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

PARLIAMENTARY ZONE

Approval of Works

Motion (by Senator Ian Campbell, at the request of Senator Alston) proposed:

That, in accordance with section 5 of the Parliament Act 1974, the Senate approves the proposal by the Joint House Department to construct a permanent crowd safety rail at Parliament Drive, in front of Parliament House.

Senator BROWN (Tasmania) (9.31 a.m.)—I oppose this motion. I would like to hear more from the government about why it is moving to put what is called a permanent crowd safety rail at Parliament Drive in front of Parliament House. The apparent move is to put a rail on the opposite side of the roadway in front of Parliament House between Parliament House and Old Parliament House. As it is, people who want to make a demonstration over some issue that is affecting them cannot approach Parliament House. They are kept on the other side of that road. There is a very great feeling of being cut off from having any real impact or say on the thinking of the people who are in the parliament.

We have here a rail being put on that side of the road to contain them even further. It is not only a physical barrier but also a statement about people being cut off from the parliament. It is a further step towards isolating this parliament, this hermetically sealed bubble, from the people of Australia. It does not matter whether it is farmers, indigenous people, conservationists or whoever wanting to make a point, this is another step towards keeping them at bay and separate and out of the parliamentary precinct altogether.

Since this great Parliament House was built, there has been a lot of comment about the difference between it and the Old Parliament House, where parliamentarians and the public mingled. The public had a good chance of being in contact with parliamentarians when they visited Old Parliament House. As a result of the way this Parliament House is structured, that does not happen anymore. Unless you get a special pass as a guest of a parliamentarian, the public precincts in this place are totally cut off from the parliamentary precinct, the place where parliamentarians work. We could argue till the cows come home about that, but it is a fact.

What I object to here is that this is another small but inevitable step towards completely divorcing this parliament from the people. I know that there will be those who will cite the occasions when there have been forced or violent invasions of the parliamentary precinct, notably the front doors. This guardrail is not about that. It would have made no difference to those events when they occurred. There will be those who will say, ‘This guardrail is to protect the public from stepping onto the street when there is a protest and being hit by a car.’ I do not accept those arguments. In my experience, on those occasions there has always been excellent control of protests, demonstrations of feeling and the democratic right to have parliamentarians know that the public is aggrieved about a matter.

I do not accept that a motion like this, which is going to effectively put up a metal barrier as a demarcation line between the public of Australia and the centre point of democracy in this country, this parliament, should just be passed without comment. I oppose it. I have been to many protests across the way, and so have other parliamentary colleagues. I think the fact that we are going to have to go round a guardrail to speak with constituents when protests occur is a retrograde step. I would hope that there would be other people on this side on the Senate who would see that this is not a good move and, in particular, that it has been put to the house without any debate. The fact that I am on my feet may engender a supportive argument from the government, but there has not been a good explanation put forward in this chamber as to why we should be having this barrier against the public erected in front of Parliament House. Certainly it is called a permanent crowd safety rail. I think it is a permanent politicians’
safety rail. That is what is really being put in place here. It is a step in the wrong direction and I oppose it.

The PRESIDENT (9.36 a.m.)—I will respond to that because it is not a matter that is a government decision or known to the government. It is a decision by the Speaker and me. It came about because both of us felt that the permanent yellow and black safety devices that have been in the area for a very long time now ought to be replaced and did not enhance the appearance of the precincts of the Parliament House. We are very conscious of the fact that a lot of people just park there and then, because of the space, walk straight across to the building. There are zebra crossings for pedestrians and it will be much safer if people use them.

We are the ones who are responsible for the assembly area outside Parliament House, and we are very conscious of the need for it to be a safe area where people are encouraged to come and to meet with parliamentarians. I have been there, the Speaker has been there, Senator Brown has been there, and I know others have. The device is to ensure that the assembly area is recognised, is important to Parliament House, and is safe. But it is not only an area for people who are assembling with a message for the parliament; it is also an area where people park. They park down Federation Mall and walk up to the building. It is a pretty haphazard job to walk across the road and it is highly dangerous. The security advisers have, for that reason, spoken with us about the need to encourage people to use the zebra crossings.

You are perfectly correct, Senator Brown, in saying that this has got nothing to do with protecting the front doors of the building or stopping people coming in or getting access to the building. It may be that we will have to agree to disagree as to what these rails represent. I think they will enhance it. We have had many discussions with the Joint House Department about what the rails would be like, and in a sense they are more expensive than I might have liked them to be. We wanted them to be a tasteful and gracious addition to the building rather than just barriers. We did not want anything there that looked, as you have described them, as barriers to people being able to get access to the parliament. I believe that what we have chosen is a reasonably artistic device which is there for crowd safety, and that was our motive. It is not a matter that has ever been discussed with the government by either the Speaker or me. It would be my hope that the Senate would see this as a useful addition to the precincts of the parliament.

Question resolved in the affirmative.

SYDNEY HARBOUR FEDERATION TRUST BILL 2000 [2001]
Consideration of House of Representatives Message

Message received from the House of Representatives returning the Sydney Harbour Federation Trust Bill 2000 [2001] acquainting the Senate that the House has agreed to certain amendments made by the Senate to House amendments, has disagreed to others and has made amendments in place of two of the amendments disagreed to.

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

House of Representatives amendments—

(1) Senate amendment (27) (proposed heading to column 3 of the table in Schedule 1), omit the proposed heading, substitute “Site description in plan lodged under the relevant law of New South Wales”.

(2) Senate amendment (31) (proposed heading to column 3 of the table in Schedule 2), omit the proposed heading, substitute “Site description in plan lodged under the relevant law of New South Wales”.

Motion (by Senator Hill) proposed:

That the committee does not insist on its amendments nos 22, 23, 24, 26, 27 and 31 made to amendments made by the House of Representatives to which the House has disagreed and agrees to the amendments made by the House in place of amendments nos 27 and 31.

Senator BOLKUS (South Australia) (9.40 a.m.)—The opposition do not support this motion. This would come as no surprise to the minister, nor should it come as any surprise to the Australian Democrats. For most of the debate on this legislation it was accepted by us that we would protect and preserve the subject land in public hands. That was very much the core request of commu-
nity groups involved in this debate. It was also the position held at the start of the debate by the Australian Democrats.

In previous proceedings in this place, a number of amendments were moved and were accepted by the government. These amendments would have allowed for a small area of land to be sold but they would also have allowed for leases—but leases under some fairly tight restrictions and conditions. For instance, although the initial bill was an amendment to allow for security to be given over some parts of the land, leases and licences had to go to the minister for approval. Secondly, any security extending over the life of the trust would be a disallowable instrument. Those were important pressures placed on the system to ensure, as far as could be possible under the new regime that was embraced by the government and the Democrats, some scrutiny and some pressure to ensure that the land in question—important for environmental and historical reasons—would not be flicked off to developers, either by direct sale or through backdoor means through long-term securities, leases and so on.

The Democrats thought the amendments were so important that Senator Bartlett put out a press statement claiming that the Democrats had won key amendments. The fact that the Democrats did not move all those amendments did not stop him from claiming ownership of them, but we are used to that from the Australian Democrats. Senator Bartlett’s press statement of 7 February stated:

The Democrats’ amendments provide protection against inappropriate leasing arrangements. Leases of Trust buildings will be limited to ten years unless they have the approval of the Federal Environment Minister and will be disallowable by the Parliament as an extra safeguard.

He goes on:

Whilst it may be appropriate to sign leases of 25 to 40 years for Trust properties such as the Sutherland Dock or Fitzroy Docks on Cockatoo Island, the vast majority of leases will now be for ten years.

It can be argued that if you are to allow security and some sale, the sorts of measures that were embraced by the Senate are important to maintain. But now we have the government coming back to this place and indicating that those important amendments are now unacceptable to them. We have a situation where this minister has basically put the process into automatic. He has taken his hands off the wheel and allowed the bureaucracy to develop the arguments for him in the amendments schedule which we have before us. He has essentially let the cat out of the bag, because the government is arguing that they actually do want no unreasonable restriction on the ability of the trust to borrow funds. They basically do not want scrutiny, because they indicate in their arguments presented to both the House of Representatives and here that they do want to be able to ensure long-term leases and securities over the land—leases and securities that are another way of providing for sale.

In respect of Senate amendment No. 22, the government say they have concerns with the term ‘any other assets’ because this could be open to legal interpretation. Surprise, surprise! Any word in a law passed in this place could be open to legal interpretation. The government discerned from the Senate debate that the intended effect is that the trust should not be allowed to give security over any land. The government say that, where the land has no significant environmental heritage values and has been identified under an approved plan for potential sale, this is an unreasonable restriction on the ability of the trust to borrow funds. Surprise, surprise to the government! The intention, when this legislation was before us last time, was to limit sale to a certain category of lands, and they were identified in the legislation. The intention of our amendments is to cover other lands which, in the broad sweep of the legislation, should be subject to enormous scrutiny when being considered for long-term leases, which is another way of organising a sale.

The government told us last time that there would not be all that many leases and licences—essentially, that the trust’s role was to oversee the conservation work; it was not going to be a real estate office—though in their arguments in respect of amendment No. 23 they have come back to us and said, ‘We
don’t like amendment No. 23 because to seek the minister’s agreement for each and every lease and licence within the life of the trust, including short-term leases and licences, is administratively unrealistic and unnecessary. ‘You cannot have it both ways in respect of this argument. The opposition’s view is that it is an important measure of scrutiny which should relate to these areas. We do not accept that it provides an unrealistic and unnecessary administrative structure. We take the government’s word from the last debate and, in doing so, acknowledge that this argument runs very much contrary to that as well.

With respect to the government’s arguments on amendments Nos 24 and 26, we had insisted in this place that leases and licences extending after the life of the trust should be disallowable instruments for the purpose of the Acts Interpretation Act. The Democrats claim that as a great victory in terms of securing that there will not be a blow-out of the number of 25-year leases which would have been available to government and to the trust under the government’s pre-existing bill. What we are now told by the government is that there will be delays and uncertainties associated with the disallowable instrument process, which will make it difficult to attract short-term leases. It argues that the longer period is more realistic if the trust is to attract commercial ventures for leases and licences of less than 25 years. The disallowable process does not have to be cumbersome, but it is an important measure of scrutiny. It is one that the Senate embraced last time, and it is one that the opposition believe the trust and the bureaucracy should live with.

We oppose the government’s message. We think the position before us, passed through the Senate last time, was in some respects a second-best position but, as a second-best position, had the important measures of scrutiny for any security extending beyond the term of the trust. We believe that those sorts of scrutiny mechanisms should be continued. In saying that, I hope this time the Democrats stick with the sentiments and the statements in Senator Bartlett’s press release of 7 February and join us in refusing the government’s message.

Senator BROWN (Tasmania) (9.49 a.m.)—Perhaps there could be some further explanation as to why the government has rejected these amendments. There is a very brief outline in the documentation provided to the Senate, but it does not have convincing argument. It just says that the minister in the Senate should not be further involved in the lease or disposal of lands in these very important harbour precincts in Sydney. The Senate has argued that the minister in the Senate should be involved. I think we need more than just a statement from the minister saying that the minister should not be involved. The minister should say why it is too difficult for him to be involved in the licensing of these premises under the trust and why it is administratively unrealistic and unnecessary. Does this mean the minister feels that it would be too difficult for him to do an assessment of whether the trust work is going in the right direction and doing the best thing by Sydney Harbour? If so, maybe somebody else should take on the job. Just saying that it is too difficult is no real argument, when the Senate has decided that this is something that should happen. By the way, ‘licence’ should be spelt with a ‘c’; somebody has an American computer which has overridden the Australian spelling of that word.

The situation here is that the government is saying, ‘Oh, well. The Senate should not be further involved in this matter.’ Well, the Senate is involved in this matter. The Labor Party, the Greens, and the Democrats to some degree, have made this legislation much better. The government, through the House of Representatives, is saying, ‘Let’s end it there and not have any further overview of what happens in the disposal of these lands on Sydney Harbour,’ during a period when the Commonwealth is still very much involved—this period when the trust it set up is determining what will happen to these lands. The parliament should continue to be involved during that period before the ultimate determination, and presumably transfer to the aegis of the New South Wales state authorities, occurs. I agree with Senator
Bolkus: we should be standing by these amendments. I hope that colleagues on the Democrat benches will do the same.

Senator HILL (South Australia—Minister for the Environment and Heritage) (9.52 a.m.)—We are coming towards the end, I hope, of a long debate. I remind the Senate that the government has made very substantial amendments to the bill since it was first brought before the Senate to meet the requests of the Senate. There is really only one issue of substance remaining, and the point within that is not a very complicated issue. It is basically in relation to long leases, when the Senate should have a right of disallowance. The position of the government has been to accept that in a circumstance where the trust would seek to give a lease over 25 years.

Our reason for not wanting that right of disallowance for a shorter period is principally one of financial certainty. Some of these assets are going to require very substantial capital investment. We want to give the capital investment in there conservation, apart from anything else, and we want to give the trust the capacity to make those judgments in order to meet its responsibilities in terms of the legislation to properly conserve the assets. To add the element of uncertainty, which must always be there with the possibility of a Senate disallowance, simply undermines that capacity. For a lease over 25 years we accept that the Senate should have the right of disallowance; otherwise we believe that ministerial approval for a lease over 10 years and total freedom for the trust for under 10 years is a sensible compromise that will enable the trust to get on with its job while at the same time assuring the public that assets that are not in schedule 2 cannot be put under any threat through the guise of an exceptionally long-term lease.

The other matters are really of lesser importance. I am still not quite sure what was intended, but Senate amendment No. 22, passed by the Senate, is ambiguous and we are trying to overcome that. Senator Brown raised amendment No. 23. He argued that, in relation to short-term licences, leases and so forth, the minister’s agreement should be necessary in all cases. As I have indicated, we are trying to get a balance between allowing the trust to get on with its job while on the other hand writing in protection against any long-term disposition of the assets. Consistent with that principle, allowing the trust to enter into short-term leases and licences would suggest that it should be unnecessary for it to go back to the minister to seek approval.

Senator BARTLETT (Queensland) (9.56 a.m.)—In relation to amendment No. 22, I note that the minister seems to be unclear about the purpose of the Senate putting that amendment in place the first time around. The intended effect, as detailed in the government’s rationale, is that the trust not be allowed to give security over any land and the uncertainty of interpretation over any other assets. Why is there uncertainty over the definition of any other assets? I would have thought that it would have been clear that it is schedule 1 and then the rest. Wouldn’t that be the case?

Senator HILL (South Australia—Minister for the Environment and Heritage) (9.57 a.m.)—The ambiguity arises more from what was said in the Senate debate. Now, of course, the content of Senate debate is permissible as a tool for interpretation. I am not sure who said it, but the Parliamentary Counsel has raised the concern that what was said in the debate—I see the Clerk is shaking his head; he is from the old school of statutory interpretation, obviously—could add an element of confusion. Suggesting that honourable senators are confused is a bit tough one would think but that is how it arises, for the benefit of Senator Bartlett.

I should take the opportunity to stress that, as this had gone backwards and forwards several times, we did pursue the issue of the long-term lease to see if it would be possible to compromise further. After taking financial advice, which is obviously very important to ensure that the trust has the capacity to do its job properly, the government simply found that it was unable to agree to the parliamentary disallowance provision being inserted on anything shorter than a 25-year lease. That is why we have had to bring it back again.
Senator BROWN (Tasmania) (9.59 a.m.)—To sum it up, here is the minister’s philosophy: environmental considerations should always be subsidiary to economic considerations. I have a different point of view and I will not be supporting these amendments.

Senator BARTLETT (Queensland) (10.00 a.m.)—I also have a different point of view and think environmental priorities should be put ahead of economic and social ones where necessary. That is why the Democrats believe it is crucial that this historic guarantee of protecting Sydney Harbour lands from future sale be put in place. The government and the minister have made it clear—I think unreasonably, but they have made it clear—that they will trash this whole proposal rather than accept these amendments. That means that the Senate would be in a position of leaving the environment open to future exploitation. That is something the Democrats are not prepared to do. It is something that all the local councils in the area, which already expressed support for the bill as it stood, are not prepared to do. It is also something the community organisations, such as the Defenders of Sydney Harbour Foreshores, and all those people who are part of the local community who fought for so many years to protect these areas have also indicated they are not prepared to do. They are not prepared to put politics ahead of the environment and the historic opportunity to protect these harbour lands and neither are the Democrats.

Senator BOLKUS (South Australia) (10.01 a.m.)—I would like some clarification from Senator Bartlett. Does that mean that he and the Democrats will not be pressing the amendments?

Senator BARTLETT (Queensland) (10.01 a.m.)—For the record, the situation is that if the amendments are pressed the opportunity to protect the environment is lost, and the Democrats will not pass up that opportunity.

Opposition senator interjecting—

Senator BROWN (Tasmania) (10.02 a.m.)—There was an interjection of ‘wimpishness’ made, and it is spot on. We had a debate on similar grounds about the politics involved here. What is happening is that the Democrats are caving in to the government saying, ‘If you don’t pass amendments according to our wish list, then there will be no legislation.’ You just cannot do that when it comes to the right of parliament, as proposed in these amendments, to have some future overview of what the trust does in its commercial dealings with the Sydney Harbour lands that we are dealing with in this legislation. It is appalling that the Democrats are saying, ‘Rather than retain that democratic input into what is happening in commercial dealings with the lands on the Sydney Harbour foreshore, we’ll drop that, we’ll dissemble and we’ll go with the government because the government says it won’t pass this legislation at all if its point of view is not upheld.’

The government is responsible for what is happening here. The government wants to go to the election with the Sydney Harbour foreshore lands sorted out. It is the government’s responsibility to get the best deal as it sees it, and the Senate has given enormous ground on that—not least because the Democrats have already given a lot of ground to the government. But this cave-in by the Democrats on the democratic right of this parliament and, through this parliament, the people of Sydney, in particular, to have a watching brief over the next 10 years on the commercial dealings with the Sydney Harbour foreshore lands is unforgivable. I, no less than Senator Bartlett or anybody else in this place, do not want to see nothing happen as far as the Sydney foreshore lands are concerned—but it will. The government has a huge need to get this legislation through, and it is my view that these amendments are not a stumbling block to that. The government will accede to them if we stand firm. But now it does not have to because the Democrats have not stood firm.

So this democratic avenue for keeping a watch on what happens there—including, as is proposed in one of these amendments, the ministerial responsibility for ensuring that the licensing of assets on the foreshore and the potential sale of some of those assets is ticked off by the minister and therefore
making the minister in this place accountable to parliament—is effectively sideswiped by the Democrats caving in on this occasion. I would have thought in the present circumstances it would be a case where the Democrats would want to be shown to be standing firm on something. But it is not the case. It is again a case of the Democrats going with the government because the government is putting the hard word on it. But the losers in this are the citizens who have a right to know that, at least through the Senate, they will have a continuing input on what the trust does as far as these Sydney Harbour foreshore lands are concerned.

I expect that the trust will do a good job, and in those circumstances what has anybody to worry about? The Senate is not going to intervene, nor is the minister, unless something goes wrong. These amendments are for that circumstance where something has gone wrong, and the Democrats ought to be standing firm on them. To simply say, ‘If we don’t cave in on this the whole legislation will go down the chute because the minister said so,’ shows how easily the Democrats are outfoxed by the government and/or several councils that are not savvy to the political dynamics of this place. The government would accept these amendments if we stood firm. It does not have to now, because it has found a convenient ally in the Democrats in conceding these amendments which the Senate stood firm just a week or two ago.

Senator BARTLETT (Queensland) (10.06 a.m.)—What we have there is another example of Senator Brown caving in on the supposed principles of the Green party of protecting the environment and instead putting his political interests ahead of those supposed principles. We have seen no example or indication of any understanding from Senator Brown, in supposedly outlining the principles of environmental protection, of what the legislation actually does with all the amendments that the Democrats and the ALP have achieved. To talk about being politically savvy in this place ignores the ability that the Democrats and the ALP—who seem reluctant to give themselves credit in this case—have achieved in making huge amounts of improvements to this legislation which mean that democratic participation is now in place. The amendment that the government is refusing to accept reduces that participation slightly, and it is not actually public democratic participation; it is simply Senate oversight for a slightly shorter period of time. It is not even an argument about oversights; it is an argument about the period of time of the lease.

To accuse all of the local councils and all of the local community groups who have been involved in this issue for years and worked with this legislation in detail for close to a year of being politically naive and stupid is grossly insulting to them. All of those groups have indicated, as have the Democrats, that we believed there would be opportunity for stronger legislation. But they have all indicated, as have the Democrats, that what is in place now is a historic opportunity for protecting the incredibly valuable environment around the Sydney Harbour foreshores. They do not want see that put at risk because of political game playing and people selling out their principles, and neither do the Democrats.

Senator BROWN (Tasmania) (10.09 a.m.)—We will see. I just say this to Senator Bartlett: this issue will come back to the Senate, there will be problems with the functioning of the trust in the future, and I will be first on my feet to remind Senator Bartlett and the Democrats of this particular moment. His comments about the councils and community groups are his, not mine. The position is that we know the functioning of this place and it is our business to reassure community groups and councils that if we stand firm we will get a better deal, not to dissemble and say that if we stand firm here all will be lost. That is the difference between the Greens, who stand strong on these issues and believe that the strengthening of democracy is central to good environmental outcomes, and the Democrats, who are saying here that the democratic overview, the Senate ability to review the trust decisions, is subsidiary to the environment. The two are interwoven. What is being removed here is both ministerial responsibility and Senate oversight about the trust decisions in the future. That is not a good environmental outcome. Public partici-
pation is very important to a good environmental outcome.

Where we disagree is on whether the government was going to wear these amendments or not. I believe the government would absolutely have worn these amendments because it wants this legislation so badly. Senator Bartlett and the Democrats have decided—it is their decision making process—that the government is very tough, very strong and would throw all this out in the run to an election for the sake of these amendments. The Democrats are wrong, and this legislation is going to be the weaker because of it.

Senator BARTLETT (Queensland) (10.11 a.m.)—I apologise to those down the other end of the Senate but, given the constant dissembling—to use Senator Brown’s word—it is important that the record is corrected because this is an important issue and it is important that the community is not given a false perception about this. It is thanks to the Democrats and the ALP, as I said before, that there are incredible opportunities now for public participation in the life of the trust and the management of these lands. That is why the environment is now being protected. All that Senator Brown’s comment shows is that his whole approach to this has not been in terms of the environment or the community; it has been in terms of politics—as we have come to see many times. Otherwise, presumably, he would have turned up at Senate committee hearings, he would have had numerous meetings with the community groups involved, he would have talked with the people involved in the trust, he would have visited the lands, he would have met with the councils. All his comments indicate he has done none of those things and obviously has not followed all the significant amendments that have been made that have guaranteed significant public input, ongoing oversight and Senate oversight of the operations of the trust.

It is important to note the views of the community groups who have been following much more closely the detail of the legislation and the protection of these lands. All those groups would like it to be stronger. All of them also recognise they have been involved in the politics of this issue much longer than Senator Brown or me. They have been involved in the politics of this issue for many years and they have seen governments, both Labor and Liberal, state and federal, sell off lands left, right and centre repeatedly. They know that it is a very rare opportunity to get these lands protected in a guaranteed legislative sense. They know that this government does not need to proceed with this. It is not a matter of the government being tough; it is a matter of the government knowing that, as things stand now, they can quite easily back away and do anything else they want with these lands, in any way they like, whether for electoral gain, financial gain or whatever. They have seen, time after time, these lands being destroyed and degraded; indeed, these lands are currently being degraded further because there is no management structure in place. So they know that, whilst this is not perfect, this is a significant and unique opportunity. That is why they were more willing to put the protection of these lands and the environment first, to put that principle first, rather than the political opportunity of being able to bash the government.

Question put:
That the motion (Senator Hill’s) be agreed to.
The Senate divided. [10.18 a.m.]
(The Deputy President—Senator S. M. West)

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AYES

Abetz, E.    Bartlett, A.J.J.    Allison, L.F.
Bourne, V.W.  Calvert, P.H.    Boswell, R.L.D.
Chapman, H.G.P.  Crane, A.W.  Brandis, G.H.
Ellison, C.M.  Ferguson, A.B.  Campbell, I.G.
Ferris, J.M.    Gibson, B.F.  Coonan, H.L.
Greig, B.      Eggleston, A.  Kemp, C.R.
Hill, R.M.     Herron, J.J.    Lightfoot, P.R.
Knowles, S.C.  MacDonald, J.A.L.  Macdonald, I.
Senator Ludwig—Thank you, Madam President.

Senator Forshaw—Madam President, I was in continuation when this matter was adjourned.

Senator Ludwig—That is true.

The PRESIDENT—Senator Ludwig concedes, Senator Forshaw.

On Monday night, when this matter was last before the Senate, I was addressing the issues with respect to the Workplace Relations Amendment (Tallies and Picnic Days) Bill 2000. I had pointed out how this government had its priorities completely wrong. Whilst there are major issues in the nation—and certainly there are major issues in the industrial relations arena, such as employees’ loss of entitlements when businesses go broke or close down—this government is more intent on pursuing the removal of the entitlements of low paid workers in this country. And, of course, this is what this bill is about.

I happened to notice in yesterday’s Daily Telegraph an article which concerns a situation in Helensburg, just south of Sydney in New South Wales, where a number of workers—Indian nationals, apparently on working visas—have been exploited, it appears, for a couple of years. I will read a paragraph or two from the article. It is headlined ‘Workers paid $45 a month on temple site’. It states:

Eight Indian nationals have been working seven days a week for only $45 a month at a construction site at Helensburg, it was revealed yesterday. They have been working at the Hindu temple for the past three and a half years, living and eating in portable sheds on site.

The article goes on to detail the fact that these workers are not doing specialised jobs; they are doing jobs which could well be performed by many Australian workers in the construction industry. But these workers are apparently here on working visas. It is clear that, firstly, the working visa scheme is being abused in this case; and that, secondly, here we have a situation where workers have been exploited.

The article goes on to detail the fact that these workers are not doing specialised jobs; they are doing jobs which could well be performed by many Australian workers in the construction industry. But these workers are apparently here on working visas. It is clear that, firstly, the working visa scheme is being abused in this case; and that, secondly, here we have a situation where workers have been exploited.

But this government, of course, is not interested in those issues. There is an Office of the Employment Advocate. That is supposed to be an office that looks out for situations of exploitation in the workplace. But that office and this government, this current minister, and the former minister, Mr Reith, have no
interest in those situations; they will allow those things to continue. The workers on that site, according to my understanding, should be covered by and employed under the terms of the National Building Trades and Construction Award, a federal award.

But, as I said, when it comes to protecting workers’ entitlements, this government just has no interest. This government is interested in attacking workers’ entitlements, and it demonstrated that quite clearly, as I said the other night, when it brought in its first Workplace Relations Act—where it, by legislation, removed many conditions in awards that had been negotiated or arbitrated over many years by the Industrial Relations Commission. The government had a provision in that legislation which required the commission to remove from awards all conditions of employment other than those that were specified as allowable matters. There were only 20 allowable matters. So in one fell swoop by legislation—because the act said that if the commission did not remove them, those conditions would disappear at a certain date by legislative effect—workers’ rights, built up over many years, were removed. That is the sort of thing that despots and dictators do: when they cannot win their arguments before the courts, before the independent tribunals, they legislate to remove basic human rights or rights of employment and other rights that citizens in democratic countries should enjoy. That is the approach of this government.

What do they want to do now? Not being satisfied with reducing the number back to 20 allowable matters, they ran into a problem. What was the problem? One of the allowable matters that the legislation said could still remain in an award was provision for public holidays. People in this country, whether they are under awards or not, enjoy the benefit of a certain minimum number of public holidays per year. It is generally 11. For many years, as anybody with any experience in industrial relations can tell you, picnic days have been treated as public holidays. Indeed, the Industrial Relations Commission had reinforced that view in decisions in both 1994, when it determined that there was a minimum standard of 11 public holidays per year for Australian workers, and further in 1997 in the award simplification case, which dealt with the specific legislation reducing allowable matters back to the list of 20. The full bench of the commission in that case held that union picnic days were indeed public holidays and had long been regarded as such under awards of the commission.

Well, the minister did not like that. He did not like the fact that workers on a minimum rates award—around $430 a week, I think it is these days—have the benefit of having one public holiday a year being their union picnic day. Never mind the fact that the chief executives can have their corporate golf days and all the other entitlements that high flying executives enjoy under their packages. Workers on minimum rates awards, according to Mr Reith, should not get a holiday each year as a picnic day. And because he could not win that argument in the commission and because his supporters in the employer ranks—and there are few—could not win those arguments before the full bench of the Industrial Relations Commission, this government decided, ‘Well, we’ll do it by legislation. We will change the act so that a union picnic day is no longer to be regarded as a public holiday.’ You have to ask yourself why. Is there some huge economic benefit to the nation in implementing such a change, by denying a construction worker or a shearer or a clothing industry worker one of their 11 public holidays, by reducing their 11 public holidays back to 10? By taking this one holiday off them, is that going to make the dollar increase? Is it going to improve our balance of trade? Is it going to bring down petrol prices? No, it is not going to do any of those things because the cost is infinitesimal. It is a benefit that workers have long enjoyed, but this government says, ‘No, you can’t have it.’ Why can’t you have it? This government says, ‘You can’t have it because we don’t like you having it. We think that the minimum standards that you are on now should be further reduced and you shouldn’t have the backing of a trade union to support you to maintain it.’ They will not even concede that maybe the argument should be determined by the independent industrial relations tribunal, the Industrial Relations Commission. They have
tried to nobble the commission, and after they could not win their day in court, they have come into the parliament and said, ‘Well, we’ll legislate away your rights.’ That is the action not of a democratic government but of a despotic government. That is what would be done if this legislation were to be passed.

I am also concerned with the other aspects of the bill which go to the issue of tallies. As I have said, there are workers in this country, particularly in itinerant rural industries—shearing, fruit picking—who are employed under various piecework schemes. In the past the terms piecework, bonus, and tallies have all been interchangeable. I understand the government says this will not affect those pieceworkers, that this is really targeted at the meat industry. Well, I have to say that I do not trust this government, because you have broken the promise that you made that no worker would be worse off. You have now sought to remove a further condition from an allowable matter that the commission said should remain, by doing it by legislation. I do not accept your guarantees about the impact of this legislation on those other workers. I will be interested to hear what the government has to say on that issue when it comes to the committee stage.

Senator LUDWIG (Queensland) (10.36 a.m.)—What we are talking about is a government amendment bill, the Workplace Relations Amendment (Tallies and Picnic Days) Bill 2000. The bill seeks, firstly, to remove tallies from allowable award matters. That effectively means that it would then be a disallowable matter. It would not be able to be put in the federal award. So, by a legislative decree, the independent Industrial Relations Commission would then not be able to deal with tallies because that will have been excluded by the amendment bill, should it be passed in the Senate. Secondly, it seeks to deal with picnic days in the same manner. They would then be a matter that the commission, the independent umpire, would not be able to deal with. It would be excluded from their ability to rule or put in awards and the like.

Picking up on Senator Forshaw’s position in respect of tallies, even if we said, ‘We trust this government to get it right about tallies’—and it is a long shot, I have to say—it is not only this government that would concern me; I would be concerned when you go into the realm of arguing before a commission that tallies are not a matter or when it stretches beyond the meat industry. That is the problem you get into, because I am sure the government would not intervene in a whole range of cases. They did intervene and put their case in the meat industry case, and I will come to that shortly. Perhaps the government can put their view on whether they would intervene in every case where the matter was raised and try to extend beyond the meat industry to other awards, such as shearing, fruit picking, sawmilling or other awards which might have piecework rates or the word ‘tally’ within them. Perhaps we could hear from the government that they would intervene and argue their position clearly and cogently and appeal it, if necessary, if an adverse decision was made. The range of arguments that could be put are really then, in the case of the employer or the employers, those they might put before a tribunal as to the interpretation that would be applied in that instance.

Going to the tinctacks of it, what the government have argued—quite cogently, as I understand it—in the meat industry is that the tally system is an input system; in other words, it applies to inputs within the calculation of a tally for the purposes of the meat industry. So a cow or a steer is an input into the process. The Department of Employment, Workplace Relations and Small Business was able to distinguish between the operation of these systems in its 1999 submission to the Senate committee by saying:

Tallies are based on inputs, in contrast to piece rate systems, which are based on outputs... Bonuses are not related to production levels in a systematic way, often being a one-off payment when a specified level of production or performance is reached.

If that is the case, we can rest easy, but an alternative argument can be found in the sawmilling industry and the green chain. For those not familiar with the logging industry, the green chain is effectively the beginning of the processing work. When a person is moving logs on to a green chain to go into
the factory to be sawn, dealt with and
dressed, is that an input or an output if a
piecework rate is applied or a tally system is
used to calculate how many logs go in and
how much work a person does? Those sorts
of issues might arise and be argued in a
commission at some time in the future. I
would expect then that the government
would continue with its method of interven-
ing in cases and put its case and, hopefully, if
it was not successful, it would appeal it or
legislate to make sure that that industry was
able to operate in the manner that it had op-
erated in for some time.

One wonders about the direction the gov-
ernment is heading in with workplace rela-
tions. We are told that this bill was part of
the original omnibus legislation that Mr
Reith, who has now left that portfolio, put
into the House of Representatives and sent to
the Senate. That legislation is now being re-
turned in bite size chunks—some people say
salami slices—so that people can consider it
in smaller pieces and deal with it in greater
detail. That argument is a little condescend-
ing towards the Democrats. The point was
made that, when the omnibus legislation
came here, this side at least gave all of the
parts of the omnibus legislation a considered
view and we rejected it. We did not think it
was going to work. Now you have said,
'We'll slice it up and bring it back in little
bite sizes so you can have another look at it and
see if you missed something.' When the
tallies and picnic days bill first came up
again, I have to say that I thought it was a
joke. I thought, 'Why would somebody bring
back tallies and picnic days in a bite size
chunk?' I had to be convinced, so I read it
again. I thought, 'No, it's true. They're doing
it. They're going to bring back a bite size
chunk in the shape of the Workplace Rela-
tions Amendment (Tallies and Picnic Days)
Bill.'

*Senator Jacinta Collins interjecting—*

**Senator LUDWIG**—One could say it is a
picnic. But I then thought I would give credit
where credit is due, and Mr Reith has always
been single minded and direct about this. He
wanted the omnibus legislation, but he could
not get it the first time, so he has split it up
and will try again. What I was then amazed
at is that, after Mr Reith left that portfolio,
Mr Abbott picked up the same direction and
has said, 'I'll continue pushing the barrow.'
Mr Abbott should have thought the tallies
and picnic days bill was one of those matters
that the Senate should not be taking up its
time with and considering to the degree we
seem to be. In fact, I was not going to speak
on this bill because I was hopeful it could go
through in a very short space of time and be
knocked out so we could move on.

What I am concerned about is that the
government is actually serious. I actually did
not think it was serious about this, because I
must say I did not think I could take it very
seriously, but it seems that we are. The gov-
ernment is hell-bent on moving the Work-
place Relations Amendment (Tallies and
Picnic Days) Bill 2000 and wanting this side
to take it as a serious assault to remove tal-
lies. This is in the framework, might I add, of
the commission already dealing with it; in
fact, one could almost say that it has dealt
with it. The government is trying to direct
this independent tribunal through this
amendment; and I have used a broad phrase
so no negative imputation should be put on
that. I will go to the commission’s decision
in a bit of detail—more than I normally
would—because I am surprised that we are
actually here dealing with this matter. But, as
I said, we are dealing with it and I will deal
with it in a serious and straightforward man-
ner. The Federal Meat Industry (Processing)
Award 1996 came before the full bench of
Justice Giudice, the President, Justice Munro
and Commissioner Leary in Sydney on
24 September 1999, and they made their de-
cision. Their decision for the union that was
involved, I suspect, was disappointing. They
did not win. They did not maintain appendix
3 in the award.

The full bench of the commission found
quite clearly that, notwithstanding that it
might come under 89A of the award—in
other words, it is an allowable matter to have
tallies—it is a matter that has outlived its
usefulness. I use that phrase, although I do
not think they actually use that phrase them-
selves in the decision. Perhaps the best quote
is on page 30 of their decision. They said:
More generally, it is clear that many employers in
the industry are using tally systems which are
more beneficial to them than the provisions of the
Appendix. In some cases the arrangements are
found in certified agreements, in many others
they are not. The implication is that the many
employers who have reached satisfactory ar-
rangements at plant level despite Appendix 3 will
be unlikely to want to change those arrangements.
An additional consideration is that, as we have
already decided, the terms of the Appendix are
rarely applied now. If we were to maintain their
operation in light of that finding we would un-
dermine the integrity of the award system and
lend tacit encouragement to those who might at-
tempt to ignore other award provisions.

That is a very powerful statement. They have
said that, in terms of 89A, they do not have
to deal with the tally system that we seem to
be spending time in the Senate removing—
because it is an award provision, they can
deal with it—but, notwithstanding, they have
said that, in terms of the direction the meat in-
dustry is going, appendix 3 should not be
held because people in the industry have
themselves moved on and are not using the
tally system. Therefore, as a general princi-
ple the commission found it unnecessary to
actually sustain it, even if they have the
power to. So the independent tribunal have
come to the government’s view about these
things on their own, without requiring the
Senate to spend time legislating for them.

We already know, too, that a hearing has
been set down for April this year to deal with
the federal meat industry processing award
itself to ensure that the new facilitative pro-
visions are put in to allow piecework systems
to operate in the meat industry and to main-
tain reasonable earnings for meatworkers.
They have also decided that the employer is
certainly open to flow that decision around to
a number of other meat industry awards—
which is what happens, for goodness sake.
That is how the commission work.

