estimated cost of the householder delivery of the goods and services tax booklet.
(2) How much cheaper is it than the direct mail out, excluding costs of pulping and other breaches of contract.

Senator Kemp—The answer to the honourable senator’s question is as follows:
(1) The distribution cost for the householder delivery of the booklet was approximately $0.24 per unit.
(2) The estimated distribution cost of the direct mailout was approximately $0.55 per unit.

Aviation: Professional Helicopter Services
(Question No. 2362)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 15 June 2000:
(1) On how many occasions, since July 1998, has the Civil Aviation Safety Authority (CASA) undertaken audits of Professional Helicopter Services, based at Moorabbin Airport in Victoria.
(2) (a) How many of the above audits were scheduled; and b) How many were unscheduled.
(3) Were any Non-Compliance Notices (NCNs) or Aircraft Survey Reports (ASRs) issued as a result of the above audits; if so:
   (a) how many NCNs and ASRs were issued;
   (b) when were they issued;
   (c) why were they issued; and
   (d) in each case, when were they acquitted.
(4) Was the company issued with a “Show Cause Notice” as a result of any of the above audits; if so:
   (a) on how many occasions have such notices been issued to this company; and
   (b) what were the reasons for CASA issuing these notices.
(5) Where a “Show Cause Notice” was issued:
   (a) what was the response by the operator; and
   (b) what subsequent action was taken by CASA.

Senator Ian Macdonald—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question is as follows:
CASA advises that it has undertaken twelve audits of Professional Helicopter Services since July 1998.

(2) CASA has provided the following advice:
(a) Seven audits were scheduled; and
(b) Five audits were unscheduled.

I do not believe it is appropriate for the Civil Aviation Safety Authority (CASA) to provide this level of operational detail regarding an individual operator. In addition, CASA holds the view that disclosure of information on the outcomes of an audit process could prejudice an operator’s commercial interests and could also prejudice CASA’s ability to obtain information from other operators during the course of normal investigations where compulsory extraction powers are not used.

CASA can however confirm that all ASRs and NCNs issued to the operator have been acquitted.

Department of Defence: New Tax System Consultants
(Question No. 2378)

Senator Faulkner asked the Minister representing the Minister Assisting the Minister for Defence, upon notice, on 20 June 2000:

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

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

Senator Newman—The Minister Assisting the Minister for Defence has provided the following answer to the honourable senator’s question:

(1)(a) In the context of consultants the answer is nil. However, Professional Service Providers (PSPs) were used. Within this context, Price Waterhouse Coopers undertook a scoping study that identified work on implementation of the new tax system within the Australian Defence Organisation. Using the PWC Report as a basis, Defence put in place a small project team to facilitate the implementation and KPMG and APA Consulting, Professional Service Providers were used to supplement the internal team.

(b) No direct publicity or advice as such was provided to client groups. A contracting policy guide was developed for internal use regarding purchasing and selling of supplies. Some clients asked to see the guide and were provided with it.

(2) PWC - $536,305.00
KPMG- $662,368.13
APA - $450,964.94
Total Expenditure on PSPs $1,649,380.07

Department of the Environment and Heritage: Salaries
(Question No. 2563)

Senator Faulkner asked the Minister for the Environment and Heritage, upon notice, on 6 July 2000:

As a dollar amount and as a percentage of the department’s total outlay on salaries, what was the cost of: (a) staff training; (b) consultants; and (c) performance pay, in the 1999-2000 financial year.

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

Total outlay on salaries in the department for the 1999-2000 financial year was:
$179,578,016

(a) Staff training costs
The cost of staff training in the department for the 1999-2000 financial year was:
$6,553,110, 3.65% of total salary outlay

(b) Consultants costs
The cost of consultant services in the department for the 1999-2000 financial year was:
$13,589,651, 7.56% of total salary outlay

(c) Performance pay costs
The cost of performance pay in the department for the 1999-2000 financial year was:
$530,658, 0.3% of total salary outlay.

Department of the Environment and Heritage: Value of Corporate Services

(Question No. 2634)

Senator Faulkner asked the Minister for the Environment and Heritage, 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 Hill—The answer to the honourable senator’s question is as follows:

(a) to (n) The details requested by the honourable senator are set out in the tables below:

Environment Australia

Details of Environment Australia corporate services as at 30 June 1996

<table>
<thead>
<tr>
<th>TYPE OF SERVICE</th>
<th>STATE &amp; CITY/TOWN</th>
<th>NUMBER OF EMPLOYEE EQUIVALENT</th>
<th>ANNUAL SALARY VALUE $</th>
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</thead>
<tbody>
<tr>
<td>Human Resources: includes Workplace &amp; Industrial Relations, Payroll, Recruitment and Personnel Services, Occupational Health and Safety</td>
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### Details of Environment Australia Corporate Services as at 30 June 2000

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<th>TYPE OF SERVICE</th>
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<th>NUMBER OF EMPLOYEE EQUIVALENT</th>
<th>ANNUAL SALARY VALUE $</th>
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### Antarctic Division