One really wonders whether the govern-
ment understand that or whether they simply
say, ‘We’ll intervene. We’ll do this.’ If they
are going to drop to the level of intervening
in tallies and picnic days, I have a whole raft
of things that maybe I can pass on to the
government. I might say, ‘While you’re on
that, there are a whole range of other little
matters that have plagued me in the 20-odd
years I have spent in industrial relations.
They’re always a problem.’ You would have
liked people to legislate on them. You could
never convince the commission of them, so
you never really thought it was worth having
an argument run before the commission and
take up their resources. But I might think
that, if I can get it in here and if I can per-
suade the government to move these little
amendments, maybe it will make somebody
else’s life a bit easier so that they do not have
to put them on the side of the table and say,
‘Senator Ludwig gave me those, but I can
never push those forward. Maybe I can ask
Senator Ian Campbell to move them in the
Senate and get them dealt with by a far easier
mechanism.’ That is what it looks like. It
looks like the meat industry has gone to the
government and said, ‘We can’t do this. We
think we can deal with it in a sensible man-
er in the commission. But as a belt and
braces approach’—and you can choose
whether you want to be the belt or the
brace—’come and do this little backup so
that, if we fail in the commission, you have
at least been able to tidy up our back door for
us and help us.’

It is true that the meat industry is a large
industry. It is a viable industry. It is a huge
industry in terms of our exports and deserves
government assistance in a range of areas.
There is no doubt about that, and I will con-
cede that. But you have to ask: in terms of
tallies and picnics, where do we stop? We
might say that large industries require assis-
tance, but the meat industry is large and has
resources. This is an issue that the meat in-
dustry could have dealt with on its own
many years ago. In fact, when you look at
the decision, it did. It actually dealt with it. It
has not been applying appendix 3, as the
commission found. It has not been applying
this out-of-date, difficult provision that it
says is stopping it.

So where is the argument? I think the
meat industry have conned the government
in this respect. I think they have conned them
by saying, ‘It’s a big problem. We need the
government to legislate.’ It never was a
problem. The industry has been getting on
with methods of work and remuneration
without worrying about appendix 3 in many instances. So it is an icon. When you have a look at it, you think it is nothing short of giving them a kick, of giving the meat industry’s union a bit of a hard time from the government’s perspective as a belt and braces approach. It is poor form really when you go and have a look at the decision.

I would hope that the government has had the decision and understands its import. After reading it, I thought we could have easily not bothered with the Workplace Relations Amendment (Tallies and Picnic Days) Bill 2000. I am sure that Mr Abbott should adopt a new direction, not deal with it and say that the industry can deal with it. It has enough money, it is big enough and it is certainly straightforward enough. It is a matter that it did not deal with some time ago, but it is fine that it is now dealing with it. Commissioner Leary will obviously deal with the rest of the industry in a couple of months time.

Perhaps you think the government are part of a movement. I dug around, and I found two problems. One is Taylorism—that is, Frederick W. Taylor and scientific management. I have discovered that the government are pushing that barrow. I thought we had moved on since the scientific management days. They talk about the use of slide rules and similar timesaving devices, time studies, instruction cards for workmen, a modern costing system, a routing system, a mnemonic system, the use of differential rates, task allocation and large bonuses for successful performance. The government seem to say, ‘We want piece rates. We want scientific methods of management. We want Taylorism put back in, but we say no to tallies because we are not too sure of what that all means.’ It took me a while, but I found the nub. Mr Abbott is heading down the path of scientific management for any industry.

Perhaps we could also direct him to the shearing industry—perhaps he could also start some work in there. When I heard Senator Forshaw talking about the shearing industry, I also dug out a Western Australia shearing contractors award. Clause 10 is headed, ‘Posting of tallies and details of wool pressed’. Does this mean that we are going to have an assault from the industry on that word ‘tallies’? The clause says:

The employer shall cause the total tally of each day for each of the shearers or crutchers to be available for the next day, except on the last day.

I do know, from some experience, that we have tally books in shearing sheds. I do know that shearers do shear sheep, which are counted. The shearers’ remuneration is worked out based on how many sheep they shear.

Senator Calvert—They use wide combs, too.

Senator LUDWIG—They use wide combs, and narrow combs, still.

Senator Calvert—Try to stop them.

Senator LUDWIG—I can go on to that. I will take up that interjection. If you want to talk about wide combs, the issue of wide combs and narrow combs is not about the width of the comb—it is about money. The sooner you wake up to that, the better we will be.

Senator McGauran—It is about the width of the combs.

Senator LUDWIG—It is about money. Of course, this is what we are talking about when we look at tally systems. The government has intervened in respect of money—not the width of the comb, not the style of work, not appendix 3 in the meat industry. They have intervened because of money—because they think they can take some money off a worker and pass it on to an employer.

Senator McGauran—It is called productivity. Ask the MUA.

Senator LUDWIG—You are back to Taylorism, are you? You support scientific management. I am ashamed. We have moved on. Look at the key findings of the Award and Agreement Coverage Survey 1999. One of the key findings of that, which supports why we would then deal with tallies in the first place, is:
... only 22 per cent of all Australian employees in organisations with 5 or more employees were paid at the award rate.

So we have whittled it down. Who is actually going to be troubled by removing these tallies? I think it is a very small pie, at the end of the day, that will actually be affected. As I said when I started in this debate, and as I say again in ending it, it is a joke to be dealing with tallies and picnics and taking up the time of the Senate in respect of this matter.

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (10.55 a.m.)—In summing up the debate, I want to thank all members of the Senate who have contributed to the debate and respond to some of the key issues that were raised by those honourable senators, mostly on the Labor side. It is important to understand—and I think Senator Ludwig has raised this as an issue—why the government even bothered bringing this legislation forward to the Senate. I think he, with a little bit of flourish and a little bit of bias, described the process. The reality was that this government have always been, certainly for the nearly five years that we have been in government, very up-front with the people of Australia about where we stand on industrial relations.

We went to the 1996 election and the 1998 election saying that we wanted to reform workplace relations in Australia. We told people how we wanted to do that. We were very up-front about wanting to bring in workplace agreements that ensured that people had more freedom of choice; made workplaces more flexible; and ensured that employers and employees could work together to create the best outcomes for both the employers and the employees, to better serve their customers and to create services and goods in the best possible environment. We were very up-front about that. Five years down the track, we are still waiting to see a policy from the other side about industrial relations.

The outcome of the recent state election in my own state of Western Australia was very disappointing from a Liberal’s point of view. Even though, I understand, they were elected with the smallest primary vote in the history of Australian state elections, that still does not give you a lot of comfort. The reality is that Labor is in power and we are not. So congratulations to Dr Gallop and his crew. It is interesting that at that election Labor had to tread a very fraught path of trying to ensure that their industrial relations policy was not released before the election. In fact, their policy in relation to their true intentions with workplace agreements has just come out in the last day or two.

Dr Gallop had to play a very careful role there, ensuring that there was enough out there to make it look like he had a policy without releasing the entire policy. His strategy was to say that there was a discussion paper, he would review workplace agreements, he would have summits and he would do all the sorts of things that you do when you do not really want to release your policy. That tactic was clearly successful in many of the polling booths across that state of Western Australia.

It was unsuccessful, for example, in the seat of Ningaloo. I think it is worth making this point. The seat of Ningaloo takes in some of the great mining towns in Australia, particularly Newman. The Liberal candidate there, Mr Rod Sweetman, did campaign on the workplace agreements issue. I am being a bit circuitous here, but it is very relevant to this bill and this important debate. Roughly half the people who work in the mining industry within that mining province have moved across to workplace agreements. Labor had to be wary about threatening workplace agreements, because those workers like their workplace agreements. They like the fact that they are earning more and they have agreements that suit them. The fact of the matter is that those people voted very strongly against the state trend and voted Liberal, I presume—you cannot look into the minds of the voters, but it is a very special factor in that electorate—on the basis that they want to keep their workplace agreements.

The importance of it to this debate is that Senator Ludwig and others have said, ‘Why
are we bothering to bring this forward?’ The reality is that this government does not believe you can stop improving the legislative framework for workplace relations in Australia. We are very keen to ensure that our small, medium and large businesses continue to expand, and they will only continue to expand if they are offering the best goods and services available in the world and expanding their export markets. We know—and I do not think Senator Ludwig would disagree with this—that beef exports alone are worth $3.18 billion to Australia. When the balance of trade is obviously a very important factor, as is building and increasing our exports of fantastic quality beef in a very competitive world market, you cannot afford to say that things like tallies are not important.

Senator Forshaw, I think, used the word ‘infinitesimal’ in terms of the importance of these changes. Labor say, ‘Why do you worry about picnic days and tallies? The issue is not important; it is only a minor change. Who cares about it? Why are we wasting our time considering it?’ I ask the question: why are Labor spending so much time defending a system that was designed and built up in the 1950s and 1960s and which is clearly, on all evidence, out of date? It ensures that the meat industry cannot be as successful as it should be. We have had some banter and some mild-mannered interjections about wide combs and narrow combs, and there was the argument in the 1970s and 1980s about that. I have been a worker in a shearing shed. I am not skilled enough to actually do the shearing but I have spent a lot of time penning up and being a rouseabout and doing all the jobs and getting—

**Senator Jacinta Collins**—All the money.

**Senator IAN CAMPBELL**—I think that the rouseabouts, if I look at my pay rates, did not get paid quite as well as the shearers. The shearers were far more skilled than me. I did try my hand at shearing but I think the RSPCA would have been let loose on me if they had seen the poor sheep after I had gone near it with a comb. The reality in the shearing sheds is that the Labor Party and the union movement worked very hard to ensure that the number of sheep that a shearer could shear in a day was reduced because they wanted to stick with narrow combs.

Here again we have got the Labor Party trying to entrench in law a policy that makes it harder for workers to earn more money through workplace based agreements because they are restricted with tallies. The Liberal Party is sticking up for the workers and saying, ‘We want you to be able to do better. We want your industry to do better and we want more people in the meat industry. We want you to earn more and be able to take more money home to your wives and children.’ The Labor Party are pretending to stick up for the workers when they are really sticking up for their comrades in the leadership of the union movement. It is no secret as to why that is. We hear Labor asking why we are bothering with these small reforms, but they are in fact very big reforms. It is easy to parody picnic days and say that they are not very important. It is easy to parody tallies in the meat industry and say that that issue is not very important, but these are all very important reforms.

The Labor Party are saying that the Liberal Party does not care about small business because of the BAS statement—for example, in the current debate. But the Labor Party, year after year, has stopped this government from going ahead and reforming the Workplace Relations Act in relation to unfair dismissal laws. We cannot get reforms through this place because all of the union officials who get elected as senators come in here and stop these reforms. Small businesses are screaming out for reform of the unfair dismissal laws but these people opposite will not allow that reform through the Senate. They do not even want to allow tallies through. What do they do? They say that this is not very important, but we see a line-up of six Labor senators coming in here, giving 20-minute speeches and fighting to the death to protect the antiquated tallies system. Where do they all come from? What did the honourable Jacinta Collins do before she was elected to—

**Senator Jacinta Collins**—I am not an ‘honourable’ yet.

**Senator IAN CAMPBELL**—She is an honourable senator, an honourable woman,
and she was, of course, a union official in what is known as the ‘shoppies’, the Shop Distributive and Allied Employees Union. I know some shoppies from Western Australia. Mark Bishop is an old shoppie and I think Brian Burke’s daughter is an up-and-coming official in the shoppies—in fact, not only are the Burke family NCCs; now they are more like NCBs these days in Western Australia. And, of course, Senator Carr was a very active and successful member of the teachers union. Senator O’Brien, who spoke in this debate, was vice president of the ‘missos’—as those of us who know the union movement call it. I cannot track down what Senator Cooney’s union was—

Senator Cooney—I was a struggling barrister.

Senator IAN CAMPBELL—They have a good union. Senator Cooney was a successful and outstanding advocate on behalf of unions on many occasions in a previous life as a much younger man. Senator Forshaw, who made a contribution that was unfortunately interrupted by the adjournment of the Senate, was an AWU and ACTU office bearer. Again, he was very successful at climbing the union ladder, and the pinnacle of the union ladder is, of course, election into the Senate. That is the career path. Senator Ludwig was a successful officer of the AWU and an industrial advocate. So you see very clearly the heritage and pedigree of those who say it is unimportant that we even deal with tallies and how dare we even think that the Senate should bother to look at further workplace reform. But let me say that the coalition stands for further reform of workplace relations. We do want to reform unfair dismissal laws. We do want to reform tallies and we want reform wherever we can. Of course, the numbers in the Senate make it impossible to do so unless we get the support of the majority, and that is what democracy is all about.

Senator Forshaw said that this government does not care about workers and their entitlements. Of course, the reality is different from that. For 13 years, and I was here for six of those years, the union movement—and I remember having a personal chat with Greg Combet about this a few years ago—did absolutely nothing about workers’ entitlements. Another senior member of the union movement, Senator Peter Cook, has come into the chamber. He is a former executive of the Trades and Labour Council in Western Australia and a former senior executive of the ACTU. The Labor Party did nothing about workers’ entitlements in 13 years in power, and Senator Cook was in cabinet. They did nothing about workers’ entitlements. And what has this government done? We set up the EESS—the Employee Entitlements Support Scheme—

Senator Cook—That is absolute nonsense!

Senator IAN CAMPBELL—We have paid out $3 million already from this scheme. I suggest to Senator Cook that he could make a great contribution by going to the new industrial relations minister in Western Australia, Mr Kobelke, and asking, ‘Could you please come on board with the employee entitlements scheme?’ Because the Labor governments, who are supposed to care about workers, have not come on board, and I am informed that, if they had come on board, workers would have received $6 million instead of the $3 million. These so-called Labor governments are supposed to care about workers but they will not put their money where their mouths are. And this government has done that. We have set up an Employee Entitlements Support Scheme—something that Labor never did in 13 years. We have also reformed the Corporations Law in relation to employee entitlements, as Senator Cooney would know well because he takes an interest in these things. This is something that the union movement begged the Keating and Hawke governments to do for years, and I know that from speaking to Mr Combet personally. I do not call him a close friend, but we have a chat from time to time, or at least I have once in my life.

We brought in the employee entitlements bill, which has now become law. It introduced a new prohibition on arrangements or transactions intended to prevent or avoid payment of employee entitlements with civil and criminal penalties, which can result in payment orders against directors, related companies or others. As Senator Cooney
would know well, because he has for many years taken a close interest in Corporations Law matters, that is a very constructive move to protect companies and their directors from entering into arrangements to ensure that employees do not get their due entitlements. Those are two very demonstrable, successful moves by this government to protect workers—moves which were ignored for 13 years under Labor. I think if Senator Forshaw wanted to be frank about it and give credit where credit is due, he would acknowledge that we did those things that no other government had done before.

Senator Ludwig raised the issue, as have other senators—I think Senator Collins made a contribution in similar terms—about whether the term ‘tallies’ relates entirely to the meat industry. I think it is a very important point for us to discuss and debate, and I want to make it quite clear on behalf of the government that the question that has been raised is specifically about the meaning of the term ‘tallies’ as used in the bill, and it may not be confined to the particular type of incentive based pay systems used in the meat industry. The full bench of the Industrial Relations Commission determined in 1997, in one of the first decisions on the awards simplification provisions introduced by the government, that the terms in section 89A of the Workplace Relations Act are ‘to be given their ordinary meaning having regard to industrial relations usage’. It is clear, including from the debate up to this point, that ‘tallies’ does have a specific meaning in industrial relations practice and refers only to the pay systems now found in the meat industry.

We do regard these as important reforms. We have been keen to progress these matters for many months. They have been on the Notice Paper for some months. We are very keen to see these reforms come into law. We do regard workplace reform as critical to Australia’s success and critical to growing employment. I reject Senator Ludwig’s slightly frivolous attaching of tailorism and scientific management to this government’s intentions. I would be interested if Senator Ludwig could show me that paper. It looks like it would make fascinating bedtime reading for those of us who are interested in management and organisational behaviour. The government is genuinely committed to quite the opposite to that. We are actually committed to organic organisations—organisations that are flexible and can adapt to the rapidly changing global circumstances. Companies that are too scientific and take a slide rule approach are almost absolutely destined to fail in this new millennium. I think you and I would agree with that, Madam Acting Deputy President. Companies and organisations, whether for profit or not for profit, need to be very focused on their customers. They need to be focused on what is changing, how the community is changing, and how they are serving people. You cannot have that with a rigid, scientific, structured, black and white industrial relations regime.

The regime that we advocate is one that encourages people to work together, that encourages employees and employers to break down those artificial distinctions between human beings in the workplace, and that gets the employees and the employers working together constructively and focuses them on serving their customers, creating better products and better services and, wherever appropriate, serving international markets when they do that. We believe that the coalition’s approach, which is to create flexibility, output focused management and workplace relations is the way to achieve that. You need to do that in a way that you protect those who are unable to protect themselves. This government, even though we are painted by the opposition as not caring about this, do in fact support organised labour. We do support people’s freedom to choose to join organisations, trade unions and industrial unions. As I said in my very first speech in this place, unions that recognise voluntary unionism and free choice will be the successful unions of the new millennium. I did not talk about new millenniums back in 1990 because we were not talking about them then, but I still advocate, as I did nearly 10 years ago, that unions that recognise they can serve their members well, stick up for the rights of their members, and adapt to the demands of the new millennium will be the successful unions of the new millennium. The successful unions will be free unions focused on the needs of their members, not be unions that
are fighting to hang on to the remnants of the 1960s and the 1970s—as painted very beautifully by Dean Alston in the West Australian yesterday, when he had Dr Gallop suggesting that his cabinet go back to wearing flares and body shirts and growing mullets again. I commend the bill to the Senate.

Question resolved in the affirmative.

Bill read a second time.

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

CLASSIFICATION (PUBLICATIONS, FILMS AND COMPUTER GAMES) AMENDMENT BILL (No. 2) 2000

Second Reading

Debate resumed from 27 February, on motion by Senator Ian Campbell:

That this bill be now read a second time.

The PRESIDENT (11.16 a.m.)—Before proceeding with this bill, I wish to make a statement. My attention has been drawn to remarks made by Senator Greig during the debate on the Classification (Publications, Films and Computer Games) Amendment Bill (No. 2) 2000 yesterday. Although points of order were taken concerning his later remarks, the earlier part of his speech was not heard clearly by the chair. Senator Greig’s references to a senator and to a member of the House of Representatives were highly offensive and unparliamentary under standing order 193. I direct Senator Greig not to continue with the kind of language he used about senators and members yesterday.

Senator GREIG (Western Australia) (11.16 a.m.)—Am I required to respond at all?

The PRESIDENT—You may continue.

Senator GREIG—I was in continuation from my speech last night on the Classification (Publications, Films and Computer Games) Amendment Bill (No. 2) 2000 when I was interrupted by both Senator Harradine and by time. I will finish the quote from Mr David Marr, which I was part way through, because I would like to do it justice. I pick up from the point where he said:

But the inheritance of that time is still felt in the mood of today’s churches. Catholic and Protestant, old and new, they love authority and suspect pleasure. Nothing much changes with the churches. That’s their boast. Each claims to be the authentic expression of values going back a couple of millennia. So as we start into the next one, it’s perhaps no surprise Christians are engaged in an old crusade against sex, last ditch battles with women inside and outside their congregation, guerilla campaigns against homosexuals, harassment of AIDS and HIV prevention programs, outbreaks of civil war in church schools, persecution of books and grim collaborations with Governments to pursue the War on Drugs.

Since its inception as a political party, the Australian Democrats have adhered to a strong and proud tradition of championing the human rights of all Australians in an environment that still sees economic considerations achieving primacy over matters such as the prosecution or non-prosecution of war criminals. I am proud to represent in this parliament—in this Senate—a continuation of that Democrat tradition. If democracy does not have a cornerstone, then freedom of thought and consciousness must surely be it.

It is a source of bewilderment to me that those who are adherent to the religious traditions in the community—who so often defend and seek to champion their human right to freedom of religious expression—always seems to stand in blind opposition to other people’s human rights, in this case the right to sexual privacy and expression. It is, as David Marr put it so ably, their own form of a crusade. I stand, however, as a democratic representative in a democratic society, against such extremist views and defend Australian adults’ right to choose non-abusive—that is, non-violent based film and literature—eroticia.

This weakened and gutted bill—the orphaned child of the original classifications bill—is really about caving in to the unconvincing arguments of self-appointed moral guardians to maintain the X classification system. The X classification system, and the symbol thereof, stamps their displeasure on sexually explicit videos and books to the absurd and unnecessary detriment of a more honest and civilised approach to classifications. It was clear to me during the public hearings on this matter that most people who support the X classification do so because
they feel it adequately reflects their personal dislike of the materials. Quite frankly, most people who support the X system of classification would prefer to ban all sexually explicit materials if they had half a chance. The claim was repeatedly made that NVE—that is, non-violent erotica—was too tame and innocuous and pleasant sounding, by which many people seemed subliminally to be saying that the sexually explicit materials must remain in the realm of the odious, unsavoury, sleazy and distasteful category of X if for no other reason, and certainly for no valid reason, than it satisfied their personal moral codes.

Last night during the course of my second reading debate, Senator Harradine interrupted me with his belief that what I was saying was untrue. I believe that Senator Harradine last night illustrated again, with his box of porn props, another example of what I was speaking about earlier in this debate—namely, the misrepresentation of the classification system and specifically the content of the X classification. I wonder how many Australians realise that the X classification currently excludes those matters, rightly objected to by the Australian community. Violence has been excluded for some time in the X classification. Depictions of children have been banned for quite some time in the X classification. I support those and other restrictions within the X classification. What I do not support, however, is the right of a politician, in a democratic society, to dictate taste and style of what is or what is not an appropriate sexual fantasy.

This has happened recently with the proclamation of the new X guidelines, which exclude, amongst other things, fetishes as a legitimate form of sexual expression. I take the view that in terms of sexual activity, so long as there is no harm to the participants, it is not the role of legislation or guidelines of any variety to impose some people’s limited view of the world. The rule of thumb, I believe, should be this: if it is not legal to do something sexually to or with another adult—like dragging them off the street and having non-consenting sex with them—then it should not be legal to watch someone doing that. If, however, someone does enjoy wearing leather or rubber or anything else for that matter, then it is their business. If they like watching videos that include leather or rubber—or ostrich feathers, for that matter—surely in the 21st century we can draw the line here in the Senate against telling people about what they can and cannot watch in the privacy of their own home.

In what I hope was not another attempt to muddy and confuse this debate, Senator Harradine came into this place yesterday with a box of what appeared to be at least 20 videos. Unfortunately, the Senate has not had the opportunity to further investigate the contents of Senator Harradine’s box. I would, however, like to invite Senator Harradine to table those videos that he bought into the Senate, and I indicate that I would support him in doing so. I suggest that he should include with the videos a statement as to where they were purchased and whether they have been classified by the Office of Film and Literature Classification. I and many other Australians would really like to know exactly how many adult videos Senator Harradine has. Where does he keep them? Are they in his electorate office or here in the parliamentary building? Where were they purchased and by whom? These are legitimate questions I am asking Senator Harradine, because it was largely through his actions and on his assumptions that the course of this parliamentary debate was derailed.

What is not on the public record are the consequences of not having law reform in this area—that is, the consequences of not having the NVE classification. The Eros Foundation, the adult industry association, estimates that some 90 per cent of all adult videos are sold through the black market. Police do not refute this. That is to say that in Sydney, Melbourne and other capital cities in Australia unclassified material is plentiful and abundant. It is so abundant and so unregulated that, through this black market and via unethical operators, children are now being targeted for a quick dollar with material that is inappropriate for them to view. Critics of the industry would have us believe that this is the intent of the adult industry. I do not and cannot believe that that is the case. The only places in Australia that do not
have a thriving black market in explicit videos are the ACT and the Northern Territory. Why? Because, in those jurisdictions, sensible laws with sensible regulations facilitate a lawful trade with no interest in targeting miners.

What a dangerous folly and a nonsense it is to maintain the X classification system in the naive and vain hope that this better protects society. For this reason, I will be moving amendments that seek to replace in this bill what was gutted from the original—specifically, the plans to adopt an NVE category of classifications and the abandonment of the clumsy, inadequate and absurd X classification system that is so open to abuse. I have some other, smaller amendments that also go to the heart of this issue of unreasonable, and I believe unwarranted, interference by citizens in the administrative processes of review and classification by the OFLC. I will address those in a little more detail at the committee stage.

**Senator COONEY (Victoria) (11.25 a.m.)—**This is an area that has exercised the parliament for some years now. I think there has been a very healthy debate and I think Senator Harradine has been central to that debate. He has always pressed his views. Those views have been based on good values in my opinion and I think he has gone about his task in the most honourable way. I would not agree with everything he says, but I think he has certainly said it responsibly. I think he has said things to Mr Simon Webb on a few occasions. Since I see him in the advisers box, I will say something about the position of people who work in the Office of Film and Literature Classification who have to decide what the classifications of various things will be. That is always a very difficult position. Mr Webb has been similarly attacked in the way that Senator Harradine has been in this debate, in a different context of course, over the years. I have to pay tribute to the way he has gallantly faced up to what has been said to him at estimates committees and other committee hearings.

This is a very emotional area, and properly so. People are concerned about what is appropriate. I heard Senator Greig just say that there are things that he would say should be classified in a way that would allow them to be seen by very few people, if by any people at all. So the issue of censorship is not an issue in the sense that people will say, ‘There should be no censorship of anything at all.’ The issue of censorship is one of what you ought to see. I said to somebody quite recently, ‘Why shouldn’t people see what they want to see?’ I think that is a question that has been asked by people before me on many occasions. He went on to describe to me some pictures that showed paedophilia in what I would consider—and I think anybody would consider—a very nasty way indeed, with physical violence being applied. I would have thought that most people would say about something like that, ‘This is the sort of thing that we don’t want.’ I think the exchange of photographs that really reflect the sorts of things that paedophiles are interested in is the sort of thing that has been investigated around the world with some success in recent times. I think the reaction around the world is that this is not the sort of thing we want.

So the issue is not a question of whether or not there should be censorship but a question of where the line should be drawn. Of course, that is always a very difficult thing indeed. Speaking personally, I am afraid I have to say that what I would have regarded as pornographic or sexually stimulating 30 years ago does not quite appear that way today. That is a sad reflection on what the years do to you as you get on.

**Senator Cook—**It’s a change in the mores in society.

**Senator COONEY—**Yes, it is a change in mores, but I have to say, Senator Cook, that the older you get the calmer you get in this area, although I would hate to concede that I have lost interest completely in matters—

**Senator McGauran—**You still have your passion.

**Senator COONEY—**Yes, I still have the passion—thank you, Senator McGauran. All I am saying is that, depending on what age you are when you look at these things and depending on what principles you bring to these things, it is going to vary. But the de-
mand is made: what are we going to do about it? What we have done about it is we have set up a system, and we keep changing the system and the people who are on it. I remember Mr John Dickie. I think he did famously well in this area. But, again, he was subject to a lot of criticism while he was there—as umpires generally are. This is an area in which people have passionate beliefs about what should happen, and in those circumstances there should be some courtesy in the debate. You can differ with what Senator Harradine says, but I think you should differ in as civilised a fashion as is possible.

Classification is different from censorship, but the idea of classification arises out of the need people have for some things to be kept from people or from children—and, in particular circumstances, from everybody because they are just so outrageous. We have to be a bit careful about saying that this is an issue about freedom of speech. I think it is more an issue of freedom to be able to do what you are entitled to do as an adult. I think that is what Senator Greig was saying. He was saying that you are entitled to do certain things, even though other people might not like those things being done and that, if you depict those, that is fair enough. That is where he would draw the line. I can follow all that, but I do not think that is an issue of freedom of speech in the sense that freedom of speech has developed over the years. Think of the sorts of things that Sir Winston Churchill, for example, was talking about in his radio broadcast to the United States on 16 October 1938—and I can say that I was alive in those days. He was talking about the sort of society that was developing in Germany. In assessing Nazi society, he said:

A state of society where men may not speak their minds. Where children denounce their parents to the police. Where a business man or small shopkeeper ruins a competitor by telling tales about his private opinion.

That is freedom of speech in a political sense. A lot of the development of this concept of freedom of speech comes from the Bill of Rights that was put before King William and Queen Mary at, I think, the start of the 18th century or the end of the 17th century. What people were talking about was parliamentary democracy and the ability to express ideas so that proper debate could take place. It was in that sense that the amendment to the American Constitution, *The Rights of Man* and even the one we rely on now, the International Covenant on Civil and Political Rights, were developed. It is in that context that this idea of freedom of speech developed.

It is important that we be allowed to look at what we want. Even though some people might object to us doing that, it is important that we have that right. But this idea of freedom of expression in the high political fights has not been about the sort of literature, et cetera, that deals with erotica; it has been more about our right to express what we think at a political level, a religious level and a social level and that we should not be stopped from having political, religious and social beliefs that other people might object to. Our right to look at what we want to look at is an important right, and that is what we are talking about here. Nevertheless, the idea of freedom of speech has arisen out of great battles in the past that had to do with political, religious and social matters. On the other hand, if society or parliament decides to suppress a certain area of film or literature that deals with sexual matters or high violence, society or parliament would be curtailing our freedoms, and if you curtail one freedom that may lead to the curtailment of other freedoms.

It is in that context that I now refer to a book called *Obscenity, blasphemy, sedition*, written by Mr Peter Coleman, who has some fame in the world of politics, which was published in 1962. The book talks about the rise and fall of literary censorship in Australia. Lionel Murphy—a great advocate of civil life—said that this book was provocative, enlightening, absorbing, and dramatic. There are seven chapters in Mr Coleman’s book. The first chapter is called ‘From Sapho to Lady Chatterley’. *Sapho* was written by Alphonse Daudet and *Lady Chatterley’s Lover* was written by Lawrence. The next chapter is ‘From Nana to Carlotta McBride’. In his next chapter he talks about the sex reformers, and it is in that area that we are really discussing
this issue before us now. He also talks about the revolutionaries and political censorship, the blasphemers—people who insult the churches—and how they were dealt with, and the scandalmongers and the entertainers. Those titles give a feel for what the book is all about.

The interesting thing is that this book was republished in October 2000. This is what Peter Coleman had to say about it:

This is a young man’s book written some forty years ago on the cusp of the 1960s. In those distant days I was convinced that any restriction on any publication of any kind was an intolerable infringement of our freedom.

If you read the book you will see that is the attitude that it takes. It says you should be able to do what you want. In October 2000 Peter Coleman said:

I later lost this certainty. It is just a nice turn of phrase. I think everybody that has spoken in this debate so far, and that includes Senator Greig, has lost that certainty that anything goes, because there are some things that people want to keep away from decent society. The big question is what they are. I think people agree on the principle but what comes within the principle is the real issue. It is an issue of what we ought to be able to access and what we should not be able to access. It is said that we should have gone to the non-violent erotica classification. Somebody else has said no, we should have had a classification that was called pornography. We have now come back to the title of X. To quote—in a bad way—a great writer, a rose by any other name would smell the same. I think that is not quite the way it was put.

Senator Greig interjecting—

Senator COONEY—Could be a streaker on it, you never know.

Senator COONEY—There could be a streaker. Perhaps, Senator Patterson, we ought to change our mind—but, really, we should not. It is a serious issue. I think it is an issue that is properly before this parliament. It is certainly an issue that will come back. This will not fix it up because people are never very happy about it. Senator Harradine will want to put in the word ‘pornography’; Senator Greig will want to put in the words ‘non-violent erotica’. ‘X’ is always a safe word in my opinion. It is sort of mysterious in some ways and all sorts of things can go into a thing described as ‘X’.

We ought to rely on our good sense. The fact of the matter is that we need to have this debate now and in the future with some courtesy, otherwise the argument about the very important area of what society should and should not be able to have access to gets crude, vicious meaning that has. That is a matter for discussion.

The fact of the matter is, as Senator Bolkus has said, that this is national scheme legislation and it has been agreed upon around the country. People will say yes because of the pressure that has been brought to bear but that is politics. It is a scheme that has been accepted. That is a very compelling reason for passing it. I am not saying that, because a matter is a piece of national scheme legislation and all governments have agreed upon things, it ought to be put through this parliament. I do say that, when we approach legislation, if it has been agreed upon around the country by various governments, then it should only be set aside for a very strong and valid reason. I do not see that the description of a particular group of films or literature should be the occasion for voting this down.

It has got some parts in it that I find very good to see. I see that a film does not have to be classified if it deals with sporting matters. I thought that was pretty good. Mr Webb would remember this. I always had a bit of a problem about the video of the Melbourne Cup or a game of cricket or football or anything having to be classified.

Senator Patterson—Could be a streaker on it, you never know.
damaged to the point where more harm than good comes of it. They are my thoughts on the matter. I see that Senator Greig has an amendment he wants to push forward. We will see what happens to that.

Senator HARRADINE (Tasmania) (11.44 a.m.)—The Senate should be grateful that Senator Cooney has brought to this debate an erudition, a balance and a courtesy that has been lacking thus far. In that description I do not include the contribution of the senator who led the debate for the opposition, Senator Bolkus. Senator Cooney has reminded the chamber about the issue of censorship and has elaborated on the principles to be applied. In the end, he has indicated that really there is a question now of where to draw the line. I agree with that. Many will recall the censorship debates in the 1960s: they were about the interference of the state in what was perceived to be literature and the arts. Some saw these debates as a battle between the literati and philistines over the survival of both new and old writings. It was against that background that Senator Lionel Murphy, the then Attorney-General, in 1973 announced the policy on censorship which read:

Federal laws to conform with general principles that adults should be entitled to read, hear and view what they wish in private and in public, and that persons and those in their care be not exposed to unsolicited material offensive to them.

It is ironic that this policy, formed by the literati during the censorship debates of the late 1960s and announced in policy in the early 1970s, should now in the early part of this millennium be used as a slogan to exempt from general censorship guidelines only one type of video in the ACT: hard-core pornography produced by philistines to make a fast buck. The Joint Select Committee on Video Material observed, unanimously:

When the principle that adults be free to see, hear and read what they choose was originally stated as public policy the number of video tapes entering Australia was insignificant and there was not the widespread availability of objectionable video publications as exist today as the result of a flood of these materials into Australia.

This principle is often stated but not adhered to in practice since adults are not free to view video material depicting interalia child pornography, bestiality and sexually explicit violent pornography as these are banned under censorship guidelines and prohibited from entry into Australia under Customs Regulations.

The principle that adults be free to see, hear and read what they choose is dependent on the pornographer’s claimed right to freedom of expression and the balancing of this claimed right against requirements fundamental to the common good which legislators are bound to uphold.

The issue now is not whether there should be censorship as was the case in 1973 when the principle was first stated as public policy but where to draw the line. The Committee considers that the current line is not appropriately drawn.

I am pleased that Senator Cooney has set that scene in order for the matters to be dealt with in that kind of balanced way. I was disturbed, I must say, following the speech by Senator Greig last night. In the over 25 years that I have been in this parliament, it would have to be the most vitriolic, bigoted, sectarian and untrue contribution that I have ever heard. It accused a member of the House of Representatives and me of being dishonest, on completely false grounds. I want to address that issue now, to set the scene and to get the story correct.

You see, one of the big problems that we are faced with at the present moment is that the purveyors of the pornographic videos do not wish people—legislators and others—to know really what is in them. What is wrong with a few people in the House of Representatives trying to see what precisely is the nature of the material in the pornographic videos? I use that word ‘pornographic’ quite deliberately, because what we are faced with here by Senator Greig’s contribution is only one area of censorship—and that is to censor the word ‘pornography’, to call this pornographic material ‘non-violent erotica’.

What is the definition of erotica? Erotica pertains to human sexual love. Have a look at this material; there is none of that there. It is, in fact, pornography. If you see the definition of pornography—and I will not go into the detail—it is material, the nature, content and intent of which is to arouse the sexual desires of its target audience. That is what this material is all about. The porn industry wants to use the false words ‘non-violent erotica’ so that in later times they will be
able to campaign to have that material in the corner shops. A nice, clean title! But it is pornography, and they know it is pornography. They know that people get hooked on it and, once they are hooked on it, the porn merchants make their millions.

I am sorry that Senator Greig has adopted that sort of approach. I know that the former senior adviser of the Australian Democrats is now working for the porn industry and is the executive officer of the Eros Foundation. I would hope that the other Democrats around the place are not going to take the lead that Senator Greig is taking in this matter. If they do, then the electors of Australia ought to know what the Democrats are all about and are on about. People should not see the Democrats as just some sort of organisation which seeks the middle ground. Quite frankly, much more needs to be said about that. A large number of people, not only in my state but also in other states, would want me to endorse candidates in other states—and I do not want to be in that situation at all. But here you have a party that holds itself out as the voice of ordinary people. It is quite the contrary.

As I have said, what is wrong with people in the other house seeing what type of material is in this X-rated material? Should it be called non-violent erotica? I was asked whether I could supply material. Each of the videos that I supplied was obtained from a porn merchant, an Eros member in the Australian Capital Territory, with a sticker on it showing the X classification and who the distributors were. They have come from a Fyshwick porn merchant, a member of the Eros Foundation. Is Senator Greig saying that an Eros member is selling illegal videos here in the ACT? Every one of those was labelled as such and was obtained from that Fyshwick outfit.

Senator Greig says that one of those videos would not make the NVE category. Let me say this: the government’s intention and statement at the time was that they would support a NVE classification—and I use their quote—‘to remove the demeaning material’. In fact, ‘demeaning material’ was part of the National Classification Code, and demeaning material should already have been excluded from any X-rated videos. The code went on to name some of those demeaning features: certain fetishes, unusually aggressive language, et cetera. As I understand it, they also are to be excluded in the National Classification Code. But this demeaning material ought to be out anyhow. You do not need to change the X classification to the NVE to do that.