### Details of Antarctic Division Corporate Services as at 30 June 1996

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<th>STATE &amp; CITY/TOWN</th>
<th>NUMBER OF EMPLOYEE EQUIVALENT</th>
<th>ANNUAL SALARY VALUE $</th>
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<tbody>
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### Details of Antarctic Division corporate services as at 30 June 2000

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<th>TYPE OF SERVICE</th>
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<th>NUMBER OF EMPLOYEE EQUIVALENT</th>
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### Bureau of Meteorology

**Details of Bureau of Meteorology corporate services as at 30 June 1996**

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<th>NUMBER OF EMPLOYEE EQUIVALENT</th>
<th>ANNUAL SALARY VALUE $</th>
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<tbody>
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Details of Bureau of Meteorology corporate services as at 30 June 2000

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<tr>
<td>Human Resources (includes Recruitment, Rehab, Performance &amp; Eval)</td>
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<td>Property &amp; Office Services (includes supply/contract/store)</td>
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<td>Financial &amp; Accounting Services (includes Budgets)</td>
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<td>Occupational Health &amp; Safety Workplace &amp; Industrial Relations</td>
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<td>Executive Services Legal &amp; Fraud</td>
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### NUMBER OF EMPLOYEE EQUIVALENT

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<th>SA</th>
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Great Barrier Reef Marine Park Authority

Details of Great Barrier Reef Marine Park Authority corporate services as at 30 June 1996

<table>
<thead>
<tr>
<th>TYPE OF SERVICE</th>
<th>STATE &amp; CITY/TOWN</th>
<th>NUMBER OF EMPLOYEE EQUIVALENT</th>
<th>ANNUAL SALARY VALUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human Resources</td>
<td>Townsville</td>
<td>5.5</td>
<td>272,668</td>
</tr>
<tr>
<td>Property and Office Services</td>
<td>Townsville</td>
<td>4.29</td>
<td>188,579</td>
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<tr>
<td>Financial and Accounting Services</td>
<td>Townsville</td>
<td>4.75</td>
<td>237,400</td>
</tr>
<tr>
<td>Fleet Management</td>
<td>Included in Property and Office Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Occupational Health and Safety</td>
<td>Included in Human Resources</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Workplace and Industrial Relations</td>
<td>Included in Human Resources</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parliamentary Communications Payroll</td>
<td>Canberra</td>
<td>3</td>
<td>193,187</td>
</tr>
<tr>
<td>Personnel Services</td>
<td>Included in Human Resources</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Printing and Photocopying Auditing</td>
<td>N/A</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Executive Services</td>
<td>Townsville</td>
<td>2</td>
<td>83,018</td>
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<tr>
<td>Legal and Fraud</td>
<td>Townsville</td>
<td>2</td>
<td>114,971</td>
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<tr>
<td>TOTAL</td>
<td></td>
<td>21.54</td>
<td>1,089,823</td>
</tr>
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</table>

Details of Great Barrier Reef Marine Park Authority corporate services as at 30 June 2000

<table>
<thead>
<tr>
<th>TYPE OF SERVICE</th>
<th>STATE &amp; CITY/TOWN</th>
<th>NUMBER OF EMPLOYEE EQUIVALENT</th>
<th>ANNUAL SALARY VALUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human Resources</td>
<td>Townsville</td>
<td>5.5</td>
<td>322,610</td>
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<tr>
<td>Property and Office Services</td>
<td>Townsville</td>
<td>5.43</td>
<td>260,965</td>
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<tr>
<td>Financial and Accounting Services</td>
<td>Townsville</td>
<td>5.75</td>
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<td>Fleet Management</td>
<td>Included in Property and Office Services</td>
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<tr>
<td>Occupational Health and Safety</td>
<td>Included in Human Resources</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Workplace and Industrial Relations</td>
<td>Included in Human Resources</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parliamentary Communications Payroll</td>
<td>Canberra/Townsville</td>
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<td>Personnel Services</td>
<td>Included in Human Resources</td>
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</tr>
</tbody>
</table>
### Australian Greenhouse Office

Details as at 30 June 1996 have not been provided as the Australian Greenhouse Office was not formed until April 1998.