I go to the question now of the legislation that is before us. I am pleased to see that commonsense has prevailed not only nationally in the federal sphere but also in the state sphere. I am glad to say that they are not going along with this change in name, which was designed to label these videos with a label that the porn industry has been pushing for, year after year after year. The porn merchants thought up this title of ‘non-violent erotica’ and they have been pushing and pushing it for many years—and not only here in Australia but also in the UK. I do not know what happened in the UK but there was an attempt, according to the porn industry here, to have this title apply in the UK as well. I cannot advise the Senate as to what has been the outcome of that.

I again make the point that it was fair enough for those honourable members of the other house to do what they did, to become informed about what the material is. Or are you wanting them not to see the material so that they can make up their minds? Far from being dishonest, I think Ms De-Anne Kelly and others were acting quite honourably and as members of parliament should act when there is a need to know about the type of material that we are talking about.

The coalition did in fact go to the election with a program to ban X-rated videos. Let us be clear on what we are talking about: according to the joint select committee which received evidence from people and experts in these areas, these videos engender ‘a sexually callous and manipulative orientation towards women’. Such material mediates in the minds of the habitual viewer a view of women in general as being highly promiscuous and available. Should we accept that type of material and, worse still, should we give that type of material an NVE category? The joint committee went on to say:
Women are often depicted as sexually malleable for the purposes of satisfying male sexual desires. This is sometimes manifested by themes involving workplace sexual favours.

I want to end with a quote from Professor George Zubrzychi, Emeritus Professor of Sociology at ANU, from the Canberra Times of 24 July 1988. Professor Zubrzychi said:

Pornography functions quite similarly to anti-Semitic or racist propaganda: it serves as a tool of anti-female propaganda. The intent of all three is to distort the image of a group or class of people to deny their humanity, to make them objects of humiliation, to use them for whatever purpose.

Clearly, the abuse of the pornographer’s claimed right to freedom of expression can rightly be said to violate the rights of citizens to equality, freedom and human dignity.

I might just touch on one aspect which was raised in the debate, before I proceed any further. That was an aspect raised by Senator Greig from the Democrats. The government rejects the suggestion that, by bringing in a category of non-violent erotica and making it more widely available and expansive, you will do away with a black market. In fact, Senator Greig said that some 90 per cent of this sexually explicit material was widely available and being promoted through a black market. The government would not agree with those figures. There does not seem to be any foundation for those figures, and if Senator Greig does have any evidence for that then the government would ask him to produce it. If there is any evidence that Senator Greig has in relation to a black market, then that is a matter for the state and territory authorities who police this, and that information should be provided to those authorities.

There has also been some comment by the opposition that these amendments are window-dressing. Again, the government would reject this argument. The main feature of the
The government’s proposal is further restriction on the content of the X classification. As I said earlier, this is in addition to previous restrictions imposed by not only this government but the former government. The material excluded is material that most Australians would agree should come under such restriction, and the government believes that it is very important it be dealt with by way of legislation. There were amendments in the House of Representatives which the opposition supported, and the government acknowledges that support from the opposition.

The Senate Legal and Constitutional Legislation Committee, which I mentioned earlier, recommended in its report that prominent warnings be added to the covers of sexually explicit videos about the contents of the video and the possible effects of such material on children. The Attorney-General took up this recommendation with state and territory censorship ministers, and on 17 November last year the Attorney-General stated that the censorship ministers had agreed to the addition of warning labels on X-rated videos. These videos will now carry on the warning label: ‘Children may be disturbed by exposure to this film. It is a crime to allow this film to be seen by a person under 18 years.’ The label will be prominently displayed on the covers of X-rated videos. These videos will now carry on the warning label: ‘Children may be disturbed by exposure to this film. It is a crime to allow this film to be seen by a person under 18 years.’ The label will be prominently displayed on the covers of X-rated videos. These videos will now carry on the warning label: ‘Children may be disturbed by exposure to this film. It is a crime to allow this film to be seen by a person under 18 years.’ The label will be prominently displayed on the covers of X-rated videos in addition to the ‘X18+’ classification symbol, and the consumer advice will be ‘contains sexually explicit material’. It will provide a clear message to parents and a warning to those in our community who would use sexually explicit films to abuse children. This again is another measure which I believe will be endorsed overwhelmingly by the Australian community.

The state and territory laws relating to this area set out offences and penalties for allowing a minor to view an X-rated film. There are variations in the level of penalties in each jurisdiction, which is something we often experience in the federal system we have. The Attorney-General has discussed concerns about the adequacy of penalties with various state and territory censorship ministers, and the Commonwealth government is keen to ensure that penalties act as a deterrent in this area. Censorship ministers from across the country have agreed to review the penalties for breaches of classification legislation in the context of the regular reviews of penalties that occur in each jurisdiction, and the Commonwealth again welcomes this.

Another aspect of the debate has been the definition of ‘demean’, which Senator Harradine has paid particular attention to. I think it is important for the record that this government detail what is meant by ‘demean’. There has been reference to the adequacy of the definition of the word ‘demean’ in the classification guidelines, as this differs from the definition of ‘demean’ in the Macquarie Dictionary. The classification guidelines define ‘demean’ as ‘a depiction directly or indirectly sexual in nature which debases, or appears to debase, the person or the character depicted’. The Macquarie Dictionary defines ‘demean’ to mean ‘to lower in dignity or standing; debase’. The Attorney-General has discussed with state and territory censorship ministers the question of whether to expand the definition of ‘demean’ to include the full dictionary definition. The censorship ministers did not consider it necessary to include the full dictionary definition, as the word ‘demean’ is defined in the Macquarie Dictionary to mean, in part, ‘to lower in rank or dignity’. I understand that the Classification Board applies the dictionary definition of ‘demean’ when interpreting the definition of ‘demean’ set out in the classification guidelines. That provides an extension of the definition, if you like, and should incorporate the concerns of those people who have been looking at this question of definition.

This is very important legislation which the community would expect of any national government. I am pleased to say that there has been cooperation from the state and territory ministers, and this government looks forward to working further with them on the initiatives that I have mentioned. The debate in this chamber reflects the diversity of opinion that exists in not only the parliament but the wider community. I think everyone has a view on censorship matters, and robust debate is perhaps a sign of a healthy democracy. But at the end of the day, the government has to take a stand on these issues, and
it believes that, by retaining the X classification in relation to videos and films, it is taking an appropriate stance which the wider community would expect.

It is worth while remembering that there are other aspects to the bill. Much has been said about the X-rated classification of videos, but this bill also deals with things such as publications and computer games, something we are seeing all the more of in our modern community. I understand that the Democrats have some amendments, amendments Nos 1 to 19. I can say to this chamber that the government will be opposing all of those amendments. In all other respects, I commend the bill to the Senate.

Question resolved in the affirmative.

Bill read a second time.

In Committee

The bill.

Senator HEFFERNAN (New South Wales—Parliamentary Secretary to Cabinet) (12.14 p.m.)—I seek leave to table two documents.

Senator O’Brien—I do not think that this is the appropriate time. The documents are not in relation to this bill and should be done not in the committee of the whole but in the full proceedings of the Senate. That is my understanding. Am I wrong? Are they connected with this bill? You raised these matters in the adjournment, Senator Heffernan.

Senator HEFFERNAN—They are very relevant to this bill.

Leave granted.

Senator GREIG (Western Australia) (12.15 p.m.)—by leave—I move Democrats amendments Nos 1, 3 to 8 and 10 to 19 together:

(1) Schedule 1, item 5, page 4 (line 4), after “39”, insert “41A”.
(3) Schedule 1, page 8 (after line 14), after item 13, insert:

14 Subsection 7(2)

Omit “X (Restricted)”, substitute “NVE (Non-violent Erotica)”.

(4) Schedule 1, item 16, page 8 (lines 28 to 30), omit subsection (2), substitute:

(2) Subsection (1) does not require an application for:

(a) a reclassification of a publication, film or computer game under section 39 or a reclassification of a publication or film under section 97A; or

(b) a reclassification of a film classified X that the Board makes under section 41A at the request of the Minister or on its own initiative.

(5) Schedule 1, page 12 (after line 28), after item 32, insert:

33 Paragraph 20(1)(a)

Omit “X”, substitute “NVE”.

(6) Schedule 1, page 18 (after line 14), after item 46, insert:

47 Subsection 33(2)

Omit “X”, substitute “NVE”.

(7) Schedule 1, page 19 (after line 3), after item 49, insert:

50 After section 41

Insert:

41A Reclassification of films classified X

(1) Sections 38, 39, 40 and 41 do not apply to a film classified X (a classification that could be applied to films before the commencement of this section).

(2) The Board may, at any time, reclassify a film classified X.

(3) The Board may act under subsection (2):

(a) at the request of the Minister or on its own initiative; or

(b) on an application by a person under section 14.

(4) If the Minister requests the Board to act under subsection (2), the Board must do so.

(5) If a participating Minister asks the Minister, in writing, to make a request under this section, the Minister must do so.

41B Notice of intention to reclassify films classified X

(1) If the Board proposes to reclassify a film under subsection 41A(2):

(a) at the request of the Minister or on its own initiative; or

(b) on an application by a person who is not the person (the former applicant)
on whose application the former classification was made;
the Director must, if practicable,
give notice of that intention to the
former applicant at least 30 days be-
fore the Board proposes to consider
the matter.

(2) The notice must:
(a) specify the day on which the Board
proposes to consider the matter; and
(b) invite submissions about the matter.

(3) The matters that the Board is to take
into account in reclassifying a film
classified X include issues raised in
those submissions.

(8) Schedule 1, item 51, page 19 (line 30), omit
"X", substitute “NVE”.

(10) Schedule 1, item 57, page 21 (line 19), omit
"16, 42, 49", substitute “14, 16, 33, 42, 47,
49”.

(11) Schedule 1, page 21 (after line 24), at the
end of the Schedule, add:

58 Films classified X before
commencement
A film that was classified X before the
commencement of this Act retains that
classification unless it is reclassified
under section 41A of the Classification
(Publications, Films and Computer
Games) Act 1995 as amended by this
Act.

59 Decisions after commencement
(1) If an application for classification of a
film was pending at the commence-
ment of this Act, the Board must deal
with the application using one of the
types of classification for films speci-
fied in subsection 7(2) of the Classifi-
cation (Publications, Films and Com-
puter Games) Act 1995 as amended by this
Act.

(2) The Review Board must deal with an
application (including an application
pending at the commencement of this
Act) for review of a decision of the
Board on the classification or reclassi-
fication of a film using one of the types
of classification for films specified in
subsection 7(2) of the Classification
(Publications, Films and Computer
Games) Act 1995 as amended by this
Act.

(12) Schedule 2, item 2, page 22 (line 13), omit
“or X”, substitute “, X or NVE”.

(13) Schedule 2, item 3, page 22 (line 17), omit
“or X”, substitute “, X or NVE”.

(14) Schedule 2, item 4, page 22 (line 21), omit
“or X”, substitute “, X or NVE”.

(15) Schedule 2, item 6, page 22 (line 28), omit
“or X”, substitute “, X or NVE”.

(16) Schedule 2, item 7, page 23 (line 4), omit
“or X”, substitute “, X or NVE”.

(17) Schedule 2, page 23 (after line 4), after item
7, insert:

8 Clause 2 of Schedule 5
Omit “or X” (wherever occurring),
substitute “, X or NVE”.

9 Clause 6 of Schedule 5
Repeal the clause.

10 Paragraph 10(1)(a) of Schedule 5
Omit “or X”, substitute “, X or NVE”.

11 Subclause 10(2) of Schedule 5
Omit “or X”, substitute “, X or NVE”.

(18) Schedule 2, item 12, page 23 (line 29), omit
“X”, substitute “NVE”.

(19) Schedule 2, page 24 (after line 1), at the end
of the Schedule, add:

15 Paragraph 30(2)(a) of Schedule 5
Omit “X”, substitute “NVE”.

All of these amendments collectively go to
the key point which I raised throughout my
speech in the second reading debate, and that
is that we really ought to be revisiting and
reintroducing the NVE, the nonviolent erot-
ica, category, which was an essential and
fundamental part of the original bill and to
which the Democrats are still very much
committed.

During his contribution, Senator Cooney
said that I was an advocate of NVE whereas
Senator Harradine was not, that Senator Har-
radine was an advocate of other terminology
and that other people had other views. I
would make the point in response to Senator
Harradine that it is not just me or the Austra-
lian Democrats who advocate NVE. In fact,
the original bill was introduced by the gov-
ernment. After considerable community con-
sultation—not just with the broader community
but also with the states and territories—
the Attorney-General, Mr Williams, a conser-
vative in the coalition government in this
parliament, and every Attorney-General in
the nation at both state and federal levels, as
well as the assembly members who represent Attorney-General portfolios in the territories, reached a consensus that ‘nonviolent erotica’ was the most appropriate terminology and that it had the widest community support and ought to be progressed with. Senator Harradine made the point that the adult industry had been working towards that objective for years. He is not wrong, but they did so, in my view, in a way which was perfectly legitimate. As an industry, they can advocate whatever course of action they like. I believe that what they were advocating is correct and, until very recently, so did the federal government.

Senator Cooney said that the NVE proposal should be set aside only if there are very strong and valid reasons to do so. Of course, that is my point: there are not. There are no strong or valid reasons for setting aside NVE. We had a bill which had largely universal agreement but which was derailed at the very last minute through a campaign of misinformation. Senator Harradine made several points. He argued that a balanced approach was needed. I have no argument with that. A balanced approach should be taken to all things, particularly in this chamber. But this is not about balance—not when you have the federal Attorney-General and state and territory attorneys-general all agreeing on something, having consulted with their constituencies and community groups, only to have at the very last minute what I would argue is a splinter group effectively derail and overturn the legislation. That is not balance; that is imbalance.

Senator Harradine in part focused on the Australian Democrats. He argued that we were on the wrong path and that we should not be pursuing this issue and indicated that perhaps this was part of community disquiet over the Australian Democrats. I reject that, and I argue and point out—and I am sure that Senator Harradine will recall from what were many long debates with former senator Michael Macklin, amongst others—that the Democrats have, for their entire existence, been completely wedded to the notion of sexual privacy and freedom of speech with the appropriate safeguards. Those safeguards are contained within the original NVE proposal.

Minister Ellison picked up my claim that there was considerable underground and black market activity within this area. I maintain that, Minister, and would be happy to provide you with the information I have in that regard. I am surprised that you do not have that access yourself. But, perhaps more importantly, I make the point that, under the existing X classification system, you can walk into any adult video store in Sydney or Melbourne and find literally hundreds of X classified videos for sale on the shelves. That is unlawful, and yet the political will and the police will to do anything about it is at best minimal. It is an absurd situation which cannot be addressed until we properly have a classification system with self-regulation from the industry. The industry itself does not want the more grotesque, vulgar and unacceptable materials out there because they damage their cause. The best way to police that is by having the appropriate regulations and guidelines monitored by the industry.
I maintain my case very strongly that NVE, nonviolent erotica, is a most acceptable, appropriate and essential classification system and that we need it. It is important to pick up on the point that Senator Cooney made about the difference between censorship and classification, because I think that is critical to this debate and has been overlooked by some people. Censorship in and of itself means denying the opportunity for, or the rights of, people to do or see whatever. It is a prohibition or a ban. Classification is not of that ilk. Classification is the system whereby materials are viewed, graded and categorised in a particular manner so that the consumer can then make the choice as to whether or not they are going to engage with that particular item. We are all familiar, I am sure, with the classification systems we have with regular videos and the cinema industry with regards to P, MA and R ratings.

Much of this debate has really dwelt on often unarticulated concerns that many people have in terms of their personal particular moral positions clashing with the secular operations of the federal parliament. What has been lacking from this debate is not so much courtesy but, I would argue, intellectual honesty. That is what is most critically needed in this debate. Whereas Senator Harradine has argued that, to use his terminology, pornographers are ‘pushing’ onto the community materials to which people become addicted—a claim I find nonsensical and absurd—we have to accept the fact that we really have a very strong consumer demand for this material from consenting adults who have the right to make the decision as to what they see, read and hear in the privacy of their own homes. These products are not pushed or promoted by the industry; they are sought by the community. We know from the statistics available that some one-third of the general community—usually males, but an increasing number of a females—are consumers of sexually explicit materials. We are not talking about fringe elements here. Again, I come back to my point about balance.

To conclude on this point, I reiterate the Democrats’ very real belief that NVE must be insisted on. It really is the community wish. It originally had the backing of the federal parliament through the federal Attorney-General and the attorneys-general of all states and territories, and it had wider community support. For both the government and—I note this with great disappointment—the opposition to now backflip and say that they will not now press ahead with that, following an absurd campaign of misinformation, is extremely disappointing. I maintain that NVE must be insisted on. I ask the Senate to give serious consideration to adopting these amendments to that effect.

Senator HARRADINE (Tasmania)
(12.25 p.m.)—I will just respond very briefly to that contribution, particularly as it referred to ‘intellectual honesty’. Is Senator Greig suggesting that people are intellectually dishonest? If that is the case, and if he is talking about balance, then why don’t the Democrats support the legislation? The Attorney-General and all the state attorneys-general are now supporting this legislation—why don’t they do so, if that is his argument? They clearly have come to this view after giving the matter further consideration and, many of them, after seeing the precise nature of the material, and they have now made these decisions. Senator Greig alleges that this is a result of a campaign of misinformation; quite clearly, it is a result of the opposite to that. People have really started to understand the nature of this material and that it is impossible to title it—as the porn industry has been wanting to do for years—NVE, nonviolent erotica. As I said before, it is not erotica by the dictionary definition, which pertains to ‘sexual love’. This material is pornography.

Senator Schacht—That is your definition, Senator.

Senator HARRADINE—The definition of ‘pornography’ is contained in the report of the Joint Select Committee on Video Material. It said:

To make the claim that the term ‘pornography’ really refers to the subjective reactions of individuals to particular representations of sex, rather than to the representations themselves and their intent, involves a serious misuse of language. It is clear that the term ‘pornography’ does not refer to the interior dispositions of the viewers. Both the
The term refers to the nature of the materials themselves—their content and apparent or purported intention to arouse the sexual desires of its target audience.

That was the view of the Joint Select Committee on Video Material.

Senator Schacht—How long ago was that? Was that in the eighties?

Senator HARRADINE—You are talking about how long ago it was. What has that got to do with what is—

Senator Schacht—When was that report tabled?

Senator HARRADINE—In the eighties.

It was dealing with the same material that is currently classified X. If we are talking about intellectual honesty, let us have a bit of intellectual honesty. Let us call a spade a spade, not by a deceptive title which then could be promoted more readily by the porn industry. Senator Greig talked about Senator Macklin stating the importance of sexual privacy and freedom of speech. What’s that got to do with the price of fish in regard to sexual privacy? And if you are talking about freedom of speech, whose freedom of speech? I dealt with that matter in my previous contribution and Senator Cooney dealt with it as well. It is a question of where you draw the line. Clearly, there has got to be a line drawn. I will not go over at this stage what I said in my contribution on the second reading debate.

Senator Greig said the screening in the House of Representatives could not have taken place elsewhere. The question is: why? Why is he suggesting that? Let me remind the chamber that each and every one of those X-rated videos came from the outfit in Fyshwick and had X on the video. So is Senator Greig still saying that some of these were not titled X properly? When I challenge you that one of the Eros Foundation’s principal members is selling this material, are you suggesting that that outfit is selling illegal material?

Senator Schacht—Have you got the best collection of those videos around?

Senator HARRADINE—There was a suggestion by Senator Greig that there was illegal activity taking place down the other end of the house. There was not illegal activity. Or are you trying to prevent the truth from coming out? And to call Ms Kelly dishonest is to impugn a member of the other house. I know the President of the Senate has made a statement about your contribution last night in respect of that matter. I am opposed to the amendments being put forward by Senator Greig.

Senator SCHACHT (South Australia) (12.33 p.m.)—I rise to make some general comments now as I was tied up earlier—well, I was not tied up, I was otherwise detained, as they say. To say ‘tied up’ in this debate could lead to a description of fetishism or something and Senator Harradine would have me banned!

Senator Bolkus—He would have the video, though.

Senator SCHACHT—Or put me in a video and seek classification—and I have to say that not even I would agree with that classification. But I missed the opportunity to speak generally on these issues in the second reading debate so I want to make some brief remarks now. People are aware that I have spoken from time to time and made comments publicly on these issues. I have always taken what might be called a broad civil libertarian view on censorship issues. I remember that 30 years ago now—in the early seventies—Don Dunstan, Gough Whitlam and Lionel Murphy put the policy in place in the Australian Labor Party that is still there today: that adults in private have the right to see and do what they like, so long as it harms nobody else. That principle seems to me as perfectly relevant today as it was then. I think 70 to 80 per cent of ordinary Australians would agree that that policy on issues of censorship is one they would support. I have seen nothing that says that that position is not still the case.
It is very regrettable that over the last few years this coalition government, at times with Senator Harradine's influence, has seen fit to get itself into a real pickle over issues of censorship. I have no doubt that the Attorney-General, Mr Williams, if he was left to his own devices, would not be in the compromised position he has had to take from time to time because of the influence of a small minority represented in the National Party and the Liberal Party who froth at the mouth on a range of these issues. A number of those people seem obsessed with using every opportunity to claim the end of civilisation if there is something of a sexually explicit nature available to adults in Australia in a video or in a book or in a picture, something which they find distasteful but other adults do not. There is absolutely no evidence in the last 30 years that society in Australia has gone to pot or gone mad, or that sexual crimes have become more prevalent because of the availability to adults of sexually explicit material of a non-violent kind.

Quite frankly, I do not care whether it is called X-rated or non-violent erotica. I think the definitions are semantic. What we have here is a shambles of the government putting forward non-violent erotica to try to meet an electoral debt to Senator Harradine and then finding it falling apart because some members of the National Party said, 'This is not non-violent erotica, this is violent erotica.' It was their interpretation of what they saw in this material. Of course we had the famous or the infamous showing by De-Anne Kelly of videos supplied by Senator Harradine to whip up hysteria on this matter so that the Attorney-General was humiliated over the issue of changing the title to non-violent erotica.

So we are back here today and they are saying, 'We are still going to have the X classification but we are going to put these definitions in.' I do not care whether the definitions are put in the act or not. I think the only definitions that need to be there—and I think they have always been there—are ones to stop true violence and activities being shown that are clearly illegal under the law of Australia, such as paedophilia, child sex and bestiality. Those things are banned in Australia generally, and so they should be. I do not argue with that. I think those rules that the censor takes on—and I want to pay tribute again to a former censor, Mr Dickie—

Senator McGauran—I thought you were going to say Mr Haynes.

Senator SCHACHT—He was not the chief censor, as I understand it. I think that, over the last 20-odd years, the Office of Film and Literature Classification has been extremely professional in the way it has done the classification job, and Australians have not objected to it. There is no mass uprising in the streets to demand changes in this area. This has been whipped up by a number of members of this parliament who have an obsession about it. It is not something that people are in the streets over, complaining that this material is damaging to the structure of society.

I have sat on some of the committees that Senator Harradine has in the past convinced parliaments and governments to support. I must say that I found some of the work on those committees ludicrous. I was on one which was called something like 'relevant technologies and communities'—it was a mouthful of a description. It was about looking at how new technologies would make sexually explicit material available. I remember going to one hearing in Sydney, and a witness was brought out from America under the claim that she was an expert on the connection between pornography and sexual crime. To put it bluntly, she was a fruit loop. She had no expertise other than her own assertions and her own prejudice. The best evidence I remember at that hearing was from clinical psychologists who had studied, had training over many years, and had dealt with people with sexual dysfunction problems. When you heard their evidence, you realised that the system that we have—which is based on the principle that adults are able, in private, to see and do what they like if it does not harm others—is the basis of what a sensible, civilised society should have. The evidence of those clinical psychologists was overwhelming. They are the experts. They are the ones who deal with people who have sexual problems.
Senator Harradine—Excuse me; there are quite a lot of other people in that field.

Senator SCHACHT—Senator, all I can say is: I remember the day clearly, I remember the fruit loop who turned up from America. I think she had some qualification from a university that no-one had ever heard of, and I thought her evidence was hilarious. Then we had a clinical psychologist who specialises in sexual problems of people, and her evidence was overwhelmingly sensible. She gave a rational explanation of what a parliament should be doing and how it should be handled.

I think it has to be put on the record that, although there may be a small group in this parliament that is obsessed with these issues and has convinced this government to make a shambles of itself, overwhelmingly most ordinary Australians and many of us in this parliament do not agree that the parliament has the right to be in the bedrooms of adults in Australia. That is what I find particularly objectionable: that others will say, ‘I do not like this, I find it distasteful; therefore I have a right in parliament to tell you what you cannot do in your bedroom.’ I would have thought that the maturity of the overwhelming majority of Australians on this point would be absolutely clear. But no, there is a group that, for their own narrow interests, their own narrow prejudices, and their own narrow hang-ups, like to drive this debate to absurdity. I feel sorry for Mr Williams, the Attorney-General, because I think that, on this issue, he is being very reasonable—a small ‘l’ liberal in the best tradition. Unfortunately, big ‘C’ conservatives with an obsession on these issues have done him over.

I also have to say that the state attorneys-general who have met to discuss these issues, whether they are Labor or Liberal, have not, in my view, covered themselves in honour in the way they have handled it. They have allowed themselves to be railroaded into the minority view. I wish the state attorneys-general would show some maturity. It is obvious that those states have banned the distribution within their states of X-rated material. The two territories have, for their own purposes and their own reasons, continued to make it available through direct mail under the Constitution. This is what frustrates the big ‘C’ conservatives. But a significant section of Australian society who are not deviants, not sexually troubled, and not out committing crimes, like to have access to that material in the privacy of their homes, whether some people like it or not. That has been going on for many years, and I believe those people have a right to have access to that material under the classification that the Office of Film and Literature Classification has so sensibly provided for it over the last 30 years. Minister, I hope you and your government, in the end, support Mr Williams and do not undermine him to kowtow to a bunch of narrow-minded bigots.

Progress reported.

MATTERS OF PUBLIC INTEREST

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

Woodside Petroleum: Proposed Takeover by Shell Australia

Senator EGGLERSTON (Western Australia) (12.45 p.m.)—Today I would like to talk about something which is of great importance to Western Australia, and to Australia generally—that is, the proposed Shell takeover of Woodside and the North West Shelf gas project.

Senator Ellison—it is a very important issue.

Senator EGGLERSTON—it is a very important issue, as Senator Ellison said.

Senator Schacht interjecting—

Senator EGGLERSTON—as Senator Schacht said, this is a big test because it is a question of national interest. There is no doubt in my mind that a Shell takeover of Woodside would be against the national interest of Australia. This is something we should all be deeply concerned about. It is not just a matter of Western Australia being concerned about jobs in Karratha and Dampier. Energy is vitally important in the modern world, and to have control of national energy resources is important to all countries. In particular, it is important to Australia because we have very few energy resources in our country. The North West
Shelf gas supplies are the biggest energy reserves we have. It is very important, in Australia’s national interest, that control of the further development of those reserves and their use by Australians is in the hands of Australians. It is very important that decisions about the North West Shelf and its further development are made in Perth or elsewhere in Australia and not in London or The Hague—that Australian interests are taken into consideration, not those of an international company with global operations which may or may not wish to further develop their interests in Australia.

The North West Shelf is one of Australia’s greatest projects. I will give some background to Woodside and the North West Shelf. Woodside, which is now Australia’s largest independently owned oil and gas company, was formed in Victoria in 1954. It takes its name from the town of Woodside, east of Melbourne. In the 1970s, Woodside found huge gas reserves on the North West Shelf, west of Broome and Karratha. In the late 1970s Woodside brought together a joint venture of six Australian and international companies to develop what is now Australia’s biggest single natural resource project, which exports about 7.5 million tonnes of liquefied natural gas to Japan every year.

The North West Shelf is a very important development in Australia, and at this time there are six equal partners in the North West Shelf venture. These are Woodside Energy, which is also the executive manager of the project; BHP Petroleum, which of course is a subsidiary of BHP; BP Developments Australia Pty Ltd, a subsidiary of BP; the British oil and gas company; Chevron Australia, a subsidiary of the US oil and gas company that is merging with Texaco; Japan Australia LNG, a joint venture of major Japanese trading houses Mitsubishi and Mitsui, and Shell Development (Australia) Pty Ltd, a subsidiary of Royal Dutch Shell.

Shell, as everybody knows, is an Anglo-Dutch company, and currently owns 34.2 per cent of Woodside. It has three members on Woodside’s board of 10. It is quite true that Shell is a world leader in liquefied natural gas production. For the past 20 years, it has had a technical contract with Woodside to look after the technical side of the North West Shelf, but now Shell is seeking to take over Woodside. When one talks to the officers of Shell, they tell you it is not a takeover; it is just a merger—that really nothing will change. In fact, a lot could change when and if Shell was to take over the North West Shelf.

For the benefit of senators, I stress the importance of the North West Shelf to the Australian economy. There has been an investment of some $14 billion already in the North West Shelf. The North West Shelf gas project employs directly and indirectly more than 80,000 people. An enormous number of people depend on that industry, which accounts for 1.1 per cent of Australia’s gross domestic product. As Australia’s only exporter of liquefied natural gas, the North West Shelf venture represents four per cent of Australia’s major commodity exports in the latest figures for 1999-2000, and it generates government revenues of more than $1.6 billion a year. The North West Shelf joint venture is about to begin a 50 per cent expansion of plant capacity, involving capital expenditure of some $3 billion. That will mean that a lot of jobs will be created in the north west, in towns like Karratha and Dampier. Those towns will boom accordingly. If those developments do not go ahead—as well they might not were Shell to take over this great Australian venture—those towns would be the losers because that expansion would not occur and those jobs would not be available to people in that area.

People might say, ‘So what if Shell takes over Woodside; there are plenty of markets for gas; it will not really make any difference.’ But things are not always what they seem to be. In fact, if one looks around the Asia-Pacific region one finds that the market for liquefied natural gas is characterised by relatively few customers with finite demand—in other words, it is a buyers’ market. There are plenty of gas reserves around the Asia-Pacific region but there are not too many customers. The chief customer is Japan, and the most important developing customer is China. A lot of interest is being devoted to access to the potential Chinese gas market because it is enormous. In part,
one might speculate that Shell’s bid for Woodside may be related to their interest in accessing the Chinese market for themselves, and perhaps cutting out Woodside and the North West Shelf from accessing that market.

Many senators will know that both the Western Australian government and the Australian government have spent a lot of time seeking access to the Chinese gas market in recent years. Former Western Australian Premier Richard Court visited China a number of times. The Minister for Industry, Science and Resources, Senator Nick Minchin, was in China last year, seeking to develop Australian access to the Chinese gas market. You might ask why it would make any difference to the access to the Chinese market if Shell took over the North West Shelf. The reason it would make a difference is that Shell is developing another gas field on Sakhalin Island, which is about 300 kilometres north of Japan. They are planning to spend $10 billion on the project. They are seeking to have contracts in place for access to the Japanese gas market by 2002 and are planning to begin production in 2006. That is a real and significant threat to Australia. Our present liquified natural gas market is almost wholly with Japan. One could speculate that, being a huge international company with other interests around the Asia-Pacific area, were Shell to take over Woodside—and, as I have said, they are spending $10 billion on the development of the Sakhalin project—they might decide that, preferentially, Sakhalin should be developed (a) to supply the Chinese market and (b) to progressively access the Japanese market at the expense of the North West Shelf. That would have enormous economic significance for Australia. It would mean that we would suffer a loss of employment and a loss of revenue in terms of royalties, and obviously that would be bad for this country economically.

Then there is the question of what would happen to the proposed further developments in the North West Shelf project if Shell were to take over. If Shell became the majority owner and the North West Shelf project became, in effect, a Shell project, Woodside, the North West Shelf project, would have to compete internally for funding within Shell for further development. So further developments proposed for the North West Shelf, both now and in the future, would become a matter of Woodside bargaining around the table in the Shell boardroom in London or The Hague, seeking to get the funds for development instead of other Shell projects around the world. It is a very different scenario from the Western Australian and Australian governments’ decision that they wanted to see the North West Shelf further expanded and encouraging the company to go ahead; if the decision makers are in London and The Hague, it will be very hard for Canberra and Perth to influence them, one would have to say.

So the chief reason for opposing the Shell takeover of Woodside has to be that it is against Australia’s national interest. It is really a debate that should centre on the concentration and control of Australia’s energy resources and who should have that control. One has to ask whether or not shifting the concentration and control of Australia’s energy resources to other countries would be in Australia’s best interests. The answer surely has to be no. The Shell company has made a financial bid for Woodside, but it really does not stack up very well. They are offering an inadequate $14.18 a share, which is neither fair nor reasonable. The offer does not contain an adequate premium for the control of Woodside. The offer does not fully reflect the growth initiatives of Woodside, and Woodside has had a strong share price performance and dividend flow that is not recognised in Shell’s rather inadequate offer for this company.

As I said, quite apart from the fact that their financial offer is inadequate, the real issue is that of the Australian national interest. As I said, Shell has a conflict of interest over the development and control of other gas fields in the Asia-Pacific region. I have already mentioned the Sakhalin II project, which, as I have said, could threaten Australian access to both the Chinese and the existing Japanese markets. In Malaysia Shell has significant LNG interests and they also have them in the Gulf in countries like
Oman. They have them in Brunei as well, in the islands just to the north of Australia.

Were Shell to take over Woodside in developing its global LNG business, they would need to decide whether to promote the North West Shelf over its other Asia-Pacific projects in Oman, Malaysia, Brunei and Russia to access what I have already said is the very limited market for gas in this region. As I have said, the important commercial and strategic decisions will be made in London and The Hague, not in Perth or Canberra, and that is something that could have a profound influence on the reliability and development of Australian gas and energy supplies in general. It is certainly something that should give all Australians pause to reflect on whether or not it is in our national interest that an international company like Shell should have control of a vital energy resource.

Quite obviously, my position is that I do not think it is in Australia’s interests that Shell should be permitted to take over Woodside. I hope that will be the view of the Australian government and that the Shell takeover of Woodside will be disallowed by the Foreign Investment Review Board. In conclusion, Australia’s continued economic growth depends on an assured supply of competitively priced energy. Australians need to be totally confident that, in any changes to the foreign-local equity mix in energy resource companies, Australia’s interests will not be compromised and that this takeover should not go ahead.

Universities: Privatisation and Commercialisation

Senator CARR (Victoria) (1.00 p.m.)—Today I would like to speak to the issue of the increasingly widespread reports of the declining standards in Australian universities as a result of the current government’s policies of privatisation and commercialisation. This government and the current Minister for Education, Training and Youth Affairs, Dr Kemp, have starved the Australian universities of funds. They have removed some $5 billion from the education and research sectors over the life of this government. In doing so, they have placed a great risk to the quality of higher education in this country. Once Australian universities had an unchallenged reputation for excellence, but now the effects of commercialisation are causing a coalition of concern to come forward and question this very assumption.

The work of the Senate Employment, Workplace Relations, Small Business and Education References Committee has revealed a growing number of accusations of preferential treatment, of compromised teaching standards, of intellectual corners being cut in the interests of false economy and expediency. From the many examples, let me mention just a few: the inappropriate broadbanding of medical courses at the University of Tasmania; the retrospective developing of English language requirements for overseas students at a university in Melbourne; the offers of donations and consultancies up to the value of some $250,000, which preceded the upgrading of five out of the 10 results for a postgraduate fee paying student in the Department of Accounting and Finance at the University of Melbourne; awarding of degrees despite accusations of plagiarism to students in Curtin University’s School of Media and Information; allegations of soft marking for fee paying students in an MBA course at the Queensland University of Technology; plagiarism complaints in the School of Biological Science at Sydney University; and, recently, complaints in Melbourne that journalists were not able to find independent engineering academics who were prepared to publicly comment upon the Transurban disasters in regard to the Burnley tunnel because all of the engineering faculties in Melbourne were competing against one another for consultancies in such companies as Transurban.

Let me emphasise that I do not believe for a moment that this is a problem stemming from the institutionalised policies of the Australian vice chancellors. The Australian universities have protocols in place to defend academic freedom and to defend the quality and reputation of courses that they offer and the degrees that they award. But such protocols, and their operations in particular, must be transparent and must be actually enforced.
It does no good to deny that problems exist or to hope that these widespread concerns will evaporate or disappear. It is precisely actions such as these that will ensure that permanent damage is done to our tertiary institutions.

One principal concern is that the full fee paying students, particularly overseas students, have received preferential treatment. It may well be, as one vice chancellor recently said to me, that some university administrators and academics have a misguided understanding of just how commercial relations are conducted in the private sector and, as a result, may also have a misunderstanding of appropriate practice and what is entailed in a commercial relationship with a student. Many concerns are now being aired which reflect a growing concern of declining standards as a result of this government’s blind preoccupation with the alleged short-term benefits of commercialisation.

When I spoke in the Senate barely three weeks ago on the subject of preferential treatment in the Faculty of Commerce and Economics at the University of Melbourne, I am sure that members on the other side of the chamber dismissed the implications. I am sure that they would have believed that such a complaint was a beat-up, that it was an isolated occurrence, that there was surely a reasonable explanation for this matter. No-one can believe that today, given the range of examples that have now come forward. Let me point to one example more recently that does deeply concern me.

At 5.15 p.m. on Monday, process servers visited the home of Associate Professor Ted Steele, a tenured member of staff at the Wollongong University, and delivered papers which summarily dismissed him from the university. The university charged Professor Steele with having engaged in serious misconduct by wilful or deliberate behaviour that is inconsistent with the continuation of his employment as well as conduct that may have caused serious risk to the reputation of the University of Wollongong. The actions of the university, to my mind, stand in stark contrast to the commitments of Wollongong University’s current enterprise agreement which categorically states:

Staff members have a right to pursue critical and open inquiry ... [and to] participate in public debates and express opinions, including unpopular or controversial opinions about issues and ideas.

I am not surprised at the reports of Professor Steele’s unpopularity at Wollongong. In my experience, very few whistleblowers are thanked for their actions. There is no doubt that Professor Steele has a history of being a difficult person for the administration of Wollongong University. I want to emphasise this: that is no excuse and is not a valid reason for the denial of natural justice. The university sees to believe, as the Australian editorial implies today—and seems to be under the same misapprehension on this point—that being critical of a university is sufficient grounds for arbitrary dismissal. This is not a position that I can accept. Our universities are public institutions that should be accountable to the public.

Professor Steele has criticised the grading procedures for assessment of two honours theses in his department. One was a thesis of an overseas fee paying student from 1997. As an expert supervisor, Professor Steele failed this student, as did the external examiner, Professor Robert Blanden from the John Curtin School of Medical Research at the Australian National University. Professor Blanden is an internationally renowned immunologist and Fellow of the Australian Academy of Science. Among the students whose doctoral research he has supervised is Dr Rolf Zinkernagel, who in 1996 shared the Nobel prize in physiology and medicine with Mr Peter Dougherty. Professor Blanden has alleged that the student’s work in this 1997 thesis was ‘illiterate gibberish’. I have not had the opportunity to read the thesis, nor do I have the expertise to evaluate it. However, I think it is important to acknowledge that these are serious allegations. I quote further from Professor Blanden’s examiner’s report:

... in my opinion, this student does not meet the appropriate standards for a degree from an Australian university ... If this is an example of the work of an Australian science graduate, then I shudder to think of what a future employer will think about the standards of Australian universities. I note that the lowest grade available with respect to this theses is a Pass grade of 50-64%. My perception of the real standard is that it is
unequivocally a Fail ... this degradation of standards is beyond my worst nightmare ... If Australia exports graduates of this standard, then it won’t be long before our reputation stinks to high heaven.

Subsequently, the university’s internal review procedures resulted in an honours degree for this student. Last year another student was upgraded, despite the professional opinion of both the expert supervisor, Professor Steele, and an external examiner, who both awarded the student a third-class honours thesis. Again, as a result of the university’s internal review procedures, that student was upgraded from a third-class honour to a second-class honour, division one, thus making the student eligible to pursue a doctorate and receive a scholarship.

Professor Steele has claimed that only after exhausting the internal avenues did he speak to the *Sydney Morning Herald*. Subsequently he provided a submission to the Senate inquiry that is currently under way and has circulated correspondence to various members of parliament. He explained to me that his actions have been driven by a concern for academic standards at the university, for the reputation of that institution and, above all, a concern for the integrity of the qualifications gained by graduates at Wollongong. Concerns such as those expressed by Professor Steele are now being more widely echoed throughout Australian universities. I trust that the current predicament faced by Professor Steele will not become the common fate of those who, with the long-term interests of our tertiary institutions at heart, speak out and bring the problems that now beset those institutions to public attention. What would be even more inimical to the interests of our democratic process would be for those who raised these matters of such public importance to be penalised for doing so.

I draw to the Senate’s attention the press release issued by the Australian Vice Chancellor’s Committee on 13 February, in which the Australian Vice Chancellor’s Committee Chairman, Professor Ian Chubb, reiterated his concern that appropriate processes of appeal and review should operate effectively, adding: Anyone raising cases where there is cause to believe this is not the case can be assured that their evidence will be treated on its merits and that they will be treated fairly.

I emphasis that the vice chancellors said that ‘they will be treated fairly’. So what has been the response of the current government? We have had quite an insipid response from the minister, who has advised that those concerns could be raised with the University Quality Agency. We have discovered that the agency does not yet exist and that it does not have the power to examine individual cases. So we have a situation where the complaints will be referred back to the very universities with which most of the persons who have raised complaints have already exhausted opportunities and found that there is no way of pursuing these matters.

Universities such as the Queensland University of Technology and Curtin University have discovered that it is more appropriate for universities to look at alternative methods of examining these issues and have gone for external independent reviews of the procedures. It is a course of action that I commend. However, I think what is quite apparent is that, notwithstanding the inertia of the government on these issues, there are actions that ought to be undertaken, and I call on the government once again to commit itself to a truly independent review of the effects of privatisation and commercialisation of our tertiary institutions.

The Institute of Chartered Accountants of Australia has called for an inquiry such as this and frankly, short of that, the only opportunity that remains is the Senate inquiry that is currently under way. The Institute of Chartered Accountants of Australia has said that the response from the vice chancellors to these issues has been ‘tepid’. Reviews such as this ought to provide an opportunity for all stakeholders in the tertiary sector to come forward and identify processes that will guarantee academic integrity and quality assurance of Australian qualifications and defend the highest standards of teaching and research, which I think we all have a right to expect given that such large sums of public moneys are involved in our higher education sector.
I think the issues of quality can only be addressed by confronting the problems directly. The Commonwealth clearly has a responsibility in this regard because it is the Commonwealth government’s policy framework that drives the commercialisation and the privatisation of our universities. It is in that context that these issues are being raised and that people are increasingly being seen to have taken actions that I think no-one could seriously defend. Trying to sweep the consequences of these policies under the carpet does not serve well the reputations of Australia’s universities, our higher education institutions, or the interests of hundreds of thousands of students that attend them. Quality assurance, in my judgment, must be built on the maintenance of confidence in the integrity of our qualifications and the ethical standards of public institutions.

To pretend that these problems are not serious, that they can be addressed by the unilateral sacking of whistleblowers and the attempt to engage in witch-hunts of persons who have provided information in a public arena or to this parliament, smacks of the sorts of policies one is now seeing in regard to the Liberal government appointments at the ABC. It is not appropriate that serious issues of public concern and matters of deep public interest are addressed in this way. Clearly the Commonwealth government has responsibilities. It cannot deny them. It cannot continue to maintain the view that there are policies set in Canberra, implemented by institutions and as a consequence can only be addressed by institutions. The problems are fundamentally political. They are a direct responsibility of this government and the policies that it has been pursuing—policies which have seen situations arise which I believe no member of this parliament could seriously support.

Cerebral Palsy Week

Senator ALLISON (Victoria) (1.15 p.m.)—I wish to draw honourable senators’ attention to the fact that this week, 25 February to 3 March, is Cerebral Palsy Week in Australia. Cerebral palsy is a disorder of muscle control which results from neurological injury prior to birth. In Australia, there are 20,000 people with cerebral palsy and, of every 1,000 babies born in Australia, between one and three have cerebral palsy. These figures have not changed for a very long time, partly because this is not a disorder which can be detected in prenatal screening. Cerebral palsy affects people in different ways. Some may have difficulty in walking and talking, others may have problems such as an intellectual disability. Cerebral palsy is not a contagious disease, nor is it a progressive disease—in fact, it is not a disease at all. Whilst there is no cure, people with cerebral palsy are entitled to realise growth and development as individuals and to participate in as many of life’s opportunities as possible.

Some children and adults have mild cerebral palsy which will present no problems in achieving independence. For others, considerable assistance will always be needed. For some the care will be extensive and lifelong, and it is to the care of these young people that we turn our attention today. It is a shameful situation in Australia that appropriate long-term support services available for disabled young people, including those with cerebral palsy, are sparse or non-existent, difficult to access and inadequate to meet current and future needs. The current inadequate and disjointed service system places enormous stress on family members and carers. Families and carers of people with a disability commonly experience psychological, social, emotional and financial difficulties associated with that caring role. Community counselling and peer support processes are not readily available and accessible and they are utterly unavailable in rural and remote areas.

The Australian Bureau of Statistics disability figures show that nearly 270,000 children in Australia have a disability. Young people with a disability are up to 38 times more likely to have a low educational level. Almost 8,000 severely or profoundly disabled people have a carer over the age of 65. Some 7,000 carers are without access to respite and up to 70,000 severely or profoundly disabled people may need access to recreational activities to give meaning to their lives. Globalisation has been one of the most significant factors in changing the environ-
ment of disability. Governments have pared back on social provision, in many cases in order to reduce taxes and to attract transnational investment. With cuts to government services, families experience an increase in the level of unmet needs, and families are reporting to us that their unmet needs are compounded by the complexities of dealing with multiple services which may have differing or competing agendas, approaches and philosophical underpinnings. The needs of the families of the young disabled also change over time in terms of an increased emphasis on community and social support.

Until as recently as 10 years ago, a person with a disability had almost no accommodation choice in Australia. Institutional care was available for some people with intellectual or psychiatric disabilities, and geriatric nursing homes were—and still are, I might say—used to accommodate many people with severe physical disabilities, irrespective of age. Others lived in acute wards in hospitals for 20 years or more, in some cases, and many with significant and severe disabilities lived at home, supported by their families. However, since the 1960s most Western governments have embarked on major deinstitutionalisation programs and have sought to replace large congregate care facilities for disabled people with community care networks. The original aim of deinstitutionalisation was to provide disabled people with the opportunity for as normal a life as possible, within the broader community.

Normalisation, which was later called social role valorisation, demanded that service users had the right to the least restrictive living setting. The closure of institutions was aided by certain Commonwealth housing and urban policies such as the Better Cities program, which aimed, in particular, to redevelop former institutional sites in partnership with disability service agencies. The Commonwealth community housing program aimed to grow community managed housing across Australia by providing capital grants to develop new community housing initiatives. Of course, both of those programs were abolished by this government after the election in 1996.

Accommodation and support options for young disabled are limited or sometimes non-existent for short-term, long-term and transitional accommodation in appropriate placements. For example, placing a young person in an aged care facility which is poorly equipped or underresourced to assist the young person adds to the problem. This was, of course, not a practice in the dim, dark past. Today more than 1,000 young people are obliged to spend their lives in aged care facilities because of a lack of appropriate care. Generally these facilities are not equipped and resourced to assist those young disabled people.

Earlier I spoke of the rights of young people with a disability to participate in life’s opportunities and gain respect and dignity in our community. I ask: how can this be achieved when a young person is surrounded by only the most frail aged people, the majority of whom are spending the last few months of their lives in these places? They cannot spend time with people their own age. They cannot choose what clothes they want to wear or hairstyle they want to adopt or choose to listen to their own music. None of those choices are available to a young person with a disability while they are condemned to reside in aged care facilities just because governments, both federal and state, have failed to provide accommodation appropriate to their needs.

Where the disabled child lives at home because of the policies of deinstitutionalisation, that family will generally have particular housing requirements. Whether these housing needs are met or not can make an enormous difference to the quality of the child’s and the parents’ lives. Families with very disabled children are particularly likely to experience housing difficulties, as are families from indigenous and minority ethnic communities. Families need residential respite care, particularly if their children have nursing care needs; and, indeed, many disabled adolescents like to spend some time away from home in a communal setting with their peers. Families with disabled children need and appreciate access to support which is flexible in terms of tim-
ing and in terms of the type of help which is provided.

Multiple impairment, of course, in the young disabled is common. A significant number of families have more than one disabled child too. Children with high levels of support needs, including those with nursing care needs, are increasing in number in our community. Parents of disabled children face three times the costs of parents of non-disabled children, and the discrepancy is most marked for children under the age of five. Parents of disabled children are less likely to be able to meet these higher costs because of diminished employment opportunities, so it exacerbates the problem. Combining paid work with looking after a disabled child is difficult because employers fail to take parents’ caring responsibilities into account. Local support services are inadequate. Schools and hospitals largely assume that parents do not work. Diminished earning power means families are less able to pay for adaptations, equipment or child care or to get transport from one place to another. This all results in increasing vulnerability to social exclusion for the disabled child and their family.

A frequent call, but one which falls on deaf ears, from carers of young disabled is the need for a break—that is, respite care. There is a significant amount of unmet need amongst families with disabled children, more so amongst those with very disabled children. Children with very challenging behaviour and those with nursing care needs are simply not catered for.

I would like to pay particular attention to the rural sector today. Living in rural and remote areas of Australia frequently means health, economic and social disadvantage. The health of rural Australians is significantly worse than their urban counterparts in terms of rates of mortality and morbidity, rates of hospitalisation and the incidence of certain diseases and accidents. Many rural communities have experienced economic decline and hardship and the associated withdrawal of service infrastructure. While the notion of rural disadvantage has increasingly been a topic of interest and concern to politicians, policy makers and researchers, the experience of people with disabilities and their families living in rural and remote Australia is of a double disadvantage. As well as the disadvantage stemming from disability, geographical, physical, cultural, social and psychological factors associated with rurality compound this disadvantage. Notwithstanding the characteristic generosity and hospitality of the bush, which needs to be mentioned, carers of people with a disability are buckling under the weight of doing it alone for far too long. Living away from major centres and services means that parents and family members are usually alone in their support of a person with a disability. People in these roles tell me that the degree of commitment they make for their child or family member is all-encompassing.

Families and carers will commit to being the primary carer for as long as it is necessary or for as long as they are physically able, but it is not a role that they choose. There is a constant struggle moneywise due to the inadequacy of the carer allowance and the high cost of disability. There are physical limitations on the amount of care that parents are able to provide. It is common for primary carers to burn out physically and emotionally. We do not have anywhere near adequate support systems for people with a disability and for the primary carer. Carers are constrained by the system to be the only or almost the only carer, creating extreme physical and emotional limitations that take their toll on people over time. For most, this role is all-consuming and often for the life of the people within their charge. Respite workers are simply providers of respite to carers. I think that raises the question of what support we ought to be thinking about for carers of people with a disability in order for them to have a life of their own. What other supports do families and primary carers need so they do not burn out? I think it is time we gave some very serious thought to those questions.

As the gulf between the haves and the have-nots widens and as systems display an increasing unwillingness to engage directly with human beings, people with disabilities and their families and carers are feeling more and more marginalised and forgotten. This year marks 20 years since the International
Year of the Disabled in 1981. What can we say about carers of people with a disability in 2001? Sadly, most of them are struggling. The most urgent need is for respite services for overtaxed and concerned carers. However, the chance of a voice and a presence for people with a disability wanting a meaningful life is also, I think, alarmingly slim. The government has sought to wind back its commitment to disabilities by, amongst other things, reducing funding to a range of peak disability groups. We have seen a step-by-step disintegration of the community organisations built up over time. The provision of services has been constrained with no attempt to arrive at a rational basis for the assessment of the costs of disability and the appropriate societal strategy to pay for them.

This government claims to be ‘committed to ensuring people with disabilities can live, work and participate as valued and equal citizens in Australia’—I quote Senator Newman last year—but that remains to be seen. Just how core that government commitment is is reflected in the wake of cuts to the HREOC and its seeking to abolish the Disability Discrimination Commissioner position, the reduction in funding for disability services and the extension of the rhetoric of mutual obligation with the implicit goals of regulation and control of people who need government help to survive.

Coordination between public housing programs and accommodation support programs is central to the success of the deinstitutionalisation policies. In particular, the development of timely housing solutions or the provision of appropriate housing and support are clearly also of paramount importance. But there are no prescribed links between Commonwealth and state and territory disability housing programs. The range of housing choices available to disabled people remains narrow. The coordination of housing assistance and accommodation support packages for deinstitutionalised people is vital for the maintenance of successful tenancies and facilitation of full participation in community settings. However, with all of this rhetoric, research conducted recently suggests that at least 13,000 people with a disability in Australia are in urgent need of accommodation and lifestyle support. (Time expired)

Sitting suspended from 1.30 p.m. to 2.00 p.m.

QUESTIONS WITHOUT NOTICE

Goods and Services Tax: Fuel Excise

Senator MURPHY (2.00 p.m.)—My question is to the Minister representing the Prime Minister, Senator Hill. Minister, in view of the Prime Minister’s petrol tax backflip, does the government still support a tax on a tax as representing good petrol tax policy, while at the same time denying the right of motorists to know how much they are being slugged by Mr Howard’s double taxation fuel tax policies?

Senator HILL—There is no backflip on the side of the government. I have been musing about what the Labor Party’s policy is on tax on fuel. It is very confusing when you listen to Mr Beazley. He refuses to answer yes or no when he is asked the simple question 20 times. Simon says, ‘Increase surpluses,’ and, at the same time, Mr Beazley says, ‘We’ll be spending more on practically every portfolio that you can think of.’ So when it comes to the Labor Party—

Senator Faulkner interjecting—

Senator HILL—Senator Faulkner wants to know what happens when it comes to the Labor Party, and all one can really do is reflect upon history. What was the Labor Party’s policy in relation to excise on petrol? The Labor Party introduced excise indexation in August 1983. As a result, the excise increased 23 times under the Labor Party. As indexation is linked to the CPI, petrol excise increased far more under Labor, with an average of 5.2 per cent inflation between 1983 and 1996, than it has under the coalition, with an average of 2.1 per cent inflation between 1996 and 2000. Since coming to office in 1996, the coalition has never increased petrol excise as a budgetary measure, continuing the usual excise indexation in line with the CPI.

Senator Cook interjecting—

Senator HILL—Senator Cook, on five occasions—
Senator Cook—You ought to go out there and tell the honest truth!

Senator HILL—Senator Cook, listen! On five occasions, the Labor Party legislated to increase the petrol excise over and above the inflation adjustment.

Senator Cook—And on nine occasions cut it.

The PRESIDENT—Order! There is an appropriate time to debate these issues. This is question time. A Labor senator has asked a question of the Leader of the Government in the Senate and he is answering it. If you wish to debate the answer, there is an appropriate time later in the afternoon.

Senator HILL—Madam President, under Labor these increases in excess of indexation amounted to a total of 9.5c per litre, including a 3c increase announced in the infamous 1993 budget. Senator Cook, that was after Labor had promised not to put up taxation. So one can only wonder what Labor’s policy is going to be in the future when we look back on the past. Labor’s 1993 petrol tax hike raised an extra $4.1 billion between 1993 and 1996—or $3.7 million per day. That was Labor’s 1993 budget in relation to excise increases. When Labor came to office in 1983—and I invite the Labor Party to listen to this very carefully—petrol excise was 6.1c per litre. When Labor left, petrol excise was 34c a litre—an increase of over 28c a litre or over 450 per cent. That is Labor’s record on excise on petrol. And they have the nerve to talk to us about fuel excise! I hope I get a supplementary question. (Time expired)

Senator MURPHY—You will. Madam President, I ask a supplementary question. Again I ask the minister to address the question in terms of the Prime Minister’s backflip on the tax on a tax. I also ask whether or not the government is actually going to do something about it. If the government is going to do something about it, will the Prime Minister return a greater share of the fuel tax windfall to drivers in rural areas, given that they pay more for their petrol and therefore more in petrol tax than city motorists?

Senator HILL—That is an interesting point: all of a sudden the Labor Party claims to be interested in the fuel costs to rural Australia. Not once, despite those huge excise increases, did the Labor Party compensate motorists, particularly those in the rural community, for those massive tax hikes. Furthermore, the Labor Party has opposed every measure this government has taken to reduce the tax hike for the rural community. What was the Labor Party’s position when we reduced the diesel tax by 24c a litre, principally to help the bush? What did the Labor Party do? It opposed it. And the Labor Party has the nerve to come in here and try to lecture the government on helping the bush. The record of the Labor Party on excise on fuel is that it increases it enormously, it gives no compensation and it opposes any reductions that are designed to benefit the bush. (Time expired)

Regional and Remote Australia: Services

Senator McGAURAN (2.07 p.m.)—My question is to the Minister for Regional Services, Territories and Local Government, Senator Ian Macdonald. I regret, Minister,
that you have only four minutes to answer this question but, if you could, will you advise the Senate of the government initiatives to improve access to government and other services for Australians living in regional and remote Australia?

Senator IAN MACDONALD—Senator McGauran will be as delighted as I was with today’s announcement by Senator Alston of the $25 million spent to expand mobile phone services along the major highway routes of Australia. That will mean huge access to services for people living in country Australia. It will also mean a real benefit to long distance truck drivers who traverse our nation’s highways, taking produce out to the country areas and bringing the produce from the country into the ports for export overseas. This new initiative in getting mobile phone access along the major highways will help tourists and the travelling public who are such an important part of the economy of rural and regional Australia. In addition to that, Senator McGauran will be delighted to know that tomorrow the first cheques go out for our Roads to Recovery program. Mr ‘Boondoggle’ Beazley, you might recall—

The PRESIDENT—Senator, I have asked that in answering questions names be not attached to people other than their correct names.

Senator IAN MACDONALD—Mr Beazley, who was so prominent with his claims of boondoggling, along with his representatives here, did not understand the policy when he thought we were talking about this being a payment next financial year. He will be shown to be wrong, to be well behind with what is really happening when councils as of Friday start to get their cheques in the mail for the Roads to Recovery program. Not only will that help build and repair local roads but it will also create employment for rural and regional Australia, and that is fabulous and the sort of thing that rural and regional Australians are looking for.

There are so many initiatives, as Senator McGauran has said: $150 million for the untimed local calls across Australia, local call rates for Internet access for country Australians—things that were never contemplated by Labor. The $1 billion from the Federation Fund is making a substantial contribution to national infrastructure through projects like the Alice Springs to Darwin railway. That is a great project for rural and regional Australia and one which, thankfully, even Mr Beazley recognises has to go ahead not only for economic reasons but also for nation building reasons.

All this good news for rural and regional Australia comes on top of a very good forecast arising out of the ABARE Outlook 2001 conference. I am delighted that commodity exports are expected to reach a record $89 billion in 2001-02. That is an improvement of some $17 billion over the 1999 figures. I think it is worth noting that in delivering that forecast the ABARE spokesperson Dr Fisher did sound a warning for those who might think that some of the fortress Australia policies promoted by One Nation and others is worth looking at. He said that the economic cost of cessation of economic reform, tighter controls on foreign investment, reinstated protection for agriculture and manufacturing, and the cessation of immigration from Asia would cost the Australian economy a full percentage point in growth and would lead to the loss of some 400,000 jobs in Australia. We certainly do not want to embrace those sorts of policies. I would like to talk about Labor’s policies but I cannot find any in looking for them. (Time expired)

Senator McGauran—Madam President, I ask a supplementary question. Minister, will you further inform the Senate of the government’s efforts and are you aware of any alternative policies?

Senator IAN MACDONALD—I am aware of the One Nation policies which, as I have just mentioned, could cost Australia up to 400,000 jobs. But as for any other policies, Senator McGauran, I am not aware of any. I am aware that the Labor Party a year or so ago released a platform for rural and regional Australia which contained some motherhood statements. But no sooner had that been released by Mr Ferguson and Senator Mackay than a couple of Labor people who actually come from the country were up moving amendments to it as the movers sat down. It is quite obvious that the Labor
Party are policy lazy. They have not progressed from that time. They still have a series of motherhood statements but no policies that anyone could take any notice of, as far as the Australian public is concerned, there are no policies which they could consider in order to understand what Labor is about. Australians do, however, remember that in the Labor years 277 post offices were closed. (Time expired)

**Goods and Services Tax: Fuel Excise**

**Senator COOK** (2.14 p.m.)—My question is to the Minister representing the Prime Minister, Senator Hill. In view of the Prime Minister’s petrol tax backflip, will the Prime Minister now tell Australian motorists just what is the petrol tax windfall gain from his fuel tax changes?

**Senator HILL**—I do not think there was a windfall gain; so that is the short answer.

**Senator Bolkus**—What a way to run a country!

**Senator HILL**—The way to run a country is to retain excise increases at the rate of indexation on CPI, rather than do what the Labor Party did, which was to constantly supplement them with extra tax—which they did, as I said, on five separate occasions. When Labor was in government, we had 23 increases through indexation plus five extra increases, which meant that the excise on petrol rose from 6.1c a litre to some 34c a litre. That is when the huge tax hike occurred in relation to excise on petrol.

**Senator Sherry interjecting**—

**The PRESIDENT**—Senator Sherry, there is an appropriate time for you to raise issues, and it is not by shouting during the minister’s answer.

**Senator HILL**—If I understand Senator Cook correctly—and it is often difficult to interpret Senator Cook—he is saying that in some way there was a windfall tax gain of a little under 2c a litre. Let us accept for a moment that he is right, which I do not: 2c a litre he is suggesting, compared with the Labor Party increase in excise by 28c a litre.

**Senator Cook**—Madam President, I raise a point of order. I asked a simple, straightforward question: what is the windfall? Is the Prime Minister going to tell us what the windfall is? Can you direct the minister to answer that question?

**The PRESIDENT**—The minister has been dealing with the question.

**Senator HILL**—The hypocrisy knows no bounds. It was this Labor Party which in 1993 said that it would not put up taxation, but it put up petrol tax by $4.1 billion. It broke the promise and imposed a tax hike of $4.1 billion. In contrast, Senator Cook is coming in here and suggesting there was some windfall profit to this government of less than 2c a litre. It is time that the Labor Party—

**Opposition senators interjecting**—

**Senator HILL**—It is embarrassing to compare the Labor record on taxation to this government’s. It is therefore more important for the Labor Party to start to look to the future, to establish a different basis from what was in the past. If we can predict the future Labor policy—it is very difficult to understand what will be Labor policies, because they do not have the political nerve to state them—we can only look to the past, Senator Cook. That would be right, wouldn’t it? The record of the Labor Party in government is high taxation, high interest rates, high deficits, high unemployment—record unemployment, with a million unemployed. That is the contrast that the Australian people can see. So I suggest to Senator Cook that, rather than drop himself into this embarrassing hole, he should sit back patiently for a short while and see whether there is any variation to the existing excise regime.

**Senator COOK**—Madam President, I ask a supplementary question. Given that the minister has said that he does not think there is a windfall gain, are the Australian Automobile Association wrong when they estimate the windfall gain is up to $1.5 billion per year? Given that the Prime Minister has now conceded that he can afford to return the fuel tax windfall to Australian motorists, how much of this windfall will the government give back in its attempt to salvage the Prime Minister’s broken promise that the GST would not put up the price of petrol?
Senator HILL—I have said that I do not concede any windfall gain, but I understand that Senator Cook is suggesting up to 2c a litre, which would not come.

Senator Cook—No, you don’t. I never said that.

Senator HILL—Are you going to invent a higher figure? Think of a number and double it, apparently.

Senator Cook—You invented this!

The PRESIDENT—Order, Senator Cook!

Senator HILL—The highest figure I had heard until today was 2c. Now Senator Cook is coming in here and suggesting something—

Government senators interjecting—

Senator HILL—Mr Simon Crean: he was arguing 2c a litre.

Senator Cook—Stick to the facts.

The PRESIDENT—Senator Cook, do not continue shouting.

Senator HILL—What I did was seek to compare the record of Labor as against this government’s. Labor five times increased taxation excise on fuel above indexation. They did exactly what they are now accusing this government of, except that they did it to a far greater extent. That is what hypocrisy in politics is all about. That is why the Labor Party has no credit on this particular issue. (Time expired)

Senator Cook—The death rattle of the Liberal Party!

The PRESIDENT—Senator Cook, you have been shouting persistently. I warn you about the standing orders.

Economy: Income Growth

Senator BRANDIS (2.20 p.m.)—My question without notice is directed to the Minister for Family and Community Services, Senator Vanstone. Will the minister inform the Senate of the latest ABS research which shows less welfare reliance and strong income growth?

Senator VANSTONE—I thank the senator for his question. Some Bureau of Statistics material was released yesterday which showed strong income growth across the community. Incomes have grown by over six per cent in real terms over the past two years, and that I think is proof that the coalition government is delivering sound economic management to the Australian community. You do not have sound economic management for any other reason than that it is better for Australians, and a six per cent increase in real terms over the past two years in incomes is a good thing. Real wages for low paid award workers fell under the Labor Party, by approximately five per cent. Under the coalition, they increased by approximately nine per cent. Presumably all of us have concern for low paid workers first. Their real wages fell under Labor by five per cent and they have increased under the coalition by approximately nine per cent.

To the great embarrassment, I imagine, of his colleagues, Mr Hawke when he was Prime Minister actually bragged about this point in 1988, when he said, ‘It is a fact that under this government there has been a fall in real wages.’ Where were we when we had a Prime Minister who was boasting about a fall in real wages for workers? Mr Crean admitted the same, and even Mr Keating back in 1995 admitted that his government and the union movement had deliberately presided over a drop in real wages for workers. Labor simply do not look after the people they claim to represent. They come in here and say, ‘What about the workers?’ but the only thing they will not do for workers is to actually become one of them. If you factor in ‘the recession we had to have’, there is no doubt that the battlers lose under Labor.

Our sound economic management flows through to other people in the community. It flows through to elderly pensioners through our guarantee that pensions will remain at, at least, 25 per cent of male total average weekly earnings. That commitment guarantees a share in prosperity for older Australians. The male total average weekly earning guarantee means that, since March 1998, the maximum single rate of pension has increased by $15.10 a fortnight more than it otherwise would have. We are the ones who look after the pensioners, not the Labor Party.
Since the 1996-97 financial year, there has been a strong fall in welfare dependency. The proportion of people who rely on income support for more than 90 per cent of their income actually fell from 23 per cent in 1996-97, around when we came to government, to 21.4 per cent. Also, importantly, the level of welfare reliance in families with children has also fallen. The proportion of couples with dependent children who rely on income support for more than 90 per cent or more of their income has fallen from 8.1 per cent to 7.2 per cent. For sole parents the fall was even more dramatic: from 42 per cent to 33 per cent. With careful attention, we believe that we can reduce the level even further: with increased investment in the most vulnerable, we can help to get them off welfare.

The point of this question is this: Labor perpetuated a culture of welfare reliance; Labor did not care if generations of families never got jobs. We believe that the best form of welfare is a job. Labor presides over a fall in real wages and then has the nerve to say, ‘Oh, what about the social wage? They can rely on that. They can put up with lower real wages and just get better service from the government.’ We want workers to have better real wages—and we have delivered.

**Tax Reform: Trusts**

**Senator JACINTA COLLINS** (2.24 p.m.)—My question is addressed to Senator Kemp, the Assistant Treasurer. Can the minister confirm that part of the agreement between the Australian Democrats and the government over the GST was that the government would implement the ANTS package proposal to tax trusts as companies and that this has now been dumped? Hasn’t the government succeeded in imposing the $26 billion GST on struggling families while conning the Democrats into believing that the Treasurer would crack down on the abuse of trusts by the top end of town?

**Senator KEMP**—Thank you to Senator Collins for that question. Senator Collins, the announcement, of course, was made by the Treasurer; a press release was issued yesterday. In fact, Senator, I recall that I got a question in this chamber yesterday from the Democrats. The Labor Party, in fact, at that stage had not worked out its position on it. It was all too difficult and too confusing for Labor, so it was left to Senator Murray to ask me a question. As you were in the chamber, Senator Collins, I assume that you listened to that answer, and I think it would be very wise if you re-read the response that I gave to Senator Murray. As I have said, the Treasurer has made an announcement on this, and let me just read from the Treasurer’s press release:

Following the release of the exposure draft legislation—

as senators will know, there was an exposure draft issued, because this is a consultative government; this is a government that listens to the community—

the Government received a great number of submissions which raised technical problems particularly in relation to distinguishing the source of different distributions, and valuation and compliance issues that meant that the draft legislation is not workable.

So, as a result of that consultation, as a result of the issues that were raised with the government, as the Treasurer announced, the government will not be proceeding with that particular bill.

But it raises a particularly interesting issue now for the wider community, and that is why I am particularly indebted to Senator Collins for asking this question. As we discovered in the exposure draft that there were problems with the bill, and some of those problems would particularly affect small business and farmers, the question is whether the Labor Party supports that bill. With Senator Collins now here in the chamber and about to ask me a supplementary question, there is a question that the Labor Party now has to address. I know that this is a policy question, and it is always difficult for the Labor Party to address a policy question. But Senator Collins, when you stand up and ask me the supplementary question, can you—

**Senator Jacinta Collins**—Have you conned the Democrats?

**Senator KEMP**—Now listen, Senator Collins, this is actually very important.

**The PRESIDENT**—Senator, your remarks should be addressed to the chair.
Senator KEMP—Madam President, this is a very important point—and the community is listening. Senator Collins. Will you now proceed with the legislation as part of your policy? That is the implication of what the shadow treasurer, Mr Crean, has said. Senator Collins, I think people in small business and the farmers will be waiting anxiously for your response. We have discovered flaws in the bill and we will not be proceeding with it. But now the Labor Party apparently endorses the legislation and the Labor Party apparently will proceed with the legislation. Senator Collins, we would all be indebted to you to know—

Senator Jacinta Collins—Oh!

Senator KEMP—And I think it would be of great interest, because the press want to know this, Senator Collins—when you stand up and ask me the supplementary question, you will be on national TV: will the Labor Party proceed with this legislation?

Senator JACINTA COLLINS—Madam President, I ask a supplementary question. I remind the minister that question time is for questions to the government and, if the minister wants supplementary questions asked, I suggest he get a dorothy from one of his own colleagues. My supplementary question is this: when the Prime Minister wrote to Senator Lees on 28 May 1999 and said, ‘As agreed, the government will be proceeding with all the key elements of its tax reform package,’ wasn’t the taxation of trusts one of those key elements?

Senator KEMP—I noticed that on the key issue which is now facing the nation today—what the Labor Party will propose to do—Senator Collins ducked the issue. We did not proceed with it because our consultation showed that the legislation had major problems and would, particularly, have an adverse effect on small business and farmers. That is why we did not proceed with it. The question is, and I think that the Labor Party are going to be pressed on this in the coming days: will the Labor Party now proceed with this faulty legislation or not? That is what the Labor Party has to face up to. I know that this is a policy issue for Labor. I know that this is a policy issue and I know that the Labor Party finds it very hard to work out answers to policy questions. But it is a very real issue, and the Labor Party is now on the back foot on this one. (Time expired)

Electricity: Renewable Energy

Senator ALLISON (2.31 p.m.)—My question is to the Minister for the Environment and Heritage. Is the minister aware that a loophole exists in the two per cent renewables regulations which allows existing hydro schemes to claim millions of certificates by including drought years in their baseline calculations? Does the minister acknowledge that this would mean that wind and solar, and even biomass, would be hugely disadvantaged by this error? Will the government now change the regulations to ensure that hydro generators are at least required to improve their infrastructure in order to claim certificates?

Senator HILL—I understand the honourable senator has written to me asserting what she now puts in the form of this question. I am having that investigated and will respond as soon as I can. It is worth reminding the Senate of the historical piece of legislation passed by the Senate—the government’s policy that would require the purchase of an extra two per cent of energy from renewable sources. That would increase Australia’s contribution to total energy from renewable sources from about 10 per cent to 12 per cent, which puts us up among the highest in the world. That is worth restating, because there are some who simply do not appreciate the extent to which our renewable energy sector has developed to date. I can see that much of that in the past has arisen from hydro, particularly in Tasmania but also to some extent in the Snowy Mountains.

Senator Abetz interjecting—

Senator HILL—To acknowledge Senator Abetz: yes, it is true that hydro is very greenhouse friendly. It does not result in greenhouse gas emissions, and Australia has real interest in trying to reduce its—

Senator Brown—Madam President, I raise a point of order. Is the minister also going to refer to the burning of forests as part of this renewable energy program that he has put forward?
The PRESIDENT—There is no point of order.

Senator HILL—I was saying that we have established a very strong base in this country of renewable energy through hydro. But there are, as was touched upon in the question, now opportunities for significant gains also through solar power, both in a direct form and through photovoltaic cells. There are opportunities for great expansion in wind power. There are great opportunities in biomass and a number of other areas. So part of the solution to the greenhouse issue in this country is to encourage the development of renewable energy sources, and the piece of legislation to which I referred will require the largest single capital investment in renewable energy in the history of our country.

I might also add that that major capital input from the private sector is going to be complemented through the government’s $400 million GGAP program, in which the government will be contributing to the funding of major infrastructure developments in Australia that have a lesser greenhouse consequence. The first $100 million, the first tranche of that brand new program, is due to be announced soon. It is just an illustration of the commitment that this government has towards delivering upon our Kyoto target, which does require a major structural change within our economy towards less energy intensive fuel sources. That is a commitment that this government has made because we believe that Australia, although we may only contribute a very small part of the total greenhouse gas emissions, has nevertheless still got to be prepared to carry its fair share of the burden. That is the commitment of this government. We have now put nearly a billion dollars behind our greenhouse program at the Commonwealth level alone, and we will implement that program in order to reduce the rate of greenhouse gas emissions in this country to something that is more acceptable.

Senator Brown—By burning forests.

Senator HILL—If Senator Brown is saying from the other side of the chamber ‘if the Queensland government would cooperate and slow the rate of land clearing’, that would make a significant contribution as well, because there are two sides to this debate. On the one hand we want to reduce emissions at source. On the other hand Australia has real, unique opportunities to increase sinks and therefore the sequestration of greenhouse gases. (Time expired)

Senator ALLISON—The minister has not answered my question in spite of the fact that I have given him two warnings to do so. I remind him that this increase of 10 to 12 per cent that he refers to will not happen if this loophole is not fixed. The South Australian hydro, for instance, is likely to generate certificates. Is he concerned that the South Australian—sorry, the Tasmanian—hydro situation could generate enough certificates for the first two years of the measure, which will mean that no solar or wind is likely to get a look in? If the government agrees to fix this loophole, will the minister also consider changes to the regulations to remove wood products from native forests—particularly in light of the Western Australian elections, which demonstrated that the majority of Australians do not support clear-fell logging allowed under the RFA process? Is it not the case that the renewable energy regulations will put further pressure on the native forests?

Senator HILL—It is news to me that South Australian hydro will be disadvantaged in some way! Actually, we have had an increased flow in recent times, but I cannot imagine it pushing a turbine. The point is that we do want to see a good mix of renewable energy sources encouraged and supported through this legislation. That is why I am examining the case that the honourable senator has put to me, she says, on two separate occasions, and I am going to get a response to that as soon as possible. As to the other part of her question, yes, we do believe it is legitimate to use wood waste as a fuel source. It can be complementary in terms of a forest harvest which is taking place on an ecologically sustainable basis. It can contribute to a better financial outcome from the harvesting operation and, therefore, to Australian jobs, which is also very important to us. (Time expired)
Tax Reform: Trusts

Senator CONROY (2.38 p.m.)—My question is to Senator Kemp, the Assistant Treasurer. Isn’t it a fact that one of the main reasons the government has dropped the proposal to tax discretionary trusts like companies is because the discretionary trust is the tax avoidance vehicle of choice for frontbenchers like Senator Heffernan, who has no fewer than five discretionary trusts? Isn’t it the case that the Howard government has put the interests of the frontbench and their mates at the top end of town before those of ordinary taxpayers who bear the brunt of the $26 billion GST, like the pensioners who were told to cop a two per cent discount on their GST compensation?