### Details of Australian greenhouse office corporateservices as at 30 June 2000

<table>
<thead>
<tr>
<th>TYPE OF SERVICE</th>
<th>STATE &amp; CITY/TOWN</th>
<th>NUMBER OF EMPLOYEE EQUIVALENT</th>
<th>ANNUAL SALARY VALUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human Resources</td>
<td>Canberra, A.C.T.</td>
<td>2.35</td>
<td>141,586</td>
</tr>
<tr>
<td>Property and Office Services</td>
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<td>Financial and Accounting Services</td>
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<tr>
<td>Fleet Management</td>
<td>Canberra, A.C.T.</td>
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<td>3,794</td>
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<tr>
<td>Occupational Health and Safety</td>
<td>Canberra, A.C.T.</td>
<td>0.2</td>
<td>13,711</td>
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<td>Workplace and Industrial Relations</td>
<td>Canberra, A.C.T.</td>
<td>0.85</td>
<td>60,025</td>
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<tr>
<td>Parliamentary Communications and</td>
<td>Canberra, A.C.T.</td>
<td>0.7</td>
<td>38,266</td>
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<tr>
<td>Administrative Law</td>
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</tr>
<tr>
<td>Payroll</td>
<td>Canberra, A.C.T.</td>
<td>Outsourced</td>
<td></td>
</tr>
<tr>
<td>Personnel Services</td>
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<td>1.1</td>
<td>56,210</td>
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<tr>
<td>Printing and Photocopying</td>
<td>Canberra, A.C.T.</td>
<td>Outsourced</td>
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</tr>
<tr>
<td>Auditing</td>
<td>Canberra, A.C.T.</td>
<td>Outsourced</td>
<td></td>
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<tr>
<td>Executive Services</td>
<td>Canberra, A.C.T.</td>
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<tr>
<td>Legal and Fraud</td>
<td>Canberra, A.C.T.</td>
<td>Outsourced</td>
<td></td>
</tr>
<tr>
<td>Other – Management of Computing Contract (IPEX)</td>
<td>Canberra, A.C.T.</td>
<td>0.25</td>
<td>9,486</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>9.50</td>
<td>554,814</td>
</tr>
</tbody>
</table>

### Department of Defence: Value of Corporate Services

(Question No. 2639)

**Senator Faulkner** asked the Minister for Defence, on notice, on 9 August 2000:

With reference to the department and each agency, 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 Newman**—The Minister for Defence has provided the following answer to the honourable senator’s question:

Information in respect to the honourable senator’s question is not readily available. To provide a complete response would require considerable time and resources and in the interest of efficient
utilisation of departmental resources I am not prepared to authorise the time and effort involved in obtaining the information.

**Aboriginal and Torres Strait Islander Commission: Grants to Employer Organisations**

(Section No. 2796)

Senator O’Brien asked the Minister for Aboriginal and Torres Strait Islander 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 Herron—The following information is provided in response to the honourable senator’s question:

A full search of ATSIC’s financial systems for payments made to employer organisations in the 1996-97 financial year, has disclosed that ATSIC made no payment to any organisation in question.

**Aboriginal and Torres Strait Islander Commission: Grants to Employer Organisations**

(Section No. 2815)

Senator O’Brien asked the Minister for Aboriginal and Torres Strait Islander 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 Herron—The answer to the honourable senator’s question is as follows:

A full search of ATSIC’s financial systems for payments made to employer organisations in the 1997-98 financial year, has disclosed that ATSIC made no payment to any organisation in question.

**Aboriginal and Torres Strait Islander Commission: Grants to Employer Organisations**

(Section No. 2834)

Senator O’Brien asked the Minister for Aboriginal and Torres Strait Islander 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 Herron—The answer to the honourable senator’s question is as follows:

A full search of ATSIC’s financial systems for payments made to employer organisations in the 1998-99 financial year, has disclosed that ATSIC made no payment to any organisation in question.
Airports: Australian Advanced Air Traffic System
(Question No. 2866)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 29 August 2000:

(1) Has the Board of Airservices Australia (ASA) decided to transfer air traffic control terminal control units (TCUs) in Sydney, Adelaide, Perth and Cairns to the Australian Advanced Air Traffic System (TAAATS) centres in Brisbane and Melbourne; if so:
   (a) when was the decision made to transfer the TCUs to Melbourne and Brisbane; and
   (b) when will the process of transferring the TCUs be completed.

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

(1) No. The Board has authorised consultation with staff and unions to commence on such a possible transfer and a program is being established which will assess its feasibility. Civil Air, the union representing Air Traffic Controllers, has been given an initial and preliminary briefing on the program and will continue to be consulted.
   (a) Not applicable
   (b) Not applicable

Aviation: Sandora Aviation Pty Limited
(Question No. 2909)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 11 September 2000:

(1) On how many occasions has Sandora Aviation Pty Limited been the subject of a scheduled or unscheduled audit by the Civil Aviation safety Authority (CASA).

(2) (a) When was each scheduled or unscheduled audit undertaken; and b) what was the result of each audit.

(3) If remedial action was required of Sandora Aviation Pty Ltd following any of the above audits; what was the nature of the required action and when was Sandora Aviation advised of the required action.

(4) Where remedial action was required, in each case how did CASA satisfy itself that the required action was properly undertaken.

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

The Civil Aviation Safety Authority (CASA) has advised the following:

(1) Sandora Aviation was granted a Certificate of Approval 04 September 1992. Since that time, 11 scheduled audits have been completed. No unscheduled audits have been performed.


(2) (b), (3) and (4)

I do not believe it would be appropriate to provide the requested level of operational detail regarding an individual operator.

CASA holds the view that disclosure of information on the outcomes of an audit process could prejudice an operator’s commercial interests and could also prejudice CASA’s ability to obtain information from other operators during the course of normal investigations where compulsory extraction powers are not used.

CASA has however confirmed that all Non Compliance Notices issued to the operator have been acquitted.