Senator KEMP—That is the type of question you would expect from a grub like Senator Conroy.

The PRESIDENT—Senator Kemp, withdraw that, please.

Senator KEMP—I withdraw it, but the point I make is that that is an absolutely disgraceful question.

Honourable senators interjecting—

The PRESIDENT—Order! Senator Kemp, please wait until the chamber comes to order.

Senator KEMP—Some weeks ago at a Senate committee hearing, Senator Conroy’s name was traduced by a gentleman by the name of Lee Bermingham. He made allegations against Senator Conroy about his own behaviour.

Senator Faulkner—What’s this got to do with it? Why don’t you answer the question?

The PRESIDENT—Senator Kemp, I do draw your attention to the question.

Senator KEMP—I am making a point here, Madam President. The point I am making here is that Senator Conroy was very precious about his own name, but he is quite happy to stand up here and attack the good names of others. What I would say to Senator Conroy is this: if he wants to make allegations against people, he is quite welcome to make them outside this parliament.

Honourable senators interjecting—

The PRESIDENT—Order! There is a level of shouting and intervention in the chamber which is unacceptable. Senator Kemp has the call to answer the question.

Senator KEMP—The fact of the matter is that the government consulted very widely with the community on this particular measure. It is quite clear from the consultations we conducted that there were major problems with proceeding with the legislation. The Treasurer made it quite clear in a press release when he said:

... the Government ... will begin a new round of consultations on principles which can protect legitimate small business and farming arrangements whilst addressing any tax abuse in the trust area.

That is what the government has said. There were major problems with the bill which became apparent after the consultation. The point I made to Senator Collins remains for the wider Labor Party: does the Labor Party intend to proceed with this bill? I take it from what Senator Conroy has said that the Labor Party will proceed with this bill. People in small business and the farming community will note that the Labor Party will proceed with this bill.

I think it is most unfortunate when Senator Conroy gets up and personally attacks people on this side of the chamber. When Senator Conroy was attacked, he was very concerned about his good name being besmirched. Someone who is so careful about his own good name should also be careful about the way he talks about others. This government made the decision on the basis of wide consultation on the legislation and the serious problems which emerged from that consultation.

Senator CONROY—Madam President, I ask a supplementary question. Isn’t it the case that it is not just Senator Heffernan who personally benefits from the taxing trusts proposal being dropped? Senators Abetz, Macdonald, Hill, Alston, Tambling and Ellison all would be adversely affected by the government’s proposal to tax discretionary trusts.

Senator KEMP—The government made the decision on the basis of the consultation which had been carried out. The legislation,
as I have mentioned a couple of times in this chamber, was clearly faulty. If Labor wishes to proceed with the legislation, small business and farmers will note that.

**Opposition senators interjecting**

The **PRESIDENT**—Order! Senators on my left will cease shouting.

**Senator KEMP**—The implication of the question from Senator Conroy is that the Labor Party will proceed with it. As for making these attacks on people on this side of the chamber, all I can say is that this is typical of the grubby behaviour we would expect from Senator Conroy.

**DISTINGUISHED VISITORS**

The **PRESIDENT**—Order! I draw the attention of honourable senators to the presence in the President’s gallery of Sir Miles Walker, a member of the parliament of the Isle of Man. On behalf of honourable senators, I welcome you to the Senate and wish that you have a pleasant and enjoyable visit to our country.

Honourable senators—Hear, hear!

**QUESTIONS WITHOUT NOTICE**

**Crime: Confiscation of Proceeds**

Senator **TCHEN** (2.44 p.m.)—My question without notice is to the Minister for Justice and Customs, Senator Ellison. Would the minister advise the Senate of the government’s proposal to prevent major criminals from profiting from crimes? How will this proposal to confiscate criminals’ ill-gotten gains enhance the Commonwealth’s fight against crime?

Senator **ELLISON**—I thank Senator Tchen for his question on this matter. Recently the government announced that it would toughen provisions in relation to the confiscation of the proceeds of crime. I know the opposition really are not interested in this, by the way that they are interjecting. But this is a very important part of cracking down on organised crime and serious offenders. This forms part of the overall fight against organised crime by the government, and I refer firstly to the successful campaign that we have been waging in relation to the illicit trafficking of drugs. Since the introduction of the National Illicit Drug Strategy three years ago—

**Opposition senators interjecting**

Senator **ELLISON**—I know that the opposition are not interested in this, because they have no policy to fight the illicit drug trade. They have no plans which are going to work. In the three years since we introduced our Illicit Drug Strategy, some $1.2 billion worth of drugs have been seized. In fact, last year there was an increase of 300 per cent in seizures of illicit drugs. This is part of the government’s fight against organised crime and in particular illicit drug trafficking. Of course, you do not just look at the interception of drug trafficking; you have to look at the proceeds of crime. What we are looking at in this initiative is a civil based forfeiture in relation to the proceeds of crime. The Commonwealth government have in place at the moment one which is based on a conviction. That is a lot harder and longer, and it gives offenders time to divest themselves of ill-gotten gains. We are going to look at a civil based forfeiture scheme where you do not have to wait for that conviction, where you can get the Mr Bigs and in the meantime you can freeze their assets before they have a chance to divest themselves of those assets.

I know that the opposition, by their interjections today, are not interested in this, but I tell you that the best way you can fight organised crime is to confiscate those ill-gotten gains from crime. We know that the Mr Bigs do not get their hands dirty with criminal activity, but they are always near the money, so we will be bringing in this civil based forfeiture scheme where we will look at assets where there is no reason for their acquisition. Questions will be asked of those people like, ‘How did you come by these assets? You have no visible means of income, yet you’ve got expensive assets: how did you come by those assets?’ There will be a procedure whereby those assets can be confiscated. Of course, we will have due process, and the person concerned will have an opportunity to put forward how they did come by those assets. It is important that we do have due process, but having that due process will not stop us from pursuing organised criminals and the acquisition of their assets.
I notice that the opposition have a private member’s bill and they have been touting their proposals, but of course what they have is a simplistic imitation of the New South Wales scheme and there is not the detail that we would be looking at. In fact, it does not contain a notice to produce power or other appropriate investigative powers that people like the NCA, the AFP and the Australian Customs Service would need in relation to this. All we get from the opposition is criticism of the efforts of our excellent law enforcement agencies and the good work that they are doing in conjunction with state authorities in bringing organised crime to book.

Senator McKiernan—Show us the bill!

Senator Ellison—I hear Senator McKiernan interjecting. Labor should show us their detailed plans as to how they will fight organised crime. We stand on our record of three years of record drug seizures. We stand on our record on money laundering. We have one of the best systems in the world for achieving that. Let us see what the opposition have got. (Time expired)

Strategic Investment Program: Grants

Senator George Campbell (2.49 p.m.)—My question is to Senator Minchin, the Minister for Industry, Science and Resources. Can the minister confirm that, as provided for in the Textiles, Clothing and Footwear Strategic Investment Program Act 1999 and confirmed by a senior officer from AusIndustry at Senate estimates last week, all firms which have eligible expenditure under the Strategic Investment Program are entitled to grants under that program? Is it true that 437 firms have been registered for the scheme and are therefore entitled to grants under the program?

Senator Minchin—I thank Senator Campbell for his question. In relation to the TCF SIP scheme, it is right to say that the initial registration process has resulted in the registration of 437 entities, representing manufacturing and design activities in all sectors of the textile, clothing, footwear and leather industries. All registered entities satisfied the scheme’s requirements for registration, including that they undertake or intend to undertake eligible activities as outlined in schedule 1 of the scheme. In formulating the scheme, we intended that appropriate incentives be made available to foster investment and innovation within our TCF industry. That scheme has been based on a broad definition of the TCF sector and encourages emerging activities and new technologies which deliver innovative outcomes.

I am pleased that the scheme has attracted such substantial interest and that a number of businesses are keen on undertaking innovative applications. But it is apparent that the participation in the scheme of some of these firms is seen by some other registrants as a concern, and I guess that is what has been raised with Senator Campbell. But the prospect of expenditure projections for the outer years exceeding realistic levels has the greater potential to compromise the scheme’s effectiveness. Estimates of projected expenditures are just that—estimates. Actual grant payments are made only when claims have been lodged and assessed as eligible. The position of individual businesses in the quantum of funding payable under the scheme will not become clear until detailed claims are lodged and assessed, and that is not expected to occur until July 2001.

Senator George Campbell—Madam President, I ask a supplementary question. Can the minister confirm that the TCF SIP Act 1999 caps total funding of the program at $700 million? Have these 437 companies claimed total grants worth $1.4 billion? Does this mean that these firms will receive vastly diminished grants, potentially rendering this program ineffective?

Senator Minchin—This is an excellent scheme which the industry strongly supports and which was formulated over a long period of consultation. It is a $700 million scheme to provide incentives for this industry to invest in innovation. Clearly, the question of whether any modulation of payments will be required is one that the government have to keep under review. If there is the need for a modulation factor, we will ensure that all grants are modulated to the same extent. Hence, all recipients will be treated equitably in accordance with that legislation. We are currently examining the issue involved, and I
expect to be able to make an announcement about that matter relatively shortly.

**Family Law: Legislation**

Senator GREIG (2.53 p.m.)—My question is to Senator Ellison, the Minister for Justice and Customs. Is the minister aware that a report entitled *The Family Law Reform Act 1995: the first three years*, researched and produced by Helen Rhoades of the Faculty of Law at the University of Melbourne, Reg Graycar from the University of Sydney and Margaret Harrison of the Family Court of Australia, was released just one week ago? If so, is the minister aware that the report shows that the legislative changes introduced in 1995 have failed, with many of the objectives of those changes not having been met? The law has become more complex and unclear for the families concerned, judges, court staff and others in the system. Minister, given that thousands of Australians come into contact with the Family Law Court each year, what actions will you take in response to the findings of this report?

Senator ELLISON—As with all reports, the government will of course consider it. It would be premature for me to, at this stage, say anything about the report as it is in the jurisdiction of the Attorney-General. The underlying philosophy of our reforms is that paramount consideration—when making decisions about where and with whom children are to reside, and with whom they should have contact—is given to the best interests of the children. This is an underpinning of the whole family law legislative structure in this country. The reforms that we are looking at have made it clear that parents have legal responsibilities towards their children rather than rights to them.

Children should not be looked at as a proprietary right, and that is where the changes in the terminology for ‘custody’, for instance—custody being something which would relate more to a piece of property than to one’s child—came from. That was an important sea change in the way that we had to look at things. That was an appropriate change: the fact that parents did not look at their children simply as rights but more as responsibilities. The question that Senator Greig raises is an important one. Family law is of immense importance to the people of Australia, and is an issue that this government takes very seriously. The government will have to consider this report in due course.

Senator GREIG—I thank the minister for his answer, and I pick up on his point about the importance of children. Madam President, I would raise one particular issue as a supplementary question. The first recommendation from this report was the need to clarify what is meant by ‘shared parental responsibility’, a concept which has led some parents, particularly fathers, to believe that the law requires children to live 50 per cent of the time with each estranged parent. That is an area of great concern. Can you give an assurance that the government will give that particular aspect of this report its keen attention?

Senator ELLISON—Shared parental responsibility cannot be measured in terms of percentages. It is a terminology which indicates that both parents have equal responsibilities in relation to the children. That responsibility stays with them, notwithstanding any court order. Certainly, that is an aspect which the government places great importance on. It will be one of the prime considerations, no doubt.

**Australian Federal Police: Protocol**

Senator HUTCHINS (2.57 p.m.)—My question is directed to Senator Ellison, the Minister for Justice and Customs. Is the protocol whereby the Minister for Justice and Customs is informed of Australian Federal Police investigations involving federal members still being followed by the government? If so, when was the minister informed of the reopened Australian Federal Police investigation into electoral rorting in relation to the 1999 Penrith City Council elections?

Senator Tierney—Alleged. It is just a little word.

Senator ELLISON—I am grateful to my colleagues for their assistance. It is an allegation that we are dealing with, and I remind Senator Hutchins of that at the very outset. That is something which all senators in this chamber should be reminded of. When we are looking at any investigation of any sort, it
is an allegation. The protocol mentioned by Senator Hutchins remains as is. In fact, when I became minister I had meetings with the AFP in relation to it being kept as is—as it was with my predecessor and, I believe, ministers before my predecessor.

In relation to the detail of the matter that Senator Hutchins raises, I was given a brief on that yesterday. I can confirm that the AFP has, indeed, commented publicly on this matter, in relation to queries. This deals with Senator Faulkner’s matter which he raised with me yesterday. The AFP said that the matter has been referred to it by the AEC, and it could confirm that it received that in relation to the Lindsay electorate. The AFP was looking into the matter and it was inappropriate comment further. I believe, in view of that, it is also inappropriate for me to comment any further.

Senator HUTCHINS—Madam President, I ask a supplementary question. Was the Prime Minister informed that the Australian Federal Police had reopened its investigation? If so, when? Was Miss Kelly informed? If so, when?

Senator ELLISON—I do not have that detail to hand. I will take that question on notice. If I have anything further to add I will get back to Senator Hutchins.

Australian Broadcasting Corporation

Senator CALVERT (3.00 p.m.)—My question is to the Minister for Communications, Information Technology and the Arts, Senator Alston. Given the government’s commitment to a strong and independent ABC, is the minister aware of any recent attempts to interfere with the independence of the ABC or to place pressure on the ABC? Does the government condone this sort of politically motivated behaviour?

Senator ALSTON—The government certainly is committed to a strong and independent ABC free of political interference. In terms of ensuring that it has sufficient financial resources, after having to make that one-off budget cut to ensure a contribution to filling Mr Beazley’s black hole, we have maintained the level of funding in real terms. It will be in excess of $2 billion over the next triennium.

The ABC does have a code of practice, for those who are concerned about issues of bias or lack of balance, inaccuracy or impartiality. That code of practice requires complaints that the ABC has acted contrary to its code of practice to be directed to the ABC in the first instance. It certainly then allows for more serious allegations of bias to be dealt with by an independent complaints review panel. Complainants who are dissatisfied are also able to go to the Australian Broadcasting Authority. So there is a well-worn track; it is one that members of the coalition and others in the community would follow, just as anyone who has concerns about media bias in general would direct them to the organisation in question.

That approach is transparent, it is up front and it is perfectly understandable as far as the community is concerned. It stands in stark contrast to the attitude of the Labor Party when it comes to the ABC. All senators will recall the shadow minister Mr Smith putting out a press release last year which prompted the then managing director to accuse the opposition of intruding on ABC independence. He accused them of selective quoting and generally made it plain that the sort of behaviour indulged in by the ALP was unacceptable. Since that time we have had Mr Smith unilaterally proposing changes to the ABC charter without consulting the organisation itself. We have had Mr Smith and Senator Bishop as backroom men covertly feeding answers to estimates committee questions to sympathetic journalists in an attempt to denigrate the ABC. We have had the ABC constantly being badgered at estimates for some four or five hours by the likes of Senator Faulkner. He came up with absolutely nothing, but it was designed to intimidate.

The hallmark, the high-water mark, was Senator Schacht’s extraordinary accusation that the ABC in regional Australia had been systematically biased against the Labor Party for 30 years but that we should not worry about it because they had been systematically biased in favour of the Labor Party in metropolitan Adelaide. There we have it: a comprehensive allegation of bias, but Senator Schacht did not want to do anything about it.
Now we find Senator Ray and Wayne Swan coming into this parliament, and Senator Ray came in during the dead of night—I am sorry he has not come back from his jog today; he is obviously doing a second lap of the lake—with a very obvious modus operandi. We all know he is the godfather of the ALP, and his trademark calling card for a horse’s head is to make a late-night statement on the adjournment debate. Under the cover of parliamentary privilege he has accused an ABC journalist of false allegations, vendetta by a bitter individual, irresponsible sensationalism, McCarthyist attitudes, unethical and unprofessional conduct, hatred and obsession, holding a grudge, political stalking, prejudice and fabrication. These are the terms used by Mr Swan and Senator Ray, and they are all designed to intimidate the ABC on the quiet. Their public persona is: ‘We do not say anything about these things; we do not actually want it to get coverage in the media. That is why we do it late at night, but we make sure that the ABC and the journalists in turn know what we are up to,’ They know we will not stand for it in government. We are putting them on notice now. This is systematic bias of the highest order. (Time expired)

Senator CALVERT—Madam President, I ask a supplementary question. I did ask the minister: does the government or the minister condone this type of behaviour?

Senator ALSTON—We certainly do not. The Australian public will not cop it either and nor should the ABC. It does not deserve to be intimidated and harassed in this systematic manner. This is a classic modus operandi of the Labor Party: always litter it with threats of, ‘We will get you, you wait,’ This is the way of putting the ABC on notice that a Labor government will give it to them hard and strong. The ABC should not for a moment think they are going to get the extra funding from the ALP because the most Mr Smith will say is that it depends on budgetary circumstances. On the one hand, you have a meaningless promise in terms of funding and, on the other hand, you have deadly intent. You know exactly what you are going to do.

Senator Faulkner interjecting—

Senator ALSTON—You know that when Senator Faulkner shouts at you he is on the defensive and he is trying to cover up. We know what the ALP will do and so should the ABC.

Senator Faulkner—How many letters has Lynton Crosby sent?

Senator ALSTON—Quite a number, actually, and so should you.

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

ANSWERS TO QUESTIONS WITHOUT NOTICE

Egypt: Massacre of Coptic Christians in El Kosheh

Senator HILL (South Australia—Minister for the Environment and Heritage) (3.06 p.m.)—I have some further information for Senator Harradine in answer to a question he asked on the day before yesterday on an alleged massacre of Christian Coptic people in Egypt. I seek leave to have the answer incorporated.

Leave granted.

The document read as follows—

Senator Harradine asked:

I refer to the massacre in El Kosheh last month of members of the Christian Coptic Orthodox Church. What action did the Egyptian authorities take at the time? What actions are being taken now in respect of the property and lands of the deceased persons? Have charges been laid in the Egyptian courts? Have they been heard and with what outcome? Has the Australian Government made representations to the Egyptian Government in respect of this gross violation of the religious rights of a minority?

The answer to the Senator’s question is:

(i) I believe the Senator may be referring to events which occurred in January of last year, when 22 persons, including 21 members of the Christian Coptic Orthodox Church, were killed in violence in the village of El Kosheh in Egypt. (We are not aware of any violence occurring in El Kosheh in January of this year.)

(ii) The Egyptian Government took action at the time to end the violence and provided extensive information about the events through the Ministry of the Interior. The Egyptian Government also established
immediately an inquiry into the causes of the violence. Subsequently, 136 persons (98 Muslims and 38 Christians) were indicted by the Prosecutor General for investigation.

(iii) The World Centre for Human Rights (Mamdouh Nakhla, Director) has confirmed that the families of the deceased have retained their property and land.

(iv) Yes, charges were laid against 96 persons.

(v) Yes. The El Kosheh Criminal Court issued verdicts for 96 defendants (57 Muslims and 39 Copts) on 5 February 2001. Ninety-two defendants were acquitted of charges including rioting, destruction of property and premeditated murder. One defendant was sentenced to ten years hard labour for carrying unlicensed weapons and two years for manslaughter. One defendant was sentenced to two years and two defendants to one year for vandalism. I understand that the Public Prosecutor involved in the case has contested the verdict and that the Court of Cassation will consider whether to uphold the verdict or to order a retrial.

(vi) Yes. Representations have been made by the Embassy in Cairo concerning the violence in El Kosheh most recently on 4 December 2000.

Goods and Services Tax: Fuel Excise

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

That the Senate take note of the answers given by the Minister for the Environment and Heritage (Senator Hill) to questions without notice asked by Senators Murphy and Cook today relating to fuel excise.

On the front page of every capital city newspaper in Australia today is the headline that the Prime Minister has done a backflip on petrol. What is not clear from the articles that follow that headline is what he intends to do. What is clear is that he is making a promise to back down from the hard and fast line that he has used over the last several months to insult the intelligence of ordinary Australians that it was only world prices that were pushing up the price of petrol at the bowser and not the government’s own taxes. The line insulting to the intelligence of ordinary Australian motorists is that, if the government only gave back a few cents, it would not matter and they would not notice. The elections in Western Australia and Queensland have unquestionably brought on policy panic for the government and it is backing down, backflipping and changing its tune wherever you look.

Senator Alston—Do you support the changes or not?

Senator COOK—You are out of order. The government is backflipping and changing its tune wherever you look. The backflip today, however, requires some very studious thinking, because this government cannot be trusted to keep its promises. Indeed, this government is a serial nonperformer when it comes to keeping its promise.

The first question we need answered by the Prime Minister—and we have been asking this question since 16 October last year and we are still getting silence or refusal—is: how much extra tax did this government gather because of higher petrol prices? In other words, what is the windfall gain? Will it tell us the answer? No. The second question is: are Australian taxpayers entitled to know how much extra tax they have paid, and for what? What did the government say? It said it last Thursday night in this building. It said, ‘No, they are not entitled to know how much extra tax has been paid, and we will not tell them.’ That is what it said.

Today I think it is very important that we ask the government whether it will now, at last, tell us what the windfall is. But what did Senator Hill do? He dodged the point. He thinks that he is running in the next election against Paul Keating and that he can somehow scare the electors about his version—untrue, in the main, though it is—of Labor’s past economic record. The next election will be fought on honesty and economic management. It is bad economic management to increase petrol taxes and the price of fuel—which is a big component of ordinary household expenditure—for Australian motorists and to give a break to everyone else. That is bad economic management, and we are happy to fight the next election on that subject.

The other reason why the Prime Minister should be called to book is this: he said he
had a roads program and that the roads program would hand back the windfall gain the government made. The roads program is worth $1.6 billion over four years. The windfall gain, which the government will not tell us about, is estimated by the Australian Automobile Association—the reputable independent body that represents the NRMA and the state automobile clubs—at $1.5 billion per year. The Prime Minister says his roads program, which is worth $1.6 billion over four years, hands back a windfall which the AAA says is $1.5 billion per year. Is that honesty in politics? Is that truthful to the electorate? Of course it is not.

The GST pushes up the price of petrol, and the higher the price, the more tax you pay, because the GST is a percentage. Country Australians pay more tax under the GST than city Australians because petrol is more expensive in the country. On 1 February, the Prime Minister increased the price of petrol by increasing the excise, and the excise was increased by the cost of living increases from 1 July last year—which included the inflationary spike of the GST. The government has passed the GST on in further and further spiralling prices. The government reckons that is smart economic management. That is dumb economic management. It is bad for ordinary Australians, it is bad for families, and it will be rejected by the electorate.

(Time expired)

Senator CRANE (Western Australia) (3.11 p.m.)—I rise to speak on this motion. I want to begin by issuing a challenge to Senator Conroy for his disgraceful comments today about Senator Heffernan. Without any evidence whatsoever, he cast a slur against Senator Heffernan, and he should have the courage to walk out of this place and say out there what he said in here.

Senator Faulkner—He just told the truth. What are you talking about?

Senator CRANE—He insinuated that Senator Heffernan was rorting in terms of his family trust. I have no idea whether he has five trusts, three trusts, one trust or what have you; I am not disputing that. But for Senator Conroy to get up here and make that slur today was disgraceful. He should have the courage to walk out of this place and say it out there—and he will not. In dealing with the fuel issue—

Senator Cook—Madam Deputy President, I rise on a point of order. This is irrelevant. This is not the question before the chair. If the senator feels strongly about this, there are forms under the standing orders where he can vent his protest. But this is not the question. He is out of order, he is irrelevant, and he should be ruled to sit down.

The DEPUTY PRESIDENT—Senator Crane, a wide ranging debate is allowed, but we are debating the answers given by Senator Hill to a question from Senator Cook about petrol.

Senator CRANE—I had just started on the subject before us, but let me say, in terms of the debates that occur at this time every day in this parliament, people range all over the place.

Senator Cook—They shouldn’t.

Senator CRANE—They shouldn’t, but you do. You are the expert. Let me deal with some of the issues before us. In terms of this debate, we heard five minutes of Senator Cook, but we never heard one little bit about what Labor’s policy is going to be. Are they going to keep in place our reductions in excise when we go to the election? I have asked this question in this place before, but I never got an answer. I am not likely to get an answer, because you do not know. But there is one thing we can guarantee: based on your performance from 1983 until you lost government, you will keep on taxing and jacking up the price of fuel. That is your track record. There is no reason to believe that that will change at all.

I want to raise some specific issues. Is there a revenue windfall from petrol taxes? The answer to that is no. Excise collection has fallen in 2001 because the government cut the excise by 6.7c per litre in July. That is the answer to one of the questions that was asked. Excise is a fixed amount per litre, which those opposite do not seem to realise. It does not rise with increases in petrol prices. GST revenue goes to the states. The GST is the states tax.
Senator Cook—Not yet, it doesn’t.

Senator CRANE—You do not seem to realise that, and that is fundamental to this debate. Let me also say that approximately 8c—I do not want to be corrected on a technicality—of excise goes to the states. That is where it ends up. You people try to mislead the Australian public about what happens with the excise. The revenue from indexation of the excise in February is not a windfall gain; it is factored into the budget’s forward estimates. Once again, there are some people on your side of the chamber who do know that, yet they misrepresent the situation time after time. Does the February increase in petrol excise constitute the largest increase from indexation since 1983? The answer to that is no. Labor’s indexation in February 1987 increased the unleaded petrol excise rate by around 5.6 per cent compared with the February 2001 rise of about four per cent—almost 50 per cent higher than the Labor Party’s 1987 effort.

There was a specific reason for that. From 1985 to 1990, inflation was around eight per cent, compared with around two per cent per annum since 1996. Under the government’s policies, the growth in excise is much smaller than Labor’s ever was and is ever likely to be. There is no doubt, when you look at the historical performance of Labor governments against conservative governments, the conservatives have always managed the economy better, with lower interest rates and lower inflation.

Senator Faulkner—Rubbish!

Senator CRANE—You can check the figures on that, and you will find out it is a fact. Has the government received a windfall gain as a result of February’s indexation round? No, indexation is part of the normal taxation budgetary arrangements and has been factored into the forward estimates. Moreover, for every dollar gained through the indexation of excisable products, the government increases outlays linked to the CPI, including pensions and the Newstart allowance. (Time expired)

Senator MURPHY (Tasmania) (3.17 p.m.)—We could be forgiven for mistakenly believing that the coalition are not the government, because they try to blame everybody else for the problems that they have created. With respect to petrol, take a look at how the Prime Minister has arrived at today’s position. It has been a phased approach. There have probably been four phases that the government has gone through to get to where it is at now. The first phase was to con the Australian public into believing that, with the introduction of the GST, petrol prices would not go up. One has to look no further than the Assistant Treasurer. On 16 March 2000, he said:

The federal government has made it clear that the GST will not cause higher petrol prices. We made it very clear, and we will deliver on our election promise that petrol prices need not rise as a result of the introduction of the GST.

Senator Hill, whom we are taking note of today in respect of his answers to questions on petrol, said:

The design—

he is referring to the design of the GST—

of that was so that petrol prices would not increase as a result of the GST.

That was on 16 March 2000. The Assistant Treasurer, in June—just before the introduction of the GST—said:

As far as tax reform is concerned, there is no reason why petrol prices need rise as a result of tax reform.

We now know that all of those things are not true. The second phase was the denial phase. The government continued to deny that the GST had had an impact on the price of petrol, and then they blamed everybody and everything else for it. We have seen that through statements by the Prime Minister and others with respect to the GST. The Prime Minister and the Treasurer said that petrol excise needed to be higher to pay for pensions, and then it was for the New South Wales floods, and then ultimately there were other things they sought to blame. They said, ‘We are taking excise off—6.7c—and we also think there is 1½c per litre in savings from the fuel companies and transport companies.’ These savings never came to fruition. They then said, ‘We will sic the ACCC onto them.’ The ACCC is still trying to find that 1½c per litre.
The old smokescreen phase came along next. The government embarked upon a campaign of trying to give the voters back something that it knew it had ripped off them more than four times. The government has given the voters back a little and said, ‘This is in the best economic interest of the country. Here’s $1.6 billion for road funding over four years.’ But, as Senator Cook pointed out—and as the Australian Automobile Association pointed out—the money that the government received as a result of the GST on top of excise is about $1.5 billion per year.

It took the Prime Minister some time to come to grips with this problem, and that is when we entered the backflip phase. The backflip phase came about as a result of two significant state election losses and a whole range of nervous backbenchers jumping up and down, creating petitions, etcetera. It began with a statement from the Prime Minister on 24 February this year. He said:

It would be palpably stupid of me to say that there is absolutely no prospect of any change in the level of petrol excise in the future.

What made the Prime Minister palpably stupid for all that period of time before he got to this point on 24 February this year? What made him palpably stupid in respect of reduction in petrol excise when he and the Treasurer knew full well that the government was ripping off the Australian public in respect of the GST on top of excise? The government gave a commitment to the Australian public. As the opposition, it is our responsibility to make sure it delivers on that commitment. Your commitment was that the GST would not increase the price of petrol. It did; you know it did. You have offered $1.6 billion for roads and you are now going to offer up more. But that goes on top of statements from the Prime Minister, who said that it would be financially and economically irresponsible to give back excise gained through the fuel excise measures. Where is the Prime Minister on this? We will watch with interest to see exactly what the government does and just how big a backflip it makes on this. Just how honest can we expect this government to be? Where is this line of budget honesty that the Prime Minister promised the Australian people? It is nowhere. (Time expired)

Senator BRANDIS (Queensland) (3.22 p.m.)—Let me immediately respond to Senator Murphy’s challenge to identify where the honesty is. The honesty is in maintaining increases in excise strictly in accordance with CPI adjustments and not otherwise. That has been the consistent policy of the government, and in adopting and prosecuting that policy the government has been honest in a way that the Australian Labor Party when they were in government were not. Rather than engage in an exchange of rhetoric, let me merely recite to the chamber the facts. The facts are that when the Labor Party came to office in 1983—

Senator Hutchins—Two decades ago!

Senator Murphy—What are you talking about?

Senator BRANDIS—Senator Hutchins, if you would care to wait, all will be revealed to you.

The DEPUTY PRESIDENT—Order! Senator Murphy and Senator Hutchins, come to order. Senator Brandis, address the chair.

Senator BRANDIS—When the Labor Party came to office in 1983, petrol excise was 6.155c per litre. When it left office, excise was 34.183c per litre—an increase of over 28c per litre or, in percentage terms, an increase of over 450 per cent.

Senator Hutchins—Why didn’t you cut it?

Senator BRANDIS—Senator Hutchins, we did better than that. We made sure that future increases were strictly limited to the cost of living as measured by CPI adjustments rather than real increases of the kind that your party when in government presided over, and not only presided over but also implemented on numerous occasions. The Labor Party when in government introduced excise indexation in August 1983. During the course of the Hawke and Keating Labor governments, the level of excise increased—not the CPI adjustment, Senator Hutchins, but the real level of excise—23 times in 13 years.
As indexation is linked to the CPI, petrol excise increased far more under the Labor Party when the annualised inflation rate averaged 5.2 per cent than it has ever increased under the coalition. The annualised inflation rate under the coalition government has been 2.1 per cent. Since the coalition came to government five years ago next Friday, not once has the increase in petrol excise exceeded the cost of living, whereas in 13 years of successive Labor governments increases in the excise duty, which took it from 6c a litre to 34c a litre, were implemented on 23 occasions. You increased excise by more than the cost of living 23 times. The Howard government has increased excise not once other than by the cost of living.

On five of those 23 occasions, the Labor Party legislated to increase petrol excise over and above the inflation adjustment. Those increases amounted to a total of 9½c a litre, including a 3c increase announced in the 1993 budget, in violation of the Labor Party’s promise at the election that it would not put up tax. Labor’s 1993 petrol tax hike raised an extra $4.1 billion between 1993 and 1996, or $3.7 million a day. That is extra, Senator Hutchins; that is extra, Senator Murphy. Those are real increases, not increases adjusted to the cost of living. So one must be excused when one hears the bleatings from the other side of the chamber if one doubts the sincerity and views with the deepest scepticism the honesty of those making the criticisms. Let me finish on this note: not once ever has the Howard government increased petrol excise beyond the cost of living. (Time expired)

Senator HUTCHINS (New South Wales) (3.27 p.m.)—I also wish to take note of Senator Hill’s answer to Senator Cook today in relation to petrol prices. I would like to commence my comments with a quote from a document that fell into my hands that was distributed this week at orientation week at Sydney University. It was distributed by the Sydney University Liberal Club and signed by Kyle Kutasi. I have to read this out because we have just had an example of what the Young Liberals at Sydney University are complaining about. Mr Kyle Kutasi said:

One problem with the Liberal Party has often been that its MPs are hopelessly amateur. Sure, they make good candidates, but they have little experience in dealing with the real politik of Parliament.

We have just had an example of that today. We have heard about the billions of dollars that went this way and that way, but the average Australian family listening to Senator Brandis’s contribution to this debate would not have too much truck with that. What they would have truck with is that, when they go and fill up their sedan and they have to go and pay for it, they want to know exactly how much tax they are paying.

Last night in the adjournment debate I highlighted the situation on the Central Coast of New South Wales. The situation in most of the service stations on the Central Coast of New South Wales—which I imagine is like the situation in most of the outer suburbs of any capital city in this country—is that they pay extra for their fuel. At the moment it is probably 3c a litre dearer on the Central Coast than it is in Sydney. I had an opportunity to have it investigated. At the moment when you fill up your vehicle in service stations in Erina you will pay 96.9c a litre. So if you fill up your car in Erina and it holds, say, 60 litres, that comes to $58.14. Do you know how much tax is paid on that $58.14—how much is collected by this government? $29.10. So you are actually paying to the Australian Taxation Office more than 50 per cent of the cost of filling up your vehicle. To put it in even broader terms, of that 96.9c a litre at Erina, 48.5c is tax. That means that the real cost of that fuel—getting it there, refining it and all the rest of it—is 38.4c a litre. I think that demonstrates how out of touch this government is. Most people know the government is a tax office. Of that contribution to the price per litre of fuel, 4c to 4½c per litre is GST related. So much for the fact that we were supposed to get cheaper fuel as a result of the GST package.

There have been a number of coalition members—for example, Mrs Bailey, Mrs De-Anne Kelly and, I think, Alby Schultz—who have been very brave in highlighting not only to their electorates but also to the Prime Minister that there is a real problem with the
cost of fuel, particularly in regional areas and outer suburbs of this country. But, of course, in New South Wales we have a lot of silent people who are sometimes very brave down here and brave in the papers but, when it comes to shirt-fronting the Prime Minister, they are very quiet. In fact, the member for Lindsay in New South Wales, Jackie Kelly, has hardly said anything about it. I have not had a chance to go to a place like Penrith since we have been down here, but I can imagine that the price of fuel in Penrith is about 96.9c a litre. In the electorate of the member for Robertson, it is 96.9c a litre. It would be even higher in the electorate of the member for Lyne, Mr Mark Vaile, and other areas of Sydney. But we have not heard a word out of any of these coalition members. I just want to reiterate that when people on the Central Coast go to a service station at Erina this afternoon to fill up their sedans at a cost of 96.9c a litre, 48.5c of that is going to the Commonwealth government. Where is there any honesty in that? Where is any relief for the struggling families in middle Australia? (Time expired)

Question resolved in the affirmative.

**Electricity: Renewable Energy**

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

That the Senate take note of the answer given by the Minister for the Environment and Heritage (Senator Hill) to a question without notice asked by Senator Allison today relating to hydro-generators.

I do not think the Minister for the Environment and Heritage appreciated the seriousness of the situation with regard to the two per cent renewables legislation. We have discovered that, by the baseline calculation which is allowed in the regulations in this legislation, it is possible that even one hydro scheme—for example, that of Tasmania, if you look at the figures, but also the Snowy Mountains and hydro schemes in Queensland—could fulfil all of the certificate requirements under the legislation in the first, possibly the second, and even part of the third year. In the period prior to 1997, when the baseline calculation is made, whether that is three years, five years, seven years or 10 years, there were some periods of quite considerable drought. So no matter how you do the calculation, whether it is three years, five years, seven years or 10 years, in most cases you get a much lower baseline than either 1997 or the previous year.

The situation is that if we have a normal rainfall year in Tasmania, Queensland or Victoria around the Snowy Mountains area, that entirely fulfils the requirements under the legislation for the purchase of certificates by retailers in the first and second years. That means that those certificates will be extremely cheap. Because no infrastructure has had to have been put in place to achieve it—it would simply be a question of the rainfall returning to normal—those certificates might well be $20 a gigawatt hour. Of course, the penalty for this measure is $40, but if these are cheaply produced, or in fact cost nothing to produce, they are simply going to flood the market and it will mean that solar and wind energy and even biomass will not have a market for the certificates that they generate. Even if they generate them, nobody will want to buy them because there will be cheap hydro-electricity certificates available at absolutely no cost to the generators.

I have let the minister know that this is the situation according to the figures we have drawn, which I believe are reliable—and I will seek leave to incorporate those figures in *Hansard*; I think I have passed them to the major parties—because I think this matter needs to be addressed with some urgency. The whole of the renewable energy sector depends on this measure working for them. As we know, it was watered down in a number of ways—for example, the fact that the penalty was not CPI adjusted—and this is only now, after going through the Senate, a marginally viable piece of legislation. So it will not achieve what the government expects it to achieve in terms of reducing greenhouse emissions. It will not achieve anything at all in terms of advantaging the renewables industry unless we solve this problem. It is a very urgent matter, and later today I will give notice of an intention to disallow that part of the regulation because I think it is so serious. It is really something the government ought to have discovered some time ago.
As I have mentioned, if you take just the Tasmanian hydro and look at the figures for the three years prior to January 1997, 1.117 million certificates would be generated just by virtue of that increased water flowing through the system. We have said that the regulations ought to be changed so that a generator at least must demonstrate that they have invested in better equipment and so have taken steps which would work towards their producing additional electricity this way, otherwise it gives such an enormous advantage to those existing hydro schemes and such a massive disadvantage to any other source of energy, including biomass, which is going to be a very cheap option anyway under this measure. Again, I urge the government to consider this matter. There are consultants who could certify that capital upgrades have increased the capacity of those power schemes. *(Time expired)*

Question resolved in the affirmative.

Senator ALLISON—I seek leave to incorporate the figures that I mentioned, which have been circulated.

Leave granted.

*The table read as follows—*

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<tr>
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<td>Average annual production in ten years prior to 1 January 1997</td>
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<td>Windfall REC if 2001 production = 2000 production</td>
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Sources of data;
ESAA Australian Electricity Supply Industry Historical Statistics 1955-1994
SCL database
Advised by Frank Xing (ESAA) from ESAA Electricity statistics 1995 and 1996
Financial year data - from 1997/98 SCL annual report
Financial year data -estimated from capacity factor of 29.32
ESAA Annual Reports provided by the Parliament House Library on 22 February 2001
NOTICES
Presentation

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

That the there be laid on the table by the Minister for Industry, Science and Resources, no later than immediately after taking note of answers to questions without notice on 26 March 2001, the list of all firms having eligible textile, clothing and footwear (TCF) activities which have been registered for the TCF Strategic Investment Program and which are therefore entitled to a grant under that program.

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

That the Senate—

(a) notes that:

(i) on 1 March to 4 March 2001, the Formula One Grand Prix will be held in a public park in Melbourne,
(ii) more than 1 000 established trees were cut down to construct the track,
(iii) for at least 5 months of the year, Grand Prix infrastructure interferes with public access to, and enjoyment of, the park, which comprises 60 per cent of the public open space in the City of Port Phillip,
(iv) tobacco promotion and advertising in a park is abhorrent,
(v) the park is progressively degraded each year by the event,
(vi) each year more than 27 000 tonnes of infrastructure is trucked into the park and then out again, adding to the greenhouse gas problem, as well as polluting several suburbs en route, and
(vii) the methodology of economic evaluations of the 1996 and 2000 Grand Prix events has not been peer-reviewed and is questioned by some mainstream economists; and

(b) calls on the Victorian State Government to transfer the race to a permanent, purpose-built venue elsewhere in Victoria, which will right the ethical, environmental and economic wrongs caused by the event being held in Albert Park.

Senator Bourne to move, contingent on the order of the day for the further consideration of the Broadcasting Legislation Amendment Bill 2000 [2001] in committee of the whole being called on:

That it be an instruction to the committee of the whole that:

(a) the committee divide the Broadcasting Legislation Amendment Bill 2000 [2001] to incorporate in a separate bill provisions relating to unrestricted multi-channelling for the Australian Broadcasting Corporation and the Special Broadcasting Service; and

(b) the committee add to that bill enacting words and provisions for titles, commencement and schedules of amendments.

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

That the following bill be introduced: A Bill for an Act to approve the Lake Eyre Basin Intergovernmental Agreement, and for related purposes. Lake Eyre Basin Intergovernmental Agreement Bill 2001.

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

That the Senate congratulates the Vice-Chancellor of the Australian National University (ANU), Professor Ian Chubb, for restoring funding of $100 000 per annum to the Noel Butlin Archives at the university, and in so doing:

(a) recognising the Noel Butlin Archives as Australia’s most important repository of business and labour records;

(b) honouring the obligations into which the university has entered by maintaining, for public use, this remarkable collection of the history of hundreds of businesses, unions and significant Australians, which constitutes Australia’s most important source for the history of enterprise and working life;

(c) acknowledging the critical position such archival resources occupy in Australian research programs; and

(d) ensuring that, in respect to the Noel Butlin Archives, the ANU is implementing its unique statutory charter, one characterised by its national role in teaching, post-graduate study and research.

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

That the resolution of the Senate agreed to on 27 February 2001 in relation to the
centenary sittings in Melbourne be modified as follows:
(a) After subparagraph (1)(b)(iii), insert:
   (iiia) addresses by senators and members of the House of Representatives who are independent or members of minority political parties other than the Australian Democrats, for a maximum of 10 minutes each; and
(b) After subparagraph (2)(b)(ii), insert:
   (iia) addresses by senators who are independent or members of minority political parties not mentioned in subparagraph (ii), for a maximum of 10 minutes each.

(2) That a message be sent to the House of Representatives seeking its concurrence with the modification made by paragraph (1)(a) of this resolution.

Senator Allison to move, seven sitting days after today:

Senator Brown to move, on 7 March 2001:
That the Senate, aware of the high cost of fuel, the continued availability of petroleum from a troubled middle-east, the necessity to employ Australians in growth industries, and the necessity of reducing Greenhouse emissions, calls on the Government to:
(a) amend the Excise Tariff Act to grant biodiesel fuel the same excise-free status as fuel ethanol;
(b) give the biodiesel fuel industry the same start-up status as the ethanol industry had with a new ‘Biodiesel Bounty Act’; and
(c) grant biodiesel the status of an alternative fuel under the Diesel and Alternative Fuels Grant Scheme Act.

COMMITTEES
Selection of Bills Committee
Report
Senator CALVERT (Tasmania) (3.42 p.m.)—I present the second report of 2001 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—

REPORT NO. 2 OF 2001
1. The committee met on 27 February 2001.
2. The committee resolved to recommend—
   (a) That the following bill be referred to a committee as follows:

<table>
<thead>
<tr>
<th>Bill title</th>
<th>Stage at which referred</th>
<th>Legislation committee</th>
<th>Reporting date</th>
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<tr>
<td>Australia New Zealand Food Authority Amendment Bill 2002</td>
<td>Immediately</td>
<td>Community Affairs</td>
<td>29 March 2001</td>
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3. (b) That the following bills not be referred to committees:
   • Foreign Affairs and Trade Legislation Amendment (Application of Criminal Code) Bill 2000
   • Law and Justice Legislation Amendment (Application of Criminal Code) Bill 2000 [2001]
   • Migration Legislation Amendment (Integrity of Regional Migration Schemes) Bill 2000
   • Migration Legislation Amendment (Migration Agents) Bill 2000
   • Petroleum (Submerged Lands) Legislation Amendment Bill (No. 3) 2000
   • Petroleum (Submerged Lands) (Registration Fees) Amendment Bill 2000
   • Pig Industry Bill 2000
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 6 February 2001)
   • Customs Legislation Amendment and Repeal (International Trade Modernisation) Bill 2000
   • Import Processing Charges Bill 2000
Appendix 1
Proposal to refer a bill to a committee

Name of bill(s):
Australia New Zealand Food Authority Amendment Bill 2001

Reasons for referral/principal issues for consideration
Major changes to operation of ANZFA proposed without any public consultation.
Changes proposes to Ministerial Council and Board create a potential conflict with ANZFA’s public health and safety objective.

Possible submissions or evidence from:
Australian Consumers Association; Public Health Association; Monash University

Committee to which bill is referred:
Community Affairs Legislation Committee

Possible hearing date: 16 March 2001
Possible reporting date: 29 March 2001

Rural and Regional Affairs and Transport Legislation Committee

Meeting
Motion (by Senator Calvert, at the request of Senator Crane)—by leave—agreed to:
That the Rural and Regional Affairs and Transport Legislation Committee be authorised to hold a public meeting during the sitting of the Senate today from 4.30 pm till 6.30 pm, to take evidence for the committee’s inquiry on the import risk assessment on New Zealand apples.

NOTICES
Postponement

An item of business was postponed as follows:

General business notice of motion no. 786 standing in the names of Senators Bourne and Allison for today, relating to nuclear weapons, postponed till 1 March 2001.

COMMITTEES
Privileges Committee
Reference

Motion (by Senator O’Brien, at the request of Senator Jacinta Collins) agreed to:
That the following matter be referred to the Committee of Privileges:
In relation to evidence provided to the Employment, Workplace Relations, Small Business and Education Legislation Committee in the course of its estimates hearings:
(a) whether false or misleading evidence was given in relation to the proposed provision of copies of Australian Workplace Agreements by the Employment Advocate; and
(b) whether there was improper interference with witnesses, namely the Employment Advocate and the Acting Employment Advocate, in respect of their evidence.

Foreign Affairs, Defence and Trade References Committee
Extension of Time
Motion (by Senator O’Brien, at the request of Senator Hogg) agreed to:
That the time for the presentation of the second report of the Foreign Affairs, Defence and Trade References Committee on the examination of developments in contemporary Japan and the implications for Australia be extended to 24 May 2001.

BUSINESS
Government Business

Senator IAN CAMPBELL (Western Australia—Manager of Government Business in the Senate) (3.44 p.m.)—by leave—I move:
That consideration of government business continue from 6.50 p.m. to 7.20 p.m. today.
I might just say for the benefit of Senator Brown, who was not in the loop on this consultation, and the Democrats that there are no government documents on today. We thought it would be better to use the time available to continue with government business, otherwise we would be adjourning early.

Question resolved in the affirmative.
MATTERS OF PUBLIC IMPORTANCE
Rural and Regional Australia: Services

The DEPUTY PRESIDENT—Madam President has received a letter from Senator Mackay proposing that a definite matter of public importance be submitted to the Senate for discussion, namely:

The failure of the Government to ensure equitable access to services for people in rural, regional and remote Australia.

I call upon those senators who approve of the proposed discussion to rise in their places.

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

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

Senator MACKAY (Tasmania) (3.45 p.m.)—This matter of public importance concerns the failure of the government to ensure equitable access to services for people suffering from this government’s neglect of the three Rs: rural, regional and remote. This government’s neglect is a great tragedy for people living in these areas. It is a great tragedy for all Australians, as the heart of this country—its culture, its industry and the diverse richness of its social fabric—has effectively been forsaken by this government. It has also proved a tragedy for the coalition following the harbinger elections in Queensland and Western Australia. The public has spoken: five Labor states; one federal coalition government in utter panic. The Australian people have shown their disgust for this government’s policies of neglect. They cannot wait to bring down the axe on the coalition’s wasted years in government. How do we know this? Because the Labor Party is listening, and the coalition has hopelessly lost touch. In looking across the chamber, I do not see so much a line of talking faces but talking posteriors, as this government attempts to bury its head deeper in the sand.

In estimates last Friday, I asked the Minister for Regional Services, Territories and Local Government what changes in government regional policy we will see as a result of the recent state elections. Senator Macdonald replied ‘very little’. That is what he said—very little indeed. This is the person whose shadow ministry document in 1995 revealed that he was prepared to promise everything and to give nothing to get elected. Who cannot recall the infamous leaked shadow ministry memo?

Regional Australians have been deserted by the coalition party since it came to office in 1996. One of its first decisions was the abolition of the then Department of Regional Development. The coalition’s own National Commission of Audit report from 1996 stated that the federal government had no clear rationale for involvement in regional development policies—a sentiment, I might add, that was in fact echoed by Minister Sharp. The coalition legacy so far has been: massive cuts to health and government services; savage reductions to the higher education sector, which have impacted directly on regional universities; the abolition of targeted programs in regional Australia and those having a greater impact on regional Australia, such as Working Nation, and initiatives including Better Cities and stronger regional centres; Medicare, tax office and Austrade office closures; cuts to the Export Market Development Grants, the DIFF scheme and R&D concessions; and scrapping of the regional urban flood mitigation program. We have seen the privatisation of the Commonwealth Employment Service being replaced with profit-driven Job Network providers, which has led to major cuts to employment services in the regions. And, of course, the big end of town has called for, and got on a plate, the entrenched reduction of bargaining power of workers in regional Australia. In terms of policy, the coalition has thrown money at funding for regional planning. But, if you speak to many regional communities, they have plans galore but they have not got the resources to implement those plans. The government has been content to walk away, firmly convinced that its contribution has been made.

The government’s Regional Solutions Program really takes the policy cake in misleading regional Australians about funding
for services and programs. The government’s grand announcement was $90 million over four years. But what happens when we actually take a closer look at the funding for the Regional Solutions Program? We find that of that $90 million, $27 million was taken from the Regional Assistance Program. We also find that there has been the abandoning of Rural Communities Plan and Rural Plan funding of $32 million. So they have abandoned two programs and put associated funding into Regional Solutions. And wait for it: the government has sold an Australian Maritime Safety Authority boat for $9 million to help fund Regional Solutions. This leaves a grand total of $5.5 million per year of new money for the Regional Solutions Program. But it gets worse. Only half of this financial year’s allocated funding for Regional Solutions will be spent—only half. Only $2.24 million has been spent on projects within Regional Solutions since the program was first announced in June last year, and $2.4 million is being sucked back into administration costs by the department. So, out of the allocation of $15 million, $2.4 million is going to administration.

In the face of coalition policy confusion, let us restate the underlying philosophy that Labor brings: all Australians, regardless of where they live, are entitled to the opportunities that will enable them to reach their full potential in all facets of life, and they are entitled to equitable access to services. Labor, led by Kim Beazley and Simon Crean, has been working hard, visiting regional communities for the last three years and talking about what needs to be done and how best to do it. We have travelled extensively throughout regional, rural and remote Australia to meet with local communities. The major issue facing regional Australia is gaining access to the economic growth that has been centred upon the major metropolitan areas. Undoubtedly, large sectors of the economy have been booming, resulting in generation of wealth and opportunities. The national economics report to the Australian Local Government Association General Assembly last year proved this growing divide, highlighting that nearly 50 per cent of regions are not equipped to handle the economic pressures of the 21st century. Everyone understands that a strong local economy is essential to the provision of a range of services based on community need. But, when regions are suffering economically, services are placed in serious jeopardy.

In the headlong rush of the coalition to privatise and deregulate everything, services like Telstra and Australia Post are particularly affected. The proposed deregulation of Australia Post has been estimated by Australia Post itself to result in a 25 per cent cut to profitability, which will inevitably be felt in regional Australia. And what did the Minister for Regional Services, Territories and Local Government have to say about that at estimates, when I asked him if he was aware of the Australia Post legislation to deregulate? He said: I cannot particularly recall it, but then I cannot recall many pieces of legislation.

He could not particularly recall it. His staff must have given him a bit of a nudge, because later he said that he was aware of the legislation after all, and:

Both the government and Australia Post have given commitments that no mail centre or post office in regional Australia will close as a result of the reform package.

This is little comfort when 16 post offices closed in the last financial year, before we even got the reform package. We can divert ourselves wondering how this promise will be twisted into something unrecognisable: perhaps no post office will close, but they will have a skeleton staff hard-pressed to provide services in regional Australia—which is exactly, I have got to say, what has happened with the Job Network.

How could we finish this debate without talking about rural transaction centres? What this government promised regional Australia in return for the second tranche sale of Telstra was rural transaction centres. How Senator Ian Macdonald can defend his administration of the Rural Transaction Centres Program disaster beggars belief. Incredibly, $6 million—almost as much money as has been spent on the entire program so far—will now be spent on field officers over the next two years to help communities to set up rural transaction centres. This cost is over $200,000 per officer—and they are working
from home, as we discovered in the estimates last week.

Only $12 million, less than half the RTC funds allocated for this year, has been spent. The government promised to have 500 rural transaction centres in place by the end of the five-year program. Two years in, only 19 are in place. Rural transaction centres were meant to provide regional Australians with services, such as banking, post, fax and Medicare EasyClaim, and were presented at the time as the government’s flagship program, to say to regional Australia that it is okay to sell another 33 per cent of Telstra. The failure of this program to deliver better services is an important indicator of how badly this minister and this government have let down regional Australia.

Banking services in regional Australia can be summed up in only a couple of points, because there is no longer much service in fact to speak of. Since Mr John Howard was elected, 1,505 banks have closed, including over 350 in the last year. Meanwhile, banks earned fee incomes of $1.8 billion from households in 1999, an increase of 53 per cent in the last three years. Some bank fees, such as for over-the-counter transactions in a bank branch, have increased by 400 per cent since the Prime Minister was elected. I would actually point the Senate particularly to the huge increases in giroPost, which is one of the few banking services that regional Australians have some access to.

In conclusion, this government stands condemned in relation to its policies in regional Australia. The Western Australian election was one example of what the people think; the Queensland state election was yet another example of what people think; and I predict that regional Australians will be taking a baseball bat to this government when the federal election finally comes on later this year.

Senator IAN MACDONALD (Queensland—Minister for Regional Services, Territories and Local Government) (3.55 p.m.)—My ears strained during that presentation. I listened as intently as I could and not one policy did I hear from the people that claim they are a future government of this nation. Not one item of policy, not one new idea, no concern for rural and regional Australia at all. I concede that our government still has a lot to, but we are trying, and we have policies out there; we have done things. The Labor Party in their term of office gave to regional Australia interest rates for small business that ranged between 18 and 28 per cent. That is why small businesses closed and left regional Australia in droves. Housing interest rates were around 18 per cent, and that is why people in rural Australia could not afford to own their home. Inflation was galloping away at double digit figures, and unemployment, particularly in rural areas, under Labor was huge.

All of that has improved under our government. We have a long way to go; we think we can do better, but we are a hell of a lot better than the years of Hawke and Keating in this area. At some time you would think the ALP—or, as the Treasurer rightly called them this afternoon, the Australian lazy party—would have to have some policies that they could put to the Australian public. But no, they have nothing. In fact, I read with some amusement a comment by a respected political commentator in the Courier-Mail recently:

Most times, the Beazley policy is to do whatever the Government is currently doing, but modify it according to the latest opinion poll.

That really does say what the Labor Party’s policy approach is. Whatever this government is doing, they are saying, ‘Oh, yes; me too,’ and then they look at the opinion polls and adjust that to whatever they think might get them a quick vote. It is interesting that the same respected commentator goes on to say this:

It is interesting to scan the other old hands behind Beazley and then try to attach a significant new policy idea to any of them—Nick Bolkus ... Laurie Brereton ... Simon Crean ... Peter Cook ... Laurie Ferguson and Michael Lee ... That is typically the Australian lazy party: no new policies, no new ideas, and a bunch of tired old hacks who failed under Hawke, failed under Keating and are currently failing under Mr Beazley in opposition. They have no policies whatsoever.

Let us have a look at what the ALP pretended was a policy. Remember that they
went to Hobart, was it, 12 months or so ago and moved their platform document? Not a policy, a platform. Chapter 7 was full of motherhood statements: ‘We love the bush; we think the bush people are great’—but not one word of policy. But no matter how flimsy it was, no sooner had the movers, Mr Ferguson and Senator Mackay, sat down than amendments were moved. Mr Warren Snowden, who at least does represent one of the few Labor electorates that you could class as country Australia, got up and moved an amendment to the Ferguson-Mackay document and he was quickly followed by Mr Harry Woods, who comes from rural and regional northern New South Wales.

I do sympathise with the Labor Party: both Mr Ferguson and Senator Mackay live in and spend nearly all of their time in capital cities and they have little idea of and no empathy with what people in rural Australia need and how they can be helped. That is in stark contrast with the coalition. Both John Anderson and I live in rural and regional Australia. The Liberal Party has more rural and regional Australian members than all other parties put together. The National Party represents a great deal of rural and regional Australia. The Labor Party have one or two seats, apart from Tasmania—where they hold all of the seats and therefore must have some rural and regional input from there—and they have little interest and no representation in rural and regional Australia.

That is the sort of hypocrisy we get from the Australian lazy party, a party who is content to criticise but whose policy intentions are simply unheard. I guess at some stage we will get some comments made by the Australian lazy party on what they are going to do, but even then country people will not accept that, because actions speak louder than words. Have a look at what happened during the Labor years—277 post offices shut in the last six years of Labor.

Senator Mackay interjecting—

Senator IAN MACDONALD—Senator Mackay talks about some reform of Australia Post. There has been a guarantee given not only by Australia Post but by the government that no post offices will shut as a result of this reform process. We fixed that at a figure about two years ago, and there have not been reductions.

During the Labor years, the banks left rural and regional Australia, police left rural and regional Australia, school teachers left rural and regional Australia, railway workers left rural and regional Australia—all during the time of Labor governments. What did the federal Labor government do about it? Absolutely nothing. As I say, we have a long way to go, but we are trying. We have some 52 rural transaction centres, and soon another 12 to be funded, in rural and regional Australia. If Senator Mackay says that’s not many, well perhaps it is not many. I think it is great and there are a lot more coming online. But I tell you this, 64 rural transaction centres is 64 more than there would be if the Labor Party were in power, because this program and every other program that this government has developed for rural and regional Australia has been opposed by the Labor Party—not just opposed but actually voted against by the Labor Party in this chamber. There may only be 64 rural transaction centres up and running, but that is 64 more than there would be under Labor.

I am very proud to say that, since our government has emphasised the lack of banking facilities in rural and regional Australia, since we have done something about it, since we meet regularly with the banks to talk about these things, since we help country communities to help themselves—with the Bendigo Bank and community banking—the banks themselves have had a rethink. I was delighted to read the headline a couple of days ago which said that the ANZ Bank is about to extend its network into country Australia. That is great news. I congratulate the ANZ Bank for that approach. I know a lot of the other banks are doing that as well, and certainly the government will work with them through our Rural Transaction Centres Program to do that. From what Senator Mackay and Mr Ferguson have said, I take it that their government is intent on closing down the Rural Transaction Centres Program.

Senator Mackay—Wrong.

Senator IAN MACDONALD—If that is wrong, I would like someone to get up and tell me what the Labor Party program is in
relation to that and other proposals that we have. The Labor Party complain long and loud about petrol prices and yet, as Senator Hill quite rightly pointed out at question time, it was the Labor Party who introduced the automatic indexation. They were the ones who increased the excise on fuel from something like 7c a litre to something like almost 40c a litre. That is the record of the Australian Labor Party. When Mr Beazley was asked on the Sunday program the other day what would he do about it—well, if you have ever seen a classic example of obfuscation you would have seen it then. We have reduced prices for transport trucks in country Australia, for businesses and for farmers in those areas. But in the Labor Party’s program of ‘Simon says’—you know the old game, Simon says, ‘Do this’, and this is what Mr Beazley seems to do—Simon said in Rockhampton that he thought the tax mix was just about right. So he wants it as it used to be, with the 44c a litre excise. So do not listen to what Labor say about these things. Have a look at their actions, because actions speak louder than words.

Senator WOODLEY (Queensland) (4.05 p.m.)—I wish to address this matter of public importance this afternoon. The words of the motion are:

The failure of the Government to ensure equitable access to services for people in rural, regional and remote Australia.

I will support that proposition, but I have to say to you: can any political party in this country really skite about what they have done? The problem is that I do not think any of us are really prepared to ask the question: do we want rural communities? Do we want viable rural communities and rural industries in this country? If we did, every one of the political parties would have to change policy radically. We are facing a decline in rural communities that has been going on for 20 or 30 years—or all of the 20th century as well as this century, in real terms. Certainly in the last 20 years the decline in rural communities has been significant.

I think the only way we are going to fix that is not by scoring points off one another but by getting together and actually telling rural Australia whether or not we want them to survive, because they are saying to me, ‘If political parties and the parliaments of this country really do not want us out here, then tell us and we will go.’ That is how discouraged some of them are. If we want to support this motion—and the Democrats will support it, because obviously whoever is in government has to take responsibility—at the end of the day, we have to ask whether or not all of us are really prepared to take the kind of hard decisions which will be required if we are going to restore people, services and hope to rural Australia.

I want to illustrate what I am saying about the inequity in services with a number of examples. Let me turn first of all to banks. We know that there has been a lot of media coverage about the fact that banks have left rural and regional areas. Let me say that it is insufficient for the banks or anyone to say, ‘Oh, yes, but we’ve put in place agencies.’ The problem for rural people is that for generations they depended upon local bank managers and local financial advisers in rural communities who not only knew rural Australia but knew their community and often had a very intimate knowledge of the commodities that were produced in that area. Those kinds of services are what rural people are missing. The problem is not whether they can go down and withdraw money or deposit money in some agency or some automatic teller machine; the problem is that they no longer have the support of that financial advice which for generations they depended on and received. That is really the problem for rural communities caused by the loss of banking facilities in those communities. Nobody has been able to say how we can stop that exodus of banks from rural Australia.

In Senate estimates just last week, we were talking about a number of examples of problems that people who were restructuring under the Dairy Structural Adjustment Program were encountering in trying to deal with the banking institutions as part of the restructure. Senator Forshaw, let me give you a tick for raising the issue of higher interest rates being charged. The government was unable to give any response to that; it had not heard about it. Since then, I have received the actual document from the bank which
shows that for one particular dairy farm they
are now charging 13.8 per cent. That is an
exorbitant rate of interest, but that is what
they are charging as this farm goes down the
tube. That is the problem. Who is going to
tackle that? The government has not. I will
be interested to hear, Senator Forshaw,
whether you will be able to tackle it if you
happen to win government.

Senator Forshaw—We will.

Senator WOODLEY—I hope that inter-
jection was picked up because I may need to
remind you of it. There were more problems
with the structural adjustment package and
the banks. The banks are trying to com-
mandeer all of the money paid through the
structural adjustment package before it even
gets to the farmer so that they can retire debt.
Obviously, farms need to retire debt, but the
structural adjustment package is there to en-
able dairy farmers to continue to operate as
farmers and to pay their debts—not simply
so that the banks can hold out their hands
and take all of the money which is given
through the federal government.

I also was given documentary evidence
that in one case, because of the debt of this
particular dairy farm, the whole of the milk
cheque which was paid to the factory was
taken by the bank—the whole of the milk
cheque; not part of it, but the lot. That person
said to me, ‘We now have no money to feed
our cows or even to feed ourselves.’ We
really have got to tackle these issues. I do not
think they can be tackled by any one gov-
ernment. I think it needs a commitment from
whoever is in government in the future that
we are really going to tackle this issue of
banks either not understanding what is re-
quired in terms of rural finance—that is one
of the problems—or not being prepared to
commit themselves in a real way to the kind
of finance which rural communities need.

Let me also talk about rural financial
counsellors. This is a service which is of
tremendous value to people in rural and re-
gional areas who are struggling under huge
debts and feeling the pain of deregulation of
their industry and declining terms of trade. It
is an area in which equity of access is diffi-
cult to achieve, and we give the government
some credit for the extension of the scheme
until June 2002. Some people came to see
me, and they really do not know whether or
not their future is assured.

Senator McGauran—Well, it is. They
made that announcement.

Senator WOODLEY—Let us not pre-
tend that we are not going to need rural
counsellors into the future. We certainly are
going to need rural counsellors into the fu-
ture, and I would say ‘into the future’ means
for years. The problem, Senator McGauran,
is that they do not have any secure funding
over a period. They have funding for a year,
but you cannot set up a service like this and
expect it to operate and involve the commu-
nity if you are only going to guarantee
funding for one year. It just will not work,
and that is the problem. The other problem
they are concerned about is that they want to
ensure that the Rural Counselling Service is
not turned into a bureaucratic nightmare.
That is what the review the government has
done is suggesting. They are community
based, and they need to be owned by the
community and they need to continue to be
community based. That is the genius of it.
The Rural Counselling Service’s continua-
tion and effectiveness cannot be guaranteed
unless we get that commitment from gov-
ernment.

Let me read to you from the review that
the government has done. It says:

The cost-benefit analysis of 46 financial counsel-
sing services throughout Australia funded by the
Commonwealth Financial Counselling Program,
found that the program generated two dollars in
benefits for every dollar expended, and provided
services more cheaply than the private sector.
Program benefits were in terms of reduced sui-
cides, reduced unemployment and reduced debt
collection costs, as well as many intangible fam-
ily and community benefits that were difficult to
quantify.

Surely, given that kind of glowing report,
any government would say that this is a
service we must fund on a long-term basis
and we must give guarantees that the genius
of the service, which is based in the commu-
nity, will continue and there will be no threat
to that. These are the kinds of things that we
must guarantee. (Time expired)
Senator FORSHAW (New South Wales) (4.16 p.m.)—At the outset, might I take up some of the issues that have just been raised by Senator Woodley. I listened with interest to his contribution. As always, it was very thoughtful. He has certainly raised some of the very serious issues facing rural and regional Australia. When the Senate Rural and Regional Affairs and Transport Committee has its hearings in rural and regional areas, Senator Woodley, Senator Mackay, Senator Calvert—who I notice is in the chamber—and I see quite regularly the day-to-day problems that people in rural and regional Australia are having across a whole range of industries, particularly the problems of declining services and difficulties with getting access to services.

Senator Woodley mentioned the situation with financial counsellors and the banks, and he is quite correct. If we are talking about banks, this government is morally bankrupt when it comes to its neglect in rural and regional areas of Australians’ needs with respect to their financial affairs. Senator Woodley also mentioned the dairy industry. I have to say that this is a matter of major concern in rural Australia. This government has stood by and done nothing ever since it came into office, when it knew the deregulation of the dairy industry was coming. It stood by and did nothing. It made no attempt to bring the states together to get a coordinated plan for deregulation. That was the approach adopted by the Labor government with, as everyone knows, the Kerin plan and then the Crean plan. When we were in government, we had to face up to the pressures of competition, particularly the need to improve our export performance. We took some hard decisions, but we had a plan whereby the impact of those changes would ensure that people were not affected in the way they are now affected by this government’s attitude, as it just stands by and watches deregulation happen.

I want to turn to some of the many areas where this government has simply neglected rural and regional Australia. Let us all remember—unfortunately, so many terrible decisions have been made by this government that people could be forgiven for forgetting some of them—that one of the very first decisions this government made when it got elected in 1996 was to abolish the Department of Regional Development. What sort of message did that send to rural and regional Australia? The message was, ‘We don’t care.’ Indeed, the Deputy Prime Minister has been on the record as essentially saying that federal governments have no place in the affairs of regional Australia and that those issues are for the states or local governments to look after. This government constantly tries to blame the states for some of the problems that exist. You have got your message in the last couple of weeks when you have seen in Queensland and in Western Australia—and as you saw not so long ago in Victoria—what people in rural and regional Australia think of coalition governments. Senator Macdonald mentioned railways. They were Liberal governments under Nick Greiner in New South Wales and under former Premier Jeff Kennett in Victoria that ripped the heart out of many government services in rural Australia such as railways.

Let us quickly run through what the federal government have done since they came to office. They have slashed 32,000 public sector jobs. Public sector employment is often the catalyst for other employment opportunities in rural and regional Australia. They have shed at least 40,000 jobs from Telstra, and another 16,000 are set to go. They have abolished the Commonwealth Employment Service. Medicare offices have been closed. Tax office jobs have been cut and offices closed in regional Australia. They have stood by while banks have simply shut up shop and left town. They have cut $2.1 billion out of labour market programs.

When we were in office, we established labour market programs such as LEAP and other schemes which were used by local councils, businesses, area consultative committees and other groups in many regional and rural towns in this country to generate employment. What did you do? You abolished all those labour market programs. You have allowed fuel costs to rise—so much so that people living in rural and regional Australia now have to pay more to travel to the ever declining number of services that they
want to access. I recall one example when we were talking to people up in Forster on the mid-North Coast. The Meals on Wheels service have had to cut the number of meals that they provide to the needy people in the community because of the impact of your GST and your increased petrol prices. You have gutted higher education, especially in regional areas.

Let me go to education. Minister David Kemp, in his own leaked cabinet submission, said:

Already, eight institutions appear to be operating at a deficit, and some regional campuses are at risk.

These were the words of the minister for education in the famous leaked cabinet submission on education. What have they done? They have undermined Australia’s 13 regional universities by cutting their operating grants by $219 million. They have slashed the number of postgraduate research training places. The government abolished the merit based equity scholarship scheme. That scheme assisted 1,000 disadvantaged students, particularly students from rural areas, who under that scheme had an opportunity to get to university.

I could go on. The Rural Transaction Centres Program has been referred to by Senator Mackay. Senator Macdonald holds that up as the great saviour. What a joke that has been. Regarding Telstra, what do we see now? I am going to listen very closely to Senator McGauran. We see the once famous Country Party now reduced to this little rump, the National Party, and doing nothing. Their members are more worried about hanging on to their seats and doing a deal with One Nation to try and save their political hides than they are about the interests of the people in their electorates. They are going to get a big message at the next election and the message will be they will lose their seats.

Senator McGauran (Victoria) (4.23 p.m.)—We are debating a matter of public importance today and though many of the previous speakers have strayed far and wide from that, I would like to read it out to the chamber:

The failure of the Government to ensure equitable access to services for people in rural, regional and remote Australia.

I would like to thank Senator Mackay for bringing this matter of public importance to the chamber to debate. I do not know what happened in your tactics committee today but I can tell you what happened in our tactics committee when we were handed this to debate today: we fell over each other to get on the speakers list. We all wanted to take the opportunity, not just to present the government’s policy in this area for the last five years, but because you have brought it on on the very day that this government has announced that the successful tenderer is Vodafone.

Senator Mackay—Are you going to sell Telstra?

Senator McGauran—Vodafone, not Telstra, has been announced as the successful tenderer for a $25 million program to improve mobile phone coverage over 9,425 kilometres of 11 of Australia’s major highways. This happens on the day that you bring forward a motion questioning this government’s commitment to rural and regional services. Who is on your tactics committee? We virtually had to have a ballot today to work out the speakers on this list. Fortunately, I was given the privilege to speak to this particular motion.

This is the difference. In my opening minute, I am able to announce a tangible policy: funds towards regional services. Yet the previous speakers, Senator Mackay and Senator Forshaw, did not give any policies. I am not sure if anyone else is coming forward—

Senator Mackay—Senator McLucas.

Senator McGauran—We wait for Senator McLucas to announce a tangible policy from the opposition. I know that Senator Macdonald was lamenting that in all his time as minister he could not get a tangible policy from the opposition. We are told to wait, Senator Mackay. Are tangible policies coming forward before the election? Because we are really deep into an election year at the moment and you are still directionless. You are hoping to be able to surf into government, with political opportunism,
on the politics of the day and on the polls that you may well be up in at this particular point in time. You are hoping that that is what you will surf into government with.

If that is the way you are going to treat the Australian people and if that is how you are reading the Australian people, you are reading them wrong. They will scrutinise you as much as they scrutinise the government, and rightly so. At this point, you are policy lazy. That is the perception they are getting and that is the conclusion they will come to. I am sure of it. If you think that you can surf into government on just attacking this government’s performance then you are wrong. We are always up to improvement and we will improve. We are flexible and we will change our policies if we have to to make those improvements.

Senator Mackay interjecting—

Senator McGauran—Do not be led, Senator Mackay, by the old hacks from the previous government who will tell you: ‘Just sit there. Sit there quietly with no policy. We will surf in on the discontent at the government.’ Rest assured that we are not standing still. We will make policy adjustments. We will continue backing our policies with funds and without doubt you will find that those polls are very shallow and very flimsy indeed.

You are treating the Australian people with contempt if all you are going to do is stand up in here and criticise—if that is the opposition you are. We got no policy today. We have seen no policy from even the Leader of the Opposition, Mr Beazley. The best he could do was put down a plan called ‘My plan’, which I went through today. There was not even a mention of rural and regional Australia. Rest assured that the Australian public have no illusions about Labor’s performance in the past. We have had it outlined by a previous speaker, and I have a speaker to follow me—Senator Calvert—who will outline it further. The Australian people know what your performance was over 13 years: high interest rates and the sheer arrogance of the former Prime Minister. We had to drag him kicking and screaming to a recognition of a Queensland drought that had been going on for three or four years.

Senator Mackay interjecting—

Senator McGauran—You would not remember this, Senator Mackay, but I do. He could not recognise that there was a drought in this country and gave no drought relief until the end of the third year of that drought. He had no affinity. It was a government that had no affinity with rural and regional areas. The Australian people are under absolutely no illusions about your performance when in government. And they are under absolutely no illusions about your performance while in opposition. They know that you have opposed every single initiative of this government—

Senator Mackay—We opposed the sale of Telstra.

Senator McGauran—And you nod your head. You agree. You have opposed every single initiative of this government to improve and to initiate schemes for services in rural and regional areas. You opposed the Natural Heritage Trust, a multimillion dollar program for environmental improvement of vegetation, rivers, biodiversity, land care and coastal care. You opposed Networking the Nation. You opposed the Rural Transaction Centres. You even opposed our regional health program to bring more doctors into the rural and regional areas. You opposed our Job Network program—in particular, Work for the Dole.

Will you keep any of those programs should you surf into government? You will keep each and every one of them because you do backflips on every one of our programs. In the end you always support us. You supported us on GST. You did a backflip on Work for the Dole and in regard to this government’s health rebate. You always stand there posturing about our programs—you never support them in opposition—but we know you will maintain these superb programs in regard to the rural and regional areas. The Australian people are under no illusions about your behaviour in opposition and they will be under no illusions should you get into government. They know your record more than anything. Do not think that you
can just rely on the state government performances at elections. That is not going to get you into federal parliament at all. Australians are under no illusions about who exactly is going to represent the rural and regional areas. You are already on record as saying, ‘We have no policies. We are not going to produce those policies until we are in government.’ Australians know that Mr Martin Ferguson, the shadow minister for rural and regional affairs, a former ACTU leader, is on record as saying that there are more problems in Western Sydney than there are in rural and regional areas. We know that the previous shadow minister, Mrs Kernot, did not even want the job. That is the performance and the talent that Labor has lined up. We condemn outright the sentiments of this MPI.

Senator McLUCAS (Queensland)  (4.31 p.m.)—May I commend Senator Mackay on bringing this matter before the house. The words of the MPI—as Senator McGauran said but did not address—are very important and show a true understanding of the reality and the aspirations of people who live in regional, rural and remote Australia. The important words of this MPI are ‘equitable access’. People who live in non-metropolitan Australia are realistic. They are sensible. They know that they will never have the same lifestyle as those people who live in the city. For many, but not all, this is their choice. They do not expect cappuccinos, the opera, or fancy restaurants to be available on tap. But they do, quite rightly, expect that they should have reasonable access to basic services that many in the city just take for granted. Reasonable and equitable access to services is at the very heart of the growing divide between city and country. Non-metropolitan people want to be able to participate in society at a level that allows them to gain the benefits being achieved by those in the city. And the federal government has a role in the delivery and retention of services which people in regional Australia expect. It is a sad fact that this coalition government have played a role of sitting back and watching, of abrogating their responsibility instead of playing an active role in supporting non-metropolitan people and their families.

I want to turn, firstly, to the impact of the GST on regional Australia and the resultant impact on access to services. The Labor Party has always said that the GST is an unfair tax, and it gets more unfair the further one lives from a capital city. The GST is a tax on distance. It is a tax on remoteness. It is an unfair tax that discriminates against people with lower incomes. Average incomes of non-metropolitan people are lower than those of city dwellers and the GST is broadening that gap. A recent ‘VoteLine—Have Your Say’ poll was published in the Cairns Post and 415 people took the opportunity to register their views to the question: are you better off since the introduction of the GST? The result showed that 92.7 per cent said, ‘No, we are not.’ A mere 7.3 per cent of respondents said yes.

Non-metropolitan people’s contribution to the total tax proportionately grew at the point of the introduction of the GST and as a result rural people have proportionately less purchasing power than those in the city. Their ability to purchase services like transport, communications, education and health has been diminished. Non-metropolitan people, alternatively, have welcomed Labor’s commitment to making the GST simpler and fairer and have welcomed Labor’s consultation processes, especially on petrol and the BAS.

I want to turn now to the issue of aged care in regional Australia—a very important issue and one that is of great concern. In the area of aged care, non-metropolitan people are facing an unsure future. The Department of Veterans’ Affairs final report entitled The future provision of residential and community services, released in 1999, reported on the viability of providing high quality residential services for ex-service people. The report states:

The financial modelling exercise indicated that ‘stand alone’ facilities of less than 40 beds (approximately) were unlikely to be financially viable, and in fact could incur significant losses over time. This has implications for ESOs, [ex service organisations] in rural and remote areas where the Ex-service Community wish to age in place, but operating a large facility may not be justified for financial and demographic reasons.
Over 60 per cent of nursing homes in rural Australia have fewer than 40 beds. These smaller nursing homes are the appropriate size to service their communities. It is not feasible nor is it good nursing practice to amalgamate rural nursing homes as older Australians need to stay close to their families. These findings have been supported by the Victorian Aged and Extended Care Association, which recently reported that rural nursing homes are struggling. The shaky future of aged care services in non-metropolitan Australia is of great concern to regional Australians. On top of the question of viability is the reality that the government is simply not allocating enough nursing home beds to regional Australia. In my state of Queensland, where four regions outside Brisbane have an undersupply of over 100 beds in each discrete region, only 42 beds were allocated and not one to any of those four regions crying out for high care beds. In South Australia, where every health region outside Adelaide is undersupplied, 24 beds were allocated—17 in one non-metropolitan region.

The net result to the aged care debacle is twofold. Families are either forced to locate their aged parents in facilities some distance from the family home, with negative health implications for that aged person, or aged persons end up in the public hospital system, taking beds that should be allocated to hospital care patients. Rural people are concerned for the future of their families and of their ageing parents, and they want them close to home, not kilometres away.

I would like to return to the message that this government is obviously not hearing. The results in the state elections in Victoria, Western Australia and, most recently, Queensland, should be providing some advice to the Liberal-National federal government about the concerns of regional, rural and remote Australians. I was very interested in Senator Ian Macdonald’s comments about the political make-up of the federal parliament. He might like to look at the Queensland parliament. In closing, regional Australia has had to cope with enormous change. It is the responsibility of government to assist, resource and work with people living in regional and remote Australia to ensure that service levels are not eroded.

Senator CALVERT (Tasmania) (4.38 p.m.)—I have listened very intently to this debate this afternoon, and I have been waiting and waiting, but I have still not heard one policy or one idea from the Labor Party about what they would do for rural and regional Australia. I did hear Senator Mackay say that Labor has a philosophy. I have been a farmer all my life, I have lived in the bush all my life, and I know what Labor’s philosophy was and still is: it is high taxes, high interest rates, high unemployment and high inflation. We know that because we have lived through it.

Mr Beazley and Mr Crean getting on a bus and travelling around Australia is no substitute for hard work and good policies. At one point in Queensland, just for a stunt to try to score a couple of cheap political points with the dairy farmers, Mr Beazley hopped off the bus to have a photo taken with a couple of cows. And what happened? The cows took off, and I don’t blame them. When they go out there to talk in the bush about their policies, the rural people ought to take off too, because the history of the Labor Party, as far as rural people are concerned—in my lifetime, and that is a fair amount of time—has been absolutely abysmal. All we have heard today is the Labor Party knocking the government and what we have done. We have done something—which is a damn sight more than you lot did when you were in government.

All you ever gave us was interest rates of 18 per cent to 28 per cent. They are now seven per cent. You gave us unemployment of 11 per cent and it is now down to six per cent. You gave us inflation of 10 per cent and it is now down to two per cent. You closed 277 country post offices—and you have the cheek to come in here and try to scare people into believing that we are going to close down post offices. You privatised the Commonwealth Bank and the banks all left the country. You ran deficits for the last five years of over $69 billion, and Senator McLucas had the cheek to get up here and criticise us about aged care. For your information, you were quoting 1999 figures.
There was total additional funding of $200 million a year, and 44 per cent of that went to aged care places and 74 per cent of capital grants went to regional and rural areas. And that is just in the last 12 months.

I was sitting here thinking about what we have done for the bush. There are so many things, and I will start going through them in a moment. But I want to talk about something we did the other day that I was personally involved with. A few years ago, I was approached by some families of travelling showmen. Their children were not receiving an education because they were travelling through rural Australia all the time, following the country shows. They tried very hard for 10 or more years to get some assistance. They were promised a lot by the Queensland government but nothing ever happened. So they approached me, and I went to see Senator Ellison when he was the minister. We made some commitments. Senator Parer announced $2 million in assistance before the last election, and I do not think the showmen believed it was going to happen.

Last week, I went out to the showgrounds here when the show was in town, and I had a look at one of the greatest travelling schoolrooms I have ever seen. I was talking to the parents and they said, ‘We used to sit in the back row when we came into Canberra and read comics, because no-one would speak to us. We couldn’t get a decent education.’ Now all of those children—there are over 70 of them—have two pantechnicons and, with $1.9 million provided by the Commonwealth government, are getting a good education. The children are getting ready to go to school at 7.30 in the morning because they have never had the opportunity to do it before. And do you know what else they said? They said, ‘This would never happen under a Labor government.’ They are damn right it would not because the Labor Party were approached and they did nothing about it. So do not come in here and lecture us about what we have not done for the bush.

We have heard about rural transaction centres and a lot of other things. Senator McGauran talked about the environment—$1 billion has gone into the Natural Heritage Trust. What about Landcare, Healthy Rivers, Coastcare, Green Corps—

Senator Bolkus—All Labor programs.

Senator CALVERT—Labor programs! They are programs put in place by us which you opposed. We have heard today about the new telecommunications for highways. But what about the extension of mobile coverage to King Island? That would never have happened under a Labor government. There are 64 online centres in Tasmania. People in Maydena can talk online to people in Scottsdale or Seattle or wherever. That would never have happened under a Labor government. We are fixing the black spots in television reception—another issue we are dealing with in the bush.

In health and aged care we have multipurpose health centres. I have been involved in one at George Town, another one at Bruny Island, another one at St Marys, and one at Nubeena—and they are all in one state. Those are all in Senator Mackay’s own state—where has she been? She has been down at Macquarie Island ignoring all these things that are happening at her own back door that she does not even know about. I think someone was critical of the Regional Solutions Program. Where do you think the money came from that is going into the community hall at Nubeena—a project that Dick Adams promised some money to? It never turned up; they had to get it from us. And you have the gall to come in here and criticise us for what we are doing!

I know things are tough out there. They always are for farmers. One of them said to me the other day, ‘I can’t ever remember when wool prices, wheat prices, beef prices and lamb prices all went up together. I can’t believe it.’ On the other hand, we have to look at the downside. We have drought, fire and flood. If you look at the paper today, the loneliest job in the world is that of a farmer. You will see pictures of that poor farmer at Andover, in Tasmania, shooting his sheep. So you have your ups and your downs in the rural areas. We realise that because a lot of us come from the rural areas. I can assure you that the Liberal-National parties will
continue to represent the rural and regional people of this country a damn sight better than the Labor Party have ever done in the past or are ever likely to in the future.

The ACTING DEPUTY PRESIDENT (Senator Watson)—Order! The time for consideration of the matter of public importance has expired.

COMMITTEES
Scrutiny of Bills Committee
Report

Ordered that the report be printed.

Regulations and Ordinances Committee
Delegated Legislation Monitor
Senator COONAN (New South Wales) (4.46 p.m.)—On behalf of the Standing Committee on Regulations and Ordinances, I present the Delegated Legislation Monitor, listing regulations and disallowable instruments tabled in the Senate in 2000. I seek leave to move a motion in relation to the document.

Leave granted.

Senator COONAN—I move:
That the Senate take note of the document.
I seek leave to make a short statement.

Leave granted.

Senator COONAN—Senators will be aware that, following the re-establishment of the Regulations and Ordinances Committee in 1998, the members of the committee have been systematically reviewing its practices and procedures in order to make its work more streamlined, more accessible and better understood. The tabling of the committee’s annual Delegated Legislation Monitor is just one example of several changes that have been introduced over the last few years. I would like to take this opportunity to briefly inform the Senate of two further initiatives the committee is instituting.

Firstly, the committee has agreed that it will table in the Senate correspondence with ministers relating to its scrutiny of delegated legislation. Most ministerial responses to concerns raised by the committee are instructive, providing detailed advice on committee concerns. The committee is of the view that these responses should be placed on the public record unless a request is made and the committee agrees that the response should be treated confidentially. Senators will be aware that correspondence relating to instruments which the committee gives a notice of motion to disallow is incorporated in Hansard. The committee intends to continue this practice.

Secondly, the committee has agreed to establish a Scrutiny of Regulations Alert on its Internet site. This alert will be updated each sitting Thursday, following the committee’s meeting, and will list those instruments on which the committee has agreed to seek further advice from ministers. The initiative will provide an immediate alert to ministerial staff and departmental officers that further action is necessary. The committee hopes that this in turn will result in satisfactory responses being received in a time frame that will avoid disallowance procedures.

Finally, I wish to commend the Australian Taxation Office for its recent initiative in organising training sessions from the Senate Procedure Office on parliamentary scrutiny of legislation, including delegated legislation. I trust that this training will result in a better understanding of the principles of parliamentary scrutiny, the disallowance process and improved rule making. I thank the Senate.

Question resolved in the affirmative.

DOCUMENTS
Auditor-General's Reports
Report No. 29 of 2000-01

The ACTING DEPUTY PRESIDENT (Senator Watson)—In accordance with the provisions of the Auditor-General’s Act 1997, I present the Auditor-General’s report No. 29 of 2000-01: Performance audit—Review of veterans’ appeals against disability compensation entitlement decisions—Veter-
Consideration resumed.

The TEMPORARY CHAIRMAN (Senator Watson)—The committee is considering amendments Nos 1, 3, 8 and 10 to 19, moved by Senator Greig. The question is that the amendments be agreed to.

Senator Bolkus—Chair, we were considering amendments Nos 3 to 8. I indicate that, very much for the reasons that Senator Schacht mentioned before lunch, we do have concerns as to the process and the government’s catapulting on this issue over the recent months during which it was developed. We are sympathetic to the Democrat amendments, but at this time in the process we cannot support them because of the risk of delaying the implementation of the national approach, which has been agreed to by the Commonwealth, states and territories.

The TEMPORARY CHAIRMAN—The committee is considering amendments Nos 1, 3 to 8 and 10 to 19.

Senator ELLISON (Western Australia—Minister for Justice and Customs) (4.51 p.m.)—There is something that I think needs to be said for the record. I appreciate the cooperation of the opposition, but the assertion by Senator Greig and Senator Schacht that this change in the government’s proposed course of action was due to the influence of splinter groups—and I think Senator Schacht cited the influence of Senator Harradine—is totally false. However, I hasten to add that we do listen to what Senator Harradine says; he offers some very good advice and, on many occasions, strong argument. In this case I think he has been an advocate for something that the community generally would support.

Senator Harradine’s arguments have carried a great deal of weight with the government, but it is not just a question of splinter groups. As I said, the arguments put forward by Senator Harradine reflect the views of a great number of people in the community. In fact, even more than that, we have the support of the state governments around this country. We have had the support of the opposition in the other place in relation to the amendments replacing the nonviolent erotica category with the X classification. That came about not from some splinter group. I am sure that the opposition would not think they are controlled by some splinter group. I know the government certainly is not. I am sure all of the state governments that have agreed to this are not influenced by some splinter group.

What we have here is a change that came about as a result of an overwhelming concern in the Australian community. We as a government would not have been responsible if we had not met that concern. So I stress that this change was not due to any whim, splinter group or unilateral decision, and it was not a question of undermining the Attorney-General. This was a whole of government decision, one which reflected what the community wanted. There was a concern that the classification of nonviolent erotica did not accurately reflect the material contained in the category. That is a pretty serious concern and the government listened.

When governments proceed with measures that are not popular, they generally get feedback from the community that that is not a wise course of action. The Democrats, the opposition and others are normally the first to criticise the government for not listening to those widespread concerns. In this case the government has listened and reacted. Not only the government; but the opposition and state and territory governments have also cooperated in relation to this matter. So I just place on the record that this change in the proposed course of action came about as the result of wide community concern and that it would have been irresponsible for the government not to have heeded that concern. I think the reference to the government being ‘bigoted’—I think Senator Schacht said that—is unfortunate.

Senator Bolkus—I think he meant the Prime Minister.

Senator ELLISON—Whether he meant the Prime Minister or the government, reducing the argument to that level is not help-
ful. I think other comments by other senators have been based not so much on intellectual argument as on emotion and perhaps some personal attack. I think that is unfortunate. The government appreciates that there are diverse views in the community. As I said, this is a bill that will attract diverse comments. Australia is a community made up of very different people, and it is a sign of the strength of our democracy that we can do this. We should be able to argue intelligently and without emotion. What we say is that the previous classification of NVE, nonviolent erotica, did not meet the concerns of the community. It was felt that it did not accurately reflect the material contained in that particular category. That is why the government changed its course of action, and I think that needs to be placed on the record. As I say, the government will be opposing these amendments. They are something that we believe will take us backwards, not forwards.

Senator GREIG (Western Australia)—I sought leave earlier on this day to move a collection of amendments together. They all related to the issue of NVE, and the chamber agreed to that. I understand them to be amendments Nos 1, 3 through to 8 and 10 through to 19. Is that correct?

Senator GREIG (Western Australia) (4.56 p.m.)—I sought leave earlier on this day to move a collection of amendments together. They all related to the issue of NVE, and the chamber agreed to that. I understand them to be amendments Nos 1, 3 through to 8 and 10 through to 19.

The TEMPORARY CHAIRMAN—Thank you for the clarification. The clerks had recorded them somewhat differently.

Senator GREIG—I would like to reflect for just a moment on the contribution from the minister. I would argue that his statement falls down in two places. Firstly, the reversal, the backflip, that the government and, sadly, the opposition have taken in this instance was very clearly the result of a splinter group. It can often be difficult to identify precisely who and what that is. But there is no question that the Leader of the National Party, Mr Anderson, claimed great victory when the decision was made. He argued very strongly that it was the Nats who did that. I would also make the point that, in 1997, Mr Howard defended the cabinet decision to proceed with an NVE bill of this nature. He was quoted in the Sydney Morning Herald of Wednesday, 8 March 2000 as saying:

I don’t think I have some kind of moral right to tell people how they should behave, and I won’t even try.

I think we can now see the hypocrisy in that statement, given the change that the government has taken. I would also take issue with the minister when he said words to the effect that this particular change would have broad community support. I see no evidence of that. To the contrary, the last polling I saw on the issue of censorship, which I think was in the Bulletin magazine, showed that some 70 per cent of Australians were either satisfied with the current classification system or felt that it went too far.

I was in Melbourne some weeks ago—I do not recall the precise date—and I attended the Sexpo exhibition of the adult industry in Melbourne. There was a stall there, among many others, I think from the OFLC—certainly it was a classifications stall and there were government representatives there. I am not sure whether they were state or federal based. I do not precisely recall the names of the people whom I spoke to but I have their business cards. I asked them, ‘Why are you here? Why would you be here at this particular event and what sort of feedback have you been getting?’ They said that, overwhelmingly, the criticism was that people were largely unhappy with the way the censorship regime was working, to the extent that it was too repressive, that it was too conservative and that it was not reflective of Australian society. I thought that was an interesting piece of feedback.

So I am convinced, Minister, and I would argue strongly, that those arguments do not stand up. It is clear that the original bill—the nonviolent erotica bill, if we can call it that—was derailed at the eleventh hour because of the campaign of fear, misinformation and misrepresentation of what was truly happening. There is no question that elements of the National Party and a small section of the Liberal Party were instrumental in bringing that about.
I also want to reflect for a moment on some comments Senator Harradine made in one of his earlier contributions. He asked a rhetorical question of me. I was making the point and arguing that we should stick to the original NVE bill, given that it had the support of both the government and the opposition and it was universally supported, and Senator Harradine made the point that both the government and the opposition have now changed their minds on that and he asked why the Democrats would not stick to this altered position. The short answer, Senator Harradine, is integrity—integrity in our policy position. We are not shifting from this position, and I am alarmed that both the government and, more disappointingly, the opposition have done so.

Senator Harradine also asked me a question in reference to the comments I made about former Senator Michael Macklin and debates, I understand, that have occurred in this chamber previously in relation to sexual privacy. Senator Harradine asked rhetorically, ‘What’s sexual privacy got to do with this?’ It is at the core of the issue, Senator Harradine—unless I have misunderstood you. What we are talking about here are the rights and freedoms of consenting adults to see, hear and watch what they like in the privacy of their own homes.

Senator Schacht made the point in one of his later contributions—a point which I reiterate—that, far from being representative of community and public opinion in Australia, this hybrid bill, severely gutted from the original form, does not share majority community support. I have yet to see any clamouring or indication of clamouring of community concern about the current classification system other than it is too conservative. So I reject the claims of the minister and would argue strongly that this represents a rather absurd backflip on an original position and is an issue of great shame and embarrassment to the Attorney-General who should have, I think, stuck to the far more sensible position that he had in the first place.

Senator HARRADINE (Tasmania) (5.02 p.m.)—So there we go again—Senator Greig says that this is all about the principle of sexual privacy. What it is all about is the hard-core porn merchants making a fast buck and trying to get us to describe the material as NVE so that they can get more money by a deceptive title. This chamber has heard the statements by the Joint Select Committee on Video Materials and what it said about the nature of the material. The nature of the material is not erotic—that is to say, pertaining to human sexual love. There is almost none of that in it. The material is pornographic and, being pornographic, it has applied to it the definition of pornography—that is, material, the nature, content and intent of which is designed to arouse the sexual desires of a target audience. The porn merchants have continued to want to change that X rating because of the odium that it attaches to that title. They wanted to change it to NVE.

Yes, the Attorney-General took a view about that some time ago, but he has changed his mind. One of the reasons that the various states and the Commonwealth have changed their minds is that they have taken the time to look at the material, to see what the material is all about. They would concede that the view of the Joint Select Committee on Video Materials was correct—that is, that this pornographic material engenders a sexual callous and manipulative orientation towards women and that it mediates in the minds of the habitual viewer a view that women in general are highly promiscuous and available. As indicated before, this has nothing to do with the question of sexual privacy and the ability of adults to see and do what they like in their own rooms.

I would have hoped that the government would have banned X-rated material. It was going to do that but eventually it did not. So adults can see X-rated material in their homes. What does sexual privacy have to do with it? I cannot understand that argument at all. We are talking about material. We are not even talking about censorship. We have gone over that in previous discussions about the
principle that adults be free to see, hear and read what they choose and the necessary qualifications of that. Clearly, that principle is dependent on the pornographer’s claimed right to freedom of expression and the balancing of that claimed right against requirements fundamental to the common good, which we as legislators are bound to uphold. You have to get that balance.

I remind the Senate chamber of the contribution made by Senator Cooney this morning, which ended with the statement: ‘It is where we draw the line.’ The line has to be drawn somewhere. Is there anybody in this chamber who denies that? I happen to believe that the line has not been drawn in the appropriate place; it ought to be tighter. But the government and the state ministers have other views about that. I certainly will be opposing the amendment put forward by Senator Greig to label these pornographic videos as NVE, nonviolent erotica.

Senator GREIG (Western Australia) (5.08 p.m.)—I would strongly disagree with Senator Haradine on one of the key points here. I would argue that, if he has serious and genuine concerns about what he terms ‘porn merchants’, he would focus on the immense black market that exists in illicit videos as a direct result of the ad hoc and absurd situation and scenario we have around the country in terms of lawful and unlawful possession and sales. As I said to Senator Ellison earlier—and I would say it to you, Senator Harradine—if you have not already done so, you can walk into any adult store in any city, be it Brisbane, Melbourne, Sydney or Perth, and there from floor to ceiling will be row upon row of X-rated videos, all of which are unlawful. Yet, on the extremely rare occasions when there is the political and/or police will to act, you find that the proprietor is charged and possibly fined and the materials are confiscated, but within the hour the store is back again.

Such is the ridiculous situation of prohibition, be it prohibition on alcohol or tobacco or whatever. Prohibition does not work and has never worked. What we do know is that the illicit trade, the black market trade, in sexually explicit materials is minimal to non-existent in the Northern Territory and the ACT, where sensible legislative regimes ensure that the legitimate market exists as a self-regulating body. For example, if a pirated or illegal video should surface in the ACT or the Northern Territory, as happens from time to time, and it offends the law because it involves either children or some other horrendous form of sexual behaviour, almost without exception the people to immediately alert the authorities to this are the legitimate adult industry businesses. The last thing they want, quite rightly, is the odium of having any association with such revolting and unnecessary materials.

I have made the point repeatedly, lest anybody misunderstand me, that I am fundamentally opposed—as I think most Australians are—to the use of children or representation of children or the non-consensual activity of anybody in such materials. My point to you, Senator Haradine, is: if you are really serious about—to use your terminology—the ‘porn merchants’, the most effective and sincere way of addressing that is by looking at the huge black market that exists as a direct result of the current legislative regime. That is why in part I support strongly—and the Democrats support—legislative moves towards NVE and away from the X classification system.

I have an interesting anecdote about some of the adult stores in Sydney and Melbourne. One of the things I learned recently about their physical structures is that on the interior they are very cheap and tawdry in appearance. A lot of the boxes and stalls are cheap bits of cardboard and plywood that are cheaply painted. This is because they exist in a climate and environment of illegality such that they fear being closed down at any moment. As such, they are not prepared to spend money on creating an aesthetic atmosphere in their shops that you would find in the Northern Territory or the ACT. This is a ridiculous situation of prohibition. The original bill, which would have gone some way to redressing that, was sensible and appropriate. The fact that both the government and the opposition have now turned on that is just absurd.

Senator Harradine has argued that they reconsidered, that they thought about it and
that this was a legitimate U-turn because they changed their minds at the last minute. I cannot accept that, given that there had been so much thorough and comprehensive inquiry into this issue. There had been two, if not three, Senate inquiries into this issue. The issue itself had twice been discussed and debated within cabinet. As I have said repeatedly here today, it had the support until recently not only of the government through the federal Attorney-General but also of the attorneys-general of every state and territory. You cannot argue in any sensible or serious way that there had not been proper discussion or serious thought on this for it to have reached such an extraordinary level of support around the country. Not just the attorneys-general themselves but their consultative processes led to that.

**Senator Harradine (Tasmania) (5.14 p.m.)**—Senator Greig has come to this very recently. He would not have known the urgings and actions I have taken and the material I have written over the many years on this particular subject. Now he raises the question of whether we are concerned about the black market. Of course we are concerned about the black market and that ought to be dealt with by the state authorities in those states, particularly New South Wales.

What he is saying is very revealing: he is hinting that, if we can have an NVE category, that might result in these pornographic videos going into all the ordinary shops in New South Wales and right throughout the country. Is that what he is saying? That is the only conclusion that one can reach: ‘Let the black market in these X-rated videos be attended to by the authorities in the particular states.’ It is no excuse. You cannot use that as an excuse to change the classification of X to NVE.

**Senator Greig (Western Australia) (5.15 p.m.)**—Senator Harradine’s key point was, I think, that some people were making what he described as a cheap buck from this, and he is right. There are many people, regrettably, making a cheap buck from this. But they are the fly-by-night merchants, those who are capitalising literally on the black market trade that flourishes under the current regime. I can only repeat that those territories which have the least problem and the least evidence of illicit materials, unlawful materials and pirated materials are the ACT and the Northern Territory, and that is no accident. It comes as a direct result of a sensible legislative framework which has created an environment in which the industry is self-regulating. I am normally not an advocate of self-regulation; I am normally opposed to that. Yet we have a clear example within this industry of where it does work and makes sensible policy.

**Senator Harradine (Tasmania) (5.16 p.m.)**—Could I get this clear then? I have said before that there was some suggestion by Senator Greig and others that some of the material that was shown in the House of Representatives was illicit material. I say here and now: all of that material was obtained from a porn merchant at Fyshwick, a member of the Eros Foundation. I notice that Senator Greig has just been saying that illicit material is not available in such porn merchant outfits. I indicated that every one of those videos was obtained from that merchant, and it is assumed that the X classification which was marked on those meant that they were, in fact, properly titled as X-rated material.

**Senator Greig (Western Australia) (5.17 p.m.)**—I note with interest that, twice now, Senator Harradine has declined to table the videos to which he was referring.

**Senator Harradine**—You cannot table them, because you give permission then for them to be copied.

**Senator Greig**—At the very least, Senator, could you not table a list of the titles? We do not know—and you have not said—what those titles are.

**Senator Harradine**—Are you saying that the porn merchant sold illicit material?

**Senator Greig**—No. What I am saying clearly is this: when Mrs Kelly sought from you the videos that you have conceded you gave her and they were taken to the National Party room and also, I think, to the Prime Minister, one of those videos was entitled Max Goes South. Mrs Kelly has not denied that such a video existed and that it was screened and viewed. What is clear, how-
ever, is that that particular video, which is currently classified X, would not have been permitted under the proposed regime of non-violent erotica—in fact the adult industry themselves had repeatedly called for that particular video to be reclassified, on the grounds that they felt it was inappropriate for viewing. So we had the scenario where Mrs Kelly, having been given a video from Senator Harradine, was purporting to pass this off as an example of that which would be available under NVE, and that was not the case: it was untruthful.

The other point I would make is that it was reported—and Senator Harradine can correct the report if it was wrong—that, included amongst some of the other videos that were viewed or screened or discussed, were Black Shemales, Backdoor Black and Buck's Excellent Transsexual Adventures, some of which I am led to understand are unclassified materials. If that is the case, then the question remains as to how Senator Harradine got them and why he has them. More importantly, if, as Senator Harradine claims, the way to deal with illicit materials is to have the police act, and if he does have unclassified materials, why hasn't he acted? He has said here twice, if not three times, today that he got them, but he has been equivocal about how precisely he got them: I do not know whether he went to the store or whether he had a friend go to the store or whether they fell off the back of a truck. If those particular videos came from within Canberra, and if some or all of them have been refused classification, then yes, they are unlawful. If that is the case, Senator Harradine, why haven't you, according to your own philosophy espoused here today, notified the authorities?

Here is another example of the absurdity that exists, principally from the confused, muddled argument from those people who seem to think that any and all sexual material ought to be banned in some way. It is utterly ridiculous—particularly in, of all places, the ACT, where we have such a sensible legislative framework and the evidence is there to support it—that anybody would advocate otherwise, particularly given the evidence in the other states which shows that it is not only unworkable but absurdly implausible.

Senator HARRADINE (Tasmania) (5.21 p.m.)—I got to my feet because Senator Greig said that there is a sensible legislative framework in the ACT, and I assumed from that—in fact he has said it before—that there is not a trade in illegal material in the ACT. I repeat: each and every one of those videos provided happily by me when requested was obtained from a Fyshwick porn merchant, a member of the Eros Foundation, and each and every one of them was marked with the X classification. I assume that one could expect, from what Senator Greig has said, that that porn merchant would not be selling illegal material.

On the question of whether one of those videos was passed off by Mrs Kelly as being what might be involved in the NVE category, she showed that material as having the X classification. If that particular video had ‘demeaning material’, as defined, then it should not have been classified in the first place—and ultimately we will come to the clause of the bill which deals with the question of the National Classification Code.

Senator GREIG (Western Australia) (5.24 p.m.)—I think Senator Harradine has completely missed the point; I will repeat it. If Mrs Kelly—and she has not denied this—took and screened a copy of, amongst other things, Max goes south and purported to claim, and was reported as having claimed, that this was an example of what would continue to be available or perhaps more broadly be available under NVE, then that was untruthful. The fact of the matter is that that particular video, although currently available and classified X, would not be available under the NVE proposal. That is why, in part, the NVE proposal is a better one than we have here before us today.

Senator HARRADINE (Tasmania) (5.24 p.m.)—Clearly, Senator Greig does not know what he is talking about. In the evidence that was provided to us at the Senate estimates committee, it was stated perfectly clearly by the AFLC that the bulk of the material currently in X would just go over to NVE, if that were the classification. How does Senator Greig know that the particular video that was shown—it was only one of the number that were shown—would fit within the NVE
guidelines? In any event, what we are doing here in this chamber is to make sure that the X material will be adjusted, while retaining the X classification, to reflect what would have gone into the NVE category.

The TEMPORARY CHAIRMAN (Senator George Campbell)—The question is that Democrats amendments Nos 1, 3 to 8 and 10 to 19 be agreed to.

The committee divided. [5.30 p.m.]

(The Chairman—Senator S.M. West)

Ayes............. 10
Noes............. 41
Majority........ 31

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

NOES
Bishop, T.M. Brandis, G.H.
Buckland, G. Calvert, P.H.
Campbell, I.G. Cooney, B.C.
Crossin, P.M. Eggleston, A.
Ellison, C.M. Evans, C.V.
Ferguson, A.B. Ferris, J.M.
Forshaw, M.G. Gibbs, B.
Gibson, B.F. Harradine, B.
Herron, J.J. Hogg, J.J.
Hutchins, S.P. Kemp, C.R.
Knowles, S.C. Lightfoot, P.R.
Ludwig, J.W. * Lundy, K.A.
Mason, B.J. McGauran, J.J.
McKiernan, J.P. McLucas, J.E.
Patterson, K.C. Payne, M.A.
Ray, R.F. Reid, M.E.
Sherry, N.J. Tamblyn, G.E.
Tchen, T. Tierney, J.W.
Troeth, J.M. Watson, J.O.W.
West, S.M.

* denotes teller

Question so resolved in the negative.

Senator GREIG (Western Australia) (5.34 p.m.)—It is the Democrats’ intention to seek to oppose schedule 1, item 51, page 19, lines 4 to 31. The reason that we Democrats very strongly oppose this particular aspect of the bill before us is that it is a significant winding back of sensible policy and opens the door to all kinds of what I would regard as community abuse of an administrative process.

The current situation is that there are a small number of individuals and organisations who can appeal under section 41(1) of the act and seek review of a decision of the review board from the Office of Film and Literature Classification. They include the minister, in this case the Attorney-General; the applicant, that is, the applicant who has submitted the material; thirdly, the person doing the advertising thereof for the applicant; fourthly, the publisher; fifthly, a person aggrieved, and I will turn to that in a moment; and, lastly, a participating minister, and that would presumably mean in state cases state attorneys-general. The ‘person aggrieved’ in the existing act has been quite narrowly defined by the courts to mean quite specifically only someone with relevant interest. That is, I think, a sensible element of policy that should remain. The government is proposing with the bill before us today to significantly and substantially broaden that so that the opportunity for people to appeal a decision of the AFLC, or at least the review board, would now be very wide of scope. It is worth noting that, as printed in the bill, it reads as follows:

... the following persons or bodies are taken to be persons aggrieved by the decision—

(a) a person who has engaged in a series of activities relating to, or research into, the contentious aspects of the theme or subject matter of the publication, film or computer game concerned;
(b) an organisation or association, whether incorporated or not, whose objects or purposes include, and whose activities relate to, the contentious aspects of that theme or subject matter.

There we have it. There are such immense loopholes in the bill that you could drive a truck through them. It is nothing more than a sop to the more extreme elements in society who will, I assure you, take every single, specific opportunity they can to complain about every single piece of material they can—most notably on issues of sex and
sexuality. Having gone through the committee process, I think it is obvious that many of the individuals and organisations who came before us were quite neurotic to the point of paranoia on issues of sex and sexuality. Often these were religious organisations, but not always. There were some other organisations who had secular arguments in relation to this material but which were, in my view, equally absurd.

My fear, and I think it is a well-founded fear, is that if this particular section of the bill is successful, you are opening the door to every lunatic fringe, nutter organisation and individual in this country to complain about every film that they want to, and let us be clear about this: they will not hold back. Organisations around Australia such as the Logos Foundation, the Salt Shakers or, for that matter, the Australian Family Association—who are no newcomers to consistent and persistent attacks on issues of censorship—have been imposing their particular morality on the rest of the country, and that is not new to any of us here.

Some of these organisations have arguments that are so bizarre and extreme that they are, in my view, frightening. We saw evidence of that not only in the inquiry into this bill but also in another inquiry which happened to be investigating and exploring the issues within my proposed Anti-Genocide Bill, where some of the most extreme, alarming and frightening arguments were put forward by absolute lunatics. Yet this section of the bill completely opens the door to that, and it is utterly unacceptable. We will find without question that this aspect of the bill will simply open the floodgates to these people on even the most benign films, let alone the more contentious ones. They must be salivating at the thought of having this tremendous opportunity. It is wrong and absurd and will have the potential to completely suffocate the administrative processes which ought to be maintained as the simple and coherent administrative processes that we have currently—that is, the minister, the applicant, the advertising applicant, the publisher, a participating member or a person aggrieved within the existing narrow definition of the courts and who has a relevant interest should be the only people who have the right and opportunity under sensible policy to go to the review board.

I find it genuinely alarming that the government is proposing to open the door wide to these lunatic groups who will come flooding through with their absurd arguments, but what is more alarming is that Labor is going to support this. It is a real concern to me not just that this bill,—without going over it again—has been so severely gutted, compared with its nonviolent erotica, NVE, origins, but that this particular aspect of the bill, it appears, is now going to be successful as well. It is genuinely alarming. Senator Bolkus, amongst others, I am sure would have been on numerous Senate committees like the one Senator Schacht referred to, for example. Senator McKiernan, you have experienced them. You were there in Sydney when we had the delightful person from the Returned Services League, who failed to declare until the last moment that he was the previous past president of the Family Association in Victoria. He regaled us all with tales about the percentages of homosexual men who like to smear one another in faeces. Yes, he was a delightful character! Yet he is precisely the sort of person who is going to be allowed free and open access to run roughshod through the existing, sensible administrative processes in classifications. This door is open wide to people of that ilk, and the government is doing it, in my view, quite specifically and deliberately as a sop to those extremist elements in society who have been badgering for years for the opportunity to have their say, to interfere and to impose their personal morals in this area. This is an alarming and dangerous step, and I appeal at this last moment for Labor not to support it.

Senator BOLKUS (South Australia) (5.43 p.m.)—Senator Greig is right in one sense: it is the view of the shadow attorney that these new provisions should be supported on the basis that they should operate equally for the benefit of those groups who support liberal classification as they would for those who might be concerned that more explicit material has been improperly classified for public viewing. I can understand Senator Greig’s concerns. They are, in a sense, concerns that
need to be taken into account by those administering the system. You would not want to get the system bogged down and grid-locked because of a broad range of representations that may have the effect of making the system more cumbersome. On the other hand, we spend a lot of time in this parliament trying to extend, for instance, the right of standing, locus standi, in the court system to allow a broader range of organisations to have access. That is a principle that has driven the shadow attorney to take the view that he has pursued in respect of these provisions.

The fact of the matter is that, if Senator Greig’s concerns materialise, the system will have to bring them to the attention of the parliament, as we will have quite a number of opportunities to elicit from the administrators information as to how the system runs. As I say, if those concerns do materialise and what he is concerned about and fears happens, then we will obviously have another opportunity to address the issue. On the basis of the principle that a provision such as this allows both sides of the debate to have greater access to the decision making process, we are supporting the government’s position and not that of the Democrats.

Senator HARRADINE (Tasmania) (5.45 p.m.)—I am supporting the provisions in the bill, which I think are needed, given the interpretation of the section by the court. Honourable senators will know that there is a great degree of uncertainty over the extent to which organisations can currently seek review of classification decisions. An example of that is the Lolita case. Three organisations in Western Australia with longstanding interests in the counselling of victims of child abuse and the prevention of paedophilia were found not to have the standing to seek a review of the classification board’s decision.

Rather than have a narrow attitude to this, I agree that there should be an opportunity for groups such as those with a longstanding interest in matters to be able to appeal and have standing. This is important in this area. We are talking about their ability to have standing in respect of decisions on classifications, yet I do not think it is proper to restrict that standing in effect to the publishers of the films or computer games. I think that the publisher of a film and an applicant for the classification of a film, computer game, et cetera, represent the business sides but we should have appropriate standing for other organisations which have a longstanding interest in the area. I support the government’s bill.

Senator ELLISON (Western Australia—Minister for Justice and Customs) (5.48 p.m.)—Just for the record, the government opposes the amendment moved by the Democrats. This does of course relate to the question of standing, as Senator Harradine has pointed out. At present under the legislation, a person aggrieved by a decision of the classification board may seek a review of the decision by that board. The term ‘a person aggrieved’ is not defined in the principal act but has been interpreted in light of judicial decisions to include at least a person with an interest in the decision concerned which is greater than that of an ordinary member of the public—that is, someone who can demonstrate a greater interest than just any person off the street, so to speak.

The determination of standing of a prospective applicant to seek a review as a person aggrieved is a matter for the review board and ultimately the courts. In certain cases where a decision is taken to restrict or ban a certain publication, film or computer game, it is desirable to ensure the appeal rights of those able to demonstrate a pre-existing interest and involvement in issues germane to the decision—that is, if someone does have a longstanding interest, as Senator Harradine has mentioned, that person, body or entity should have a right of standing to put forward a point of view.

The Democrats’ concern that this amendment favours some sections of the community is incorrect. This is clearly aimed at casting the net wide so that those people in the community who do have an intrinsic interest in this can have standing. It is not meant to favour any particular aspect of the community. I think Senator Bolkus has pointed out the situation. The government is grateful for the support of Senator Harradine and the opposition on this matter which is quite important. This provision is more to
allow greater say by sections of the community than to limit it, and it will certainly advance community input from those who have more than just a passing interest in the matter.

Senator GREIG (Western Australia) (5.50 p.m.)—But therein lies the difficulty. There is no definition as to what constitutes an interest. Given the extraordinary breadth of these guidelines, how do you define, for example, whether any group does or does not have an interest? For example, groups such as Salt Shakers and the Australian Family Association—I do not know whether you are familiar with either or both of those—have what I would regard as a militant kind of religious rights moral agenda. Therefore, they would argue very strongly and coherently that they have a particular interest in any and all films which relate to sex or sexuality. How are you going to prevent such organisations from persistently and repeatedly presenting their arguments before the review board under such a broad scope? Will the minister provide an answer to my question?

Senator ELLISON (Western Australia—Minister for Justice and Customs) (5.51 p.m.)—I am not acquainted with the group concerned, but the government, unlike Senator Greig, is not in the business of excluding groups who have an interest. That is why this specific aspect of the bill is there. The Democrats might want to silence people, but the government does not. This is open for any aspect of the secular community which has an interest and establishes a standing to have an input. That is only fair. Senator Greig singles out a group that he might not like. It is a democratic country. It is open to various groups—diverse groups—to put forward their points of view. Senator Greig says, 'How do we stop them?' If they have sufficient interest, they should not be stopped.

Senator GREIG (Western Australia) (5.52 p.m.)—It is not a question of stopping people; it is a question of sensible policy. Are we going to allow National Action or the Ku Klux Klan to come in and have their say on classification reviews? I doubt it. Certainly not under the existing regime, but I cannot see that they could be prevented under this regime. I accept that the debate about freedom of speech is difficult, but there has to be a point at which the kinds of policy guideline decisions made—which is, effectively, what the review will be forced to do, in terms of appealing and looking at the appeal of decisions—have to be kept within reasonable scope.

I say again: opening the door this wide means that any and all community groups—who will, I assure you, claim they have an interest purely on religious grounds if nothing else—are going to be knocking on the door of this organisation every minute of the day. My fear is not simply that you are going to have an extraordinary raft of fanatical fringe religious groups hammering away at these particular issues—which I suspect is the government’s aim—but also that you have the potential to stymie the decision making processes for the organisation itself by cluttering it with what I believe will be a deluge of complaints, appeals and concerns. For that reason, I remain implacably opposed to what the government is proposing to do. I find the minister’s argument in defence of that unacceptable.

Question put:
That schedule 1, item 51 stand as printed.
The committee divided. [5.54 p.m.]
(The Chairman—Senator S.M. West)

AYE

Bishop, T.M.  Bolkus, N.
Buckland, G.  Calvert, P.H. *
Carr, K.J.  Collins, J.M.A.
Cooney, B.C.  Crossin, P.M.
Denman, K.J.  Egleston, A.
Ellison, C.M.  Ferguson, A.B.
Forshaw, M.G.  Gibbs, B.
Gibson, B.F.  Harradine, B.
Hogg, J.J.  Hutchins, S.P.
Kemp, C.R.  Knowles, S.C.
Ludwig, J.W.  Lundy, K.A.
McGauran, J.J.  McKiernan, J.P.
McLucas, J.E.  Patterson, K.C.
Payne, M.A.  Ray, R.F.
Schacht, C.C.  Tambling, G.E.
Tchen, T.  
Vanstone, A.E.  
West, S.M.  

NOES  
Allison, L.F.  
Bourne, V.W. *  
Lees, M.H.  
Ridgeway, A.D.  
Woodley, J.  

* denotes teller

Question so resolved in the affirmative.

Senator GREIG (Western Australia) (6.01 p.m.)—I move Democrats amendment No. 2:

(2) Schedule 1, item 13, page 7 (at the end of the table of exempt films), add:

<table>
<thead>
<tr>
<th>Item</th>
<th>Type</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>13</td>
<td>Community or cultural</td>
<td>A film wholly comprising a documentary record of a community or cultural activity or event</td>
</tr>
</tbody>
</table>

I understand this amendment has the support of the opposition and perhaps also the government, though I am unclear on that point. It is a benign amendment, but one which is necessary. An aspect of this bill is to allow exemptions for certain kinds of groups and films to seek classification, provided that the films are of a G nature in the first instance. Those particular groups and organisations are listed within the bill. But, on reading that list, I saw that one aspect of the community was perhaps noticeable by its absence, and I felt that that was best defined as ‘community or cultural’. So I am proposing to include within the bill an item 13 to cover ‘community or cultural’ organisations, and the description of a film they might produce as a community or cultural film would be described as ‘a film wholly comprising a documentary record of a community or cultural activity or event’. I perceive that that might be something produced by an ethnic community, for example, or perhaps something on Mardi Gras by the gay and lesbian community. I felt this was a noticeable omission and I believe the amendment is necessary. I hope it attracts the support of the chamber.

Senator BOLKUS (South Australia) (6.03 p.m.)—The opposition does support Democrats amendment No. 2 for essentially the reasons that Senator Greig has mentioned. We also look forward to this amendment being adopted by the forthcoming meeting of state and territory ministers responsible for censorship. It is a reasonable amendment. We also hope that the government and Senator Harradine support it.

Senator ELLISON (Western Australia—Minister for Justice and Customs) (6.03 p.m.)—The government opposes this amendment. It considers that its current list of exempt material is sufficient and there is no need for this.

Amendment agreed to.

Question put:

That the bill, as amended, be agreed to.

The committee divided. [6.08 p.m.]

(The Chairman—Senator S.M. West)

AYES

Bishop, T.M.  
Carr, K.J.  
Coonan, H.L.  
Crossin, P.M.  
Denman, K.J.  
Ferguson, A.B.  
Forshaw, M.G.  
Gibson, B.F.  
Hogg, J.J.  
Kemp, C.R.  
Ludwig, J.W. *  
Macdonald, P.M.  
McKiernan, I.P.  
O’Brien, K.W.K.  
Payne, M.A.  
Schacht, C.C.  
Tambling, G.E.  
Vanstone, A.E.  
West, S.M.

NOES

Allison, L.F.  
Bourne, V.W. *  
Lees, M.H.  
Ridgeway, A.D.  
Woodley, J.

* denotes teller

Question so resolved in the affirmative.
Bill reported with amendment; report adopted.

**Third Reading**

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

**THERAPEUTIC GOODS AMENDMENT BILL (NO. 4) 2000 [2001]**

**Second Reading**

Debate resumed from 7 December 2000, on motion by Senator Ian Campbell:

That this bill be now read a second time.

Senator FORSHA W (New South Wales) (6.12 p.m.)—The purpose of the Therapeutic Goods Amendment Bill (No. 4) 2000 is to amend the simplified listing process for low risk medicines to provide for complete self-assessment by the sponsoring company. This change is part of an ongoing move to introduce a system for electronically listing medicines on the Australian Register of Therapeutic Goods. I would like to indicate at the outset that the opposition will be opposing this bill for a number of important reasons. I will come to those shortly, but I also want to put on the record at the outset that we will not be supporting the amendments that have been introduced at the eleventh hour by the Democrats. The Democrats and the government are aware of the decision making processes that the Labor Party has, and we are certainly not in a position to have given any careful consideration to these amendments.

Returning to our reasons for opposing the bill, Labor does not have a problem with the move towards utilising new technology to streamline processes as a means of decreasing time and cost and improving outcomes. In fact, as our health policy platform clearly indicates, we have embraced the appropriate use of information technology to improve our health system and health outcomes. However, we are also committed to ensuring any potential efficiencies and cost savings gained through the use of such technology are balanced against the basic requirement of ensuring public safety and confidence. We do not believe that bills such as this one, which continue the Howard government’s wholesale deregulation of our medicines regulatory processes, either protect public safety or inspire public confidence.

There is growing consumer concern about the way in which the medicines Australians take and the foods we eat are regulated. The government need only re-read the recent Senate report of the Senate Community Affairs References Committee entitled *A cautionary tale: fish don’t lay tomatoes* to remind itself of the strong public feelings expressed about the need for proactive, tight and independent regulations in areas that affect the health of our nation. If this government is foolhardy enough to believe that these feelings are likely to abate, it should look closely at what is happening across Europe in response to the spread of BSE.

Public scepticism and anger about the government’s perceived inability to put the health of its constituents ahead of industry needs is already widespread and continues to grow. That is as true of Australia as it is of Europe and indeed worldwide. With its track record on issues such as labelling of genetically modified foods, the undermining of the independence of the Pharmaceutical Benefits Advisory Committee—and now the Australia New Zealand Food Authority—and the ongoing deregulation of TGA processes, the Australian public has every right to question the Howard government’s commitment to putting health and safety at the top of its priority list.

As I have already said, this bill is another step in the deregulation of processes for listing what are termed low risk medicines. One has to keep in mind here that ‘low risk’ is a relative term. While these products are widely available through pharmacies, supermarkets and health food shops without prescription, they are not sweets or lollies—rather they are products that still have a physiological effect on humans and, if used incorrectly, can have serious consequences. This deregulation commenced more than three years ago and, while this bill moves it forward, it also introduces some additional provisions aimed at tightening industry requirements and responsibilities. Is it possible that the addition of these provisions is a tacit admission that the Howard government has already gone too far in some areas?
Under the current system for the listing of low risk medicines, there is a degree of self-assessment required; however, the secretary of the TGA still has a role in determining whether to list a good based on whether it meets safety, manufacturing and quality control standards. This information—composition, quality, safety and manufacture of the product—is provided to the secretary of the Therapeutic Goods Administration prior to listing on the ARTG. Under the new system, this information is no longer required by the secretary prior to listing but may now be requested as part of the post-listing monitoring. All the pre-listing evaluation will be done by a computer program.

The overall result of the bill is that the emphasis on monitoring of the safety of these medicines has shifted from pre-listing to post-listing. This means that, if there is a problem with quality or safety, it may only be discovered once the product is on the shelf. This obviously increases the risk to the consumer. The Howard government claims that its proposed changes will allow for increased and improved monitoring by the TGA at the post-marketing stage. This claim, however, is not enshrined in legislation and is dependent on reallocated current resources. This government has what can only be described as an abysmal record in relation to monitoring generally. Let us remember: first we had the nursing homes debacle, which was followed by the Interim Office of Gene Technology Regulator’s poor record. Given just those two examples, why should Labor or the Australian public believe that the Howard government would or could deliver on that commitment, particularly as it relates to a public health safeguard?

The government also claims that this bill will have benefits for industry and the consumer. While the industry benefits are obvious, any consumer benefits are less tangible. Claims that consumers will benefit from having faster access to new products need to be seen in the context of priority. Given the choice between safety first or access, no-one in the current environment could deny that safety will always take first place. I do think it is important to point out that Labor believes that the vast majority of companies operating in this area do the right thing and will continue to do so. However, when it comes to products that affect public health, it takes only one disreputable company to put out one dangerous product and the ramifications can be disastrous. The opposition is not willing to take that risk for the sake of some savings in time and resources, and neither should the government.

In his second reading speech on this bill, Senator Ian Campbell stated that the ‘new listing system has been developed by the TGA in cooperation with industry and consumer representatives and is supported by the key stakeholder groups’. On closer investigation, it has been established that, while a number of industry groups were represented in these negotiations, there was but one voice for the consumer—the Consumer Health Forum. This hardly represents broad consultation with probably the most important stakeholders in this process—the Australian public. This is an important point and again underlines the fact that the major benefits of this proposed system will actually accrue to industry in terms of time and cost savings.

Purely by chance, this bill coincides with the very public exposure of the Howard government’s attempts to undermine the independence of the Pharmaceutical Benefits Advisory Committee and its processes in order to appease industry. The attempts of the Minister for Health and Aged Care to pander to the powerful pharmaceutical lobby have resulted in the decimation of an internationally renowned and respected committee that has responsibility for independently ensuring that Australians have continued equal access to subsidised medicines. His actions have also resulted in a PBS blow-out that will cost the Australian taxpayer hundreds of millions of dollars and put the viability of the PBS at risk.

This is a government that has failed, and continues to fail, to balance the objectives and the priorities of business against broader public health imperatives. That brings me back to the objective of this bill, which is to ‘facilitate the Introduction of a new, refined system for electronically listing medicines’. Labor strongly believes that this objective
cannot be justified when balanced against the potential risk to public health and the loss of public confidence in Australia’s drug regulatory system. Given the issues that I have raised, particularly the lack of trust in government commitments and its willingness to support industry agendas at the expense of public interest and safety, we will be opposing the Therapeutic Goods Amendment Bill (No. 4) 2000 [2001].

Senator LEES (South Australia—Leader of the Australian Democrats) (6.23 p.m.)—The Democrats support the main intention of the Therapeutic Goods Amendment Bill (No. 4) 2000 [2001], which is to amend the simplified listing process for low risk medicines. This is part of the introduction of a new streamlined system for the electronic listing of medicines on the Australian Register of Therapeutic Goods. The Democrats support the current framework of registering therapeutic goods in Australia and commend the role of the Therapeutic Goods Administration in ensuring that Australia has a safe supply of medicines.

Of course, in the case of high risk products, such as drugs which treat serious illness or which have well-known and serious side effects, a high degree of regulation is required. But, in regulating low risk products—and here we are really talking about vitamins and herbs, et cetera—a balance needs to be achieved between safety and accessibility for Australian consumers. The Democrats understand that for listed goods, which are by definition lower risk products, a simplified system of listing is appropriate. These products only contain well-known ingredients that have been used time and time again and that have a long history—as I said, such as vitamins and herbal and mineral products. They are over-the-counter medicines that can be safely left to consumers to select and use to treat themselves, without any necessary referrals.

The Democrats support the simplified listing process for these low risk products. This process ensures that products get onto the market quickly and, therefore, Australian consumers can have the maximum choice. It is important to maintain an appropriate level of scrutiny and, therefore, we support strongly the regular and comprehensive audits of listed products to ensure that they do comply with the regulations. In fact, Australian consumers expect the government to do this. They expect to have some confidence that the products they select are quality products, that they are safe and that the manufacturing standards are high. The Democrats support the changes in this bill that will assist the TGA in carrying out its monitoring role for therapeutic goods. In particular, we support the introduction of a new statutory condition requiring manufacturers to deliver samples of products to the TGA when requested. This will strengthen the post-market monitoring system for the listed medicines. The Democrats also support the introduction of new offences relating to the provision of false information. If people do that then, quite rightly, they should be prosecuted. The potential public health effects of providing misleading information are serious and these new penalties will have the appropriate effect—that is, they will be a real deterrent.

The Democrats support the introduction of a new electronic system of listing to be introduced and we urge the government to maintain a high level of scrutiny over all therapeutic goods, in line with its responsibilities in this area. We will also be introducing amendments to this bill, and I will speak at length on the particular issue when we get to the committee stage. The amendments affect the importation of RU486 into Australia. These amendments would remove the current restrictions on the importation of RU486. At the moment, the minister for health is required to approve every application to import RU486. No other drug—and I stress: no other drug—used in this country or available to be used or processed through other countries’ therapeutic processes is subject to this requirement. This restriction has made it much harder for Australian women to access RU486. It is a drug that is used worldwide as an alternative to surgical abortion; indeed, in some countries you do not even need a script for it. I will go further into the details of our amendments when we get to the committee stage. I hope that other senators will support these amendments in the interests of women’s health.
Senator GIBBS (Queensland) (6.27 p.m.)—I wish to oppose, along with my colleagues on this side of the chamber, the Therapeutic Goods Amendment Bill (No. 4) 2000 [2001]. This bill seeks to simplify the listing process for low risk medicines in the Therapeutic Goods Act 1989 and provides for complete self-assessment. According to the government, this is a necessary step towards facilitating the introduction of a refined system for the electronic listing of medicines on the Australian Register of Therapeutic Goods. On the face of it, it is fair to say that isolated sections included in this amendment bill do show some merit. Indeed, the bill incorporates a number of provisions to tighten the current system. This includes additional certification requirements, new statutory conditions pertaining to sample delivery, new grounds for the cancellation of medicines and, finally, the creation of new offences relating to the provision of false or misleading information. Despite this, however, it is unfortunate yet unsurprising that, overall, this bill embodies a great risk to consumer health and safety and could only be regarded as bad policy. Why should we be surprised that this government would bring such bad policy into this place yet again in attempting to pass this bill? It is hardly surprising, given the continuing actions taken by the Howard government to put public health and safety at risk in furthering its own agenda.

The government’s disastrous record in managing aged care and its ongoing efforts to undermine the Pharmaceutical Benefits Advisory Committee, or PBAC, are just two examples of the government’s record on this issue. The government’s record on aged care under Minister Bronwyn Bishop continues to be brought into disrepute in light of the shocking state of affairs in nursing homes across the country. Placing a loved family member into a nursing home is a very difficult and often distressing experience for many people, and it is incumbent upon the federal government to maintain the confidence of families in utilising aged care services through administrative and monitoring practices. As I mentioned, in more recent times, the government has also demonstrated that it is intent on risking consumer health and safety by way of undermining the PBAC—but I will come to that a little later.

As noted on the government’s own website, the Australian community expects that medicines and medical devices in the marketplace are safe and of high quality and to a standard at least equal to that of comparable countries. The Therapeutic Goods Act, which came into effect under Labor in 1991, provides a national framework for the regulation of therapeutic goods in Australia and ensures their quality, safety and efficacy. This framework is founded upon a risk management approach ensuring public health and safety while at the same time freeing industry from any unnecessary regulatory burden. Currently, products for which therapeutic claims are made must be listed on the Australian Register of Therapeutic Goods, or ARTG, before the product is made available in Australia.

The Therapeutic Goods Administration, or TGA, is responsible for administering the provisions of the act. This administration is charged with undertaking a range of monitoring and assessment activities to ensure therapeutic goods on offer in Australia are of an acceptable standard. Yet, in drawing attention to the key failure of this amendment bill, it is significant to note that at the core of the current regime is the importance of undertaking pre-market assessment. Under the current system for the listing of low risk medicines, a degree of self-assessment is certainly required. However, the TGA still has a role in determining whether to list a good based on its ability to meet safety, manufacturing and quality control standards. This information is provided to the secretary of the TGA prior to listing on the ARTG. Under the proposed regime, such information will no longer be required by the secretary prior to listing but may be requested as part of post-listing monitoring. In other words, by sponsoring this bill, the government intends to scrap such a vital check on quality control and is quite prepared to run the risk of placing consumer health in jeopardy with the unchecked release of widely available low risk medicines.

The government and indeed industry lobby groups may attempt to brush aside
such comments as being overly dire and alarmist predictions. At the end of the day, we are talking about products such as vitamin tablets, herbal medicines and even sunscreen. On the face of it one could certainly be forgiven for thinking that little harm, even if initially overlooked, could arise from the consumption of products such as vitamins and other complementary medicines. Yet nothing could be further from the truth. Certainly products listed on the ARTG are those assessed as being of low risk of causing harm to consumers; however, adverse reactions to listed products can and do occur. It may surprise the Senate, for example, to learn that the TGA’s Adverse Drug Reaction Advisory Committee, or ADRAC, lists adverse reactions to drugs and other medicinal substances in its quarterly *Australian Adverse Drug Reactions Bulletin*. Products such as these—which, based on this bill, the government would have us believe should be released en masse into the community at the click of a button—have been featured in ADRAC’s quarterly bulletin.

In volume 19 of the bulletin dated June 2000, possible adverse interactions with St John’s wort were highlighted. According to the bulletin, the possibility that the complementary medicine St John’s wort interacts with newer antidepressants has been known for some time. Early last year a series of articles indicated that the herb also interacts with various medicines, including HIV drugs, anticonvulsants and oral contraceptives. This prompted the TGA to issue an alert and an accompanying information sheet on this issue. In another case, allergic reactions with the readily available echinacea were reported in ADRAC’s February 1999 bulletin. The complementary medicine echinacea is derived from several species of this flowering plant and has become increasingly popular in recent years, particularly for the treatment of cold and flu symptoms.

Between July 1996 and November 1998, ADRAC received 37 reports of suspected adverse drug reactions in association with echinacea. Over half of those affected described allergic-like effects. Echinacea was the only suspected cause in 19 of the 21 cases. Onset ranged from within 10 minutes of the first dose to a few months, although all but two cases occurred within three days of starting treatment. At the time of reporting, 17 of the patients had recovered, two had not yet recovered and the outcome was unknown in the other two cases. ADRAC was concerned that these reports suggest that individuals with asthma and hay fever may be predisposed to developing allergic reactions to echinacea. It urged that patients presenting with the allergic symptoms should be questioned about ingestion of herbal and other complementary products as part of the usual drug history.

Of course such risks do not stop at allergic reactions, as demonstrated by a tragic case reported in February 1999 in the ADRAC bulletin. The alert notes that in recent years the use of oral sodium phosphate solution as a simple bowel preparation for colonoscopy has become more common. In the preceding 18 months ADRAC received three serious reports, two with fatal outcomes, highlighting severe electrolyte disturbances associated with this oral bowel cleansing solution. The product is available without prescription and can also be used as a laxative at a lower dose. In one report a 90-year-old man developed a severe illness and renal impairment after taking an oral sodium phosphate solution at the dose and in the manner recommended in preparation for a colonoscopy. He also developed gangrene of the toes and died some four days after the onset of the reaction. The other report describing a fatal outcome involved a 77-year-old woman who died after developing dehydration with electrolyte depletion following two doses of orally administered phosphate solution. And so it goes on with horrendous detail.

Such cases are clearly terrible outcomes for those directly affected and I certainly do not wish to create undue alarm in the community by bringing attention to this tragic set of circumstances. I simply seek to highlight that there is an inherent risk to the community in the consumption of any medicine regardless of whether it is deemed as being of low risk or not. That is why the government’s bill before us now is so untenable and clearly unsafe. In the face of growing consumer concern about the wholesale deregul-
lation of processes designed to protect the health and safety of individuals, it is unacceptable and inappropriate that the government should seek to remove what is effectively the last human safety check before public release of widely available low risk medicines. The overall result of this bill is that the emphasis on monitoring of the safety of these medicines has moved from pre- to post-listing. In other words, if the quality or safety of a good is brought into question this may only be discovered once the product is on the shelf, placing an increased risk on the consumer.

Moreover, a commitment by the government towards increased and improved monitoring by the TGA at the post-marketing stage is not enshrined in legislation and is contingent upon reallocating current resources. Given the government’s disastrous record on monitoring generally, particularly in nursing homes and the Interim Office of the Gene Technology Regulator, the government capacity in fulfilling this commitment is highly questionable. As I mentioned earlier, the government’s apparent willingness to place consumer health at risk, particularly in favour of commercial considerations, has become pertinently clear following its disgraceful handling—or perhaps that could be better referred to as an undermining—of the PBAC. Health Minister Wooldridge’s appointment of industry drug lobbyist Pat Clear to the PBAC has severely impacted upon public confidence in the committee and has subsequently seen the resignation of a number of committee members including Martyn Goddard, the consumer representative on the PBAC.

Certainly newspaper reports and editorials have been unanimous in their condemnation of the Howard government’s actions on this issue. The Age on Saturday, 3 February reported:

The federal government should reconsider its misguided attempt to change the way the pharmaceutical benefits scheme operates and reverse yesterday’s appointment of a former industry lobbyist to the scheme’s key decision-making body. No policy area is immutable, not even one of such long-standing and wide public acceptance as the pharmaceutical benefits scheme. But when significant change to such a central element of the national health care system is proposed, the Government should provide the clearest and most forthright explanation to justify it. It cannot do that in this case. The appointment of a former drug industry lobbyist to the Pharmaceutical Benefits Advisory Committee is simply wrong.

Indeed, the government’s poor judgment and irresponsible activities in undermining the PBAC have also attracted international attention and embarrassment. A key international organisation has expressed concern regarding the federal government shake-up of the committee. On Saturday, 3 February the Age reported:

Amid growing controversy over the changes, the International Union of Pharmacology—an advisory body to the United Nations and the World Health Organisation—reminded the head of the Department of Health and Aged Services that the Australian committee was internationally respected and served as an example to other nations.

Clearly, the government regards Australia’s reputation as a leader in this field as unimportant and worthy of compromise.

Indeed, as reported by the Age on 2 February, the government ignored advice from the PBAC over a new arthritic treatment, a move that has cost taxpayers $96.9 million in five months. The PBAC had recommended the drug Celebrex be listed but with strict price conditions to avoid a cost blow-out. In addition it should come as little surprise that, in developing the bill, little effort was taken to consult with consumer groups. Despite Senator Ian Campbell’s assertion, even the Australian Consumers Association, the nation’s peak consumer body, was not consulted in the development of this legislation. Yet industry representatives—surprise, surprise!—were given every opportunity to provide input.

The government’s objective of facilitating the introduction of a new, refined system for electronically listing medicines simply can-
not be justified when consideration is given to the potential risk to public health and the loss of public confidence in Australia’s drug regulatory system. This point becomes even more fundamental, considering that the major benefits of this proposed system will largely have been accrued by industry in terms of time and cost savings. The government maintains that consumers will benefit through fast access to new medicines. However, consumer groups such as the Australian Consumers Association, which the government did not see fit to consult, believe that safety is the primary consumer concern. While the government consulted with a variety of industry organisations in the drafting of this inadequate legislation, the Consumer Health Forum was the only consumer representative group involved. As I have already stated, this bill reinforces current moves by the government which undermine the independence of the Pharmaceutical Benefits Advisory Committee and threaten the viability of the PBS.

In conclusion, the government should be condemned for throwing into crisis what was otherwise an important process through which Australian consumers could gain access to safe, effective and cost-effective medicines; and we should not forget its shameful and irresponsible undermining of the Pharmaceutical Benefits Advisory Committee, which has also been left in disarray at the hands of this government. That is why I, along with my colleagues, am opposing this bill. The government must act in the interests of ensuring the quality and safety of medicines—something which it is clearly not focusing on at present—and should re-evaluate its position as a matter of urgency.

**Senator BUCKLAND (South Australia)**
(6.47 p.m.)—The lack of public safety and the maintenance of quality are sufficient grounds in themselves to oppose the Therapeutic Goods Amendment Bill (No. 4) 2000 [2001]. The argument that the bill will provide for the utilisation of new technology to streamline processes as a means of decreasing time and cost has a degree of merit. But this has to be balanced against the most basic of requirements, that of public safety. We are talking about low risk medicines, the ones that you buy over the counter or from the supermarket shelves, and often the ones you are told are good for you by familiar faces on television—but faces that are not necessarily qualified to make judgments on the effectiveness or quality of those products.

The fact that we are talking about low risk products here does not mean that they have no risk or no side effects which could, in fact, have reasonably poor results on those taking these substances. The current system for listing these low risk medicines provides for some degree of self-assessment but, more importantly, the secretary of the Therapeutic Goods Authority has an important role in determining whether to list a good or not. This determination takes into account the particular good or medicine meeting safety, manufacturing and quality control standards. But under the new system this requirement is no longer required prior to the listing of the good. Rather, the currently required information may be—and that ‘may’ needs to be stressed—but not necessarily will be requested as a part of the post-monitoring by the TGA; that is, after the product has been on the market for some undefined period of time. Self-regulation is okay, but not when there is a chance of exposing the public to goods such as medicines, therapeutic or otherwise, before a thorough assessment by the regulatory body.

There is no justification for removing what is effectively the last safety check before public release of widely available low risk medicines. There are two cogent reasons for my saying this. Firstly, although the secretary will have the power to cancel the listing of any medicines or therapeutic devices for a number of reasons—such as the avoidance of imminent risk of death, serious illness or injury; quality deficiencies; the safety or efficacy of the goods being unacceptable; the advertising of goods failing to comply with the Therapeutic Goods Advertising Code; or the sponsor failing to comply with the applicable conditions of the listing, pursuant to the TGA—how would the secretary be aware of the problems if an analysis has not already been done by the TGA and the therapeutic goods are already on the shelves.
and the public is at risk? The bill provides that the TGA will only test samples if the secretary requests the product to undergo assessment—only ‘if’ the secretary requests that to occur. It appears that, under this bill, customer complaints would in many ways be the main cause for attention being drawn to the problems with these products.

Secondly, the infrastructure required to deal with post-listed medication complaints and problems may be more intense and complex than the initial objective of this bill considers, thereby defeating the purpose of a streamlined system. There could possibly be the potential for a long-drawn-out legal case against the manufacturers of post-listed therapeutic goods and perhaps also legal action taken out against the TGA for not properly assessing the product prior to its listing and thereby not safeguarding the health of the Australian public. When weighing up the output required for such action, it seems obvious that pre-listing and testing of products would definitely prevent much of this kind of action and, most importantly, protect people’s health.

The bill provides powers to cancel a listing. But it is too late to cancel a listing after the damage has been done. How can you legislate to avoid imminent risk of death, serious illness or injury without having rigorous pre-listing assessment procedures? The objective of the TGA is to operate a more streamlined system. This bill was formulated by the TGA with the cooperation of the industry and consumer representatives, along with the support of the key stakeholder groups. Obviously, the industry supports complete self-assessment; it is in its interest to do so. But the industry’s interests are not always akin to the interests of the consumer and the public.

While the bill provides for penalties ranging up to $44,000, this is not enough to suggest that public safety is properly protected. Regulatory control must be maintained to ensure the safety and quality of all medicines—low risk, therapeutic or whatever. In this case, stringent penalties cannot replace proper assessment prior to listing. The intent of the bill cannot be justified when balanced against the potential risk to public health and the loss of confidence in Australia’s drug regulatory system.

Senator TAMBLING (Northern Territory—Parliamentary Secretary to the Minister for Health and Aged Care) (6.55 p.m.)—The provisions in the Therapeutic Goods Amendment Bill (No. 4) 2000 [2001] are necessary to allow for the introduction of a redeveloped and refined system for electronically listing medicines on the Australian Register of Therapeutic Goods. This new, refined listing system promotes consumer confidence in the safety and quality of listable medicines whilst facilitating quicker market access by industry. Under the changes introduced by the bill, providers of listable medicines will have greater responsibilities and accountability in relation to the certification of the medicines they wish to list on the register, and the Therapeutic Goods Administration will significantly enhance post-market monitoring in relation to those products.

It should be noted that listable or listed medicines are considered to be of low risk based on their ingredients and therapeutic indications and claims. Most complementary medicines—such as herbal, vitamin and mineral products—fall into this category. Some over-the-counter medicines and sunscreens also fall into this category. These low risk products will be entered on the electronic lodgment facility which, based on programming relating to the regulations and legislation, will assess the applications. Any data entered that does not fall in the parameters required will result in the rejection of an application. Penalty provisions for providing false information or data on a product have been significantly enhanced.

I refer also to the fact that the Australian Democrats and Senator Lees have flagged amendments to this bill; the government will not be supporting these amendments. This issue was debated thoroughly in May 1996. The government indicated its position then, and that has not changed. The amendments that were made then made two basic changes relating to applications to import, evaluate or register products intended for use as abortifacients. The first resulted in any decision being made on the basis of departmental...
evaluation being signed off by the minister. Secondly, an approval involving a restricted good must be tabled in both houses of the parliament within five sitting days of being given. These particular products are obviously a contentious issue, and the government has no problem with there being a little extra scrutiny in relation to them. It does not ban these sorts of drugs, whatever people might feel about the worth of such a ban. Rather, the provisions which would be deleted by the Democrats’ amendment increase public scrutiny and accountability on such an important issue.

If I can turn to the issues that were raised by various Labor speakers, it is important to note that this measure is not deregulation but appropriate use of technology. The Labor Party should get out of the Dark Ages. The Consumers Health Forum is the most appropriate consumer body to consult with on this sort of legislation. The Australian Consumers Association was consulted and was happy for the legislation to also go to the Consumers Health Forum. The bill relates to complementary health care products. The bill does not diminish the existing certification processes, there are severe penalties for non-compliance and there is increased post-marketing monitoring. These drugs are over-the-counter drugs and complementary medicines, so they have nothing to do with the PBS.

There were a number of comments made in this regard by Senator Forshaw and also Senator Gibbs. More interesting, probably, were the comments made in the House of Representatives by the ALP spokesman Ms Macklin. What is coming out of those various comments is a somewhat hypocritical approach. Ms Macklin was caught out today in the House of Representatives as a person who had in fact advocated various actions about which she was pointing the bone at the minister for health, Dr Wooldridge. I would refer people to the exchange in question time today when Dr Wooldridge put on the record the hypocritical and crass manner in which Ms Macklin had dealt with the particular issues and the debates under consideration. I am also concerned at the comments today here by Senator Forshaw and Senator Gibbs which are not really related to the particular issues. I would take Senator Forshaw back to similar legislation and debate in this chamber nearly three years ago, on 31 March 1998, when Senator Forshaw said, with regard to a similar amendment to the therapeutic goods regulations:

Firstly, let me say in regard to the comments from Senator Lees: we note the position they have put and actually see some merit in the comments that you made about the need for a more wide-ranging look at some of the issues here. Indeed, that was implicit in the remarks that I made that this was taking an overly bureaucratic approach by way of regulation to prevent what is clearly understood as an advertising or marketing issue.

In the same debate Senator Forshaw said:

It seems that this situation has arisen because of a view adopted by the TGA that the bureaucracy should be able to impose its heavy hand right down to the situation where products that are widely used in the community, that are safe and that may or may not work for people seeking relief from particular problems or illnesses and say, ‘You cannot label these products “drug free”;’ even though the community clearly understands the distinction between what is a drug and what is not a drug in the health industry.

Both of those were with regard to the Therapeutic Goods Regulations (Amendment) at that particular time.

Senator Gibbs today spoke about the self-assessment process for low risk, which is relating to well-known substances with a long history of safe use and is entirely appropriate. It does not guarantee that there will not be any problems with the use of a therapeutic product. Senator Gibbs raised the example of St John’s wort and the potential that may arise for interaction with other medicines. This in fact provides the perfect example of post-market vigilance in action. The TGA and the expert committee on complementary medicines, the CMEC, and the Adverse Drug Reactions Advisory Committee reviewed this situation and made recommendations regarding warnings. These warnings are in fact conditions of listing for all products containing St John’s wort. I am a person who is very familiar with drug interaction because of a medical condition: it is a requirement that I take the drug warfarin. St John’s wort is a perfect example of a reaction
that has certainly been brought to my attention with regard to my own particular situation. There is an incumbency and a requirement on any person, whether they are taking therapeutic prescriptive drugs or, alternatively, complementary medicines, to always check the issue with regard to possible adverse reactions.

The new system will bring benefits to consumers. It will provide quicker access to the latest advances in complementary medicines. I am very pleased that as we talk today there is a very important conference going on at the National Gallery, at which Ms Macklin, Senator Lees and I formed a panel this morning. The Complementary Health Care Council is hosting a very special conference looking at the future involvement of complementary medicines in the health care spectrum. It is an important issue, and I think that this debate would be complementary to the discussions that are taking place there. The benefits of this bill are that it will give a higher degree of consumer confidence in complementary medicines because of strengthened sanctions, strengthened post-market vigilance, and the ability of the TGA to move quickly in identifying problems and taking action as required. It will also enable significantly more resources within the TGA to be applied to the post-market vigilance of these products.

One of the senators referred to penalties under this scheme. I should point out that perhaps the most significant deterrent to suppliers and manufacturers of medicines is the ability to cancel the listing of the medicine, thereby making it illegal to continue to market the product. The new system will provide the TGA with the power to cancel the listing immediately where a medicine that is not eligible for listing is listed by a sponsor; or where there is a significant breach of any advertising requirement as a result of which the presentation of the medicine is misleading to a significant extent; or where a sponsor fails to respond within 20 working days after notice requesting information or documents about the eligibility of the sponsor’s medicine to be listed in the register. Other penalties have also been significantly strengthened under the scheme. Current penalties are low and provide insufficient regulatory force to adequately reflect the importance of correct information regarding listable medicines. Because reliance upon correct certifications by sponsors is critical, sanctions for incorrectly certifying matters relating to medicines that enable such goods to be listed in the register have been significantly strengthened. Penalties have been raised from $6,600 for an individual to $44,000, and in the case of corporations penalties have been raised from $33,000 to $220,000.

The Labor Party seems to be in conflict on the bill. On one hand we have Senator Forshaw arguing the bill is going too far in deregulation and on the other hand Senator Gibbs arguing that it is too harsh. I wonder what, in this age of new and proper technology, Senator Lundy would be saying to Senator Forshaw in the privacy of their rooms, when he seems to be implying that anything that has a new or innovative system that is electronic would certainly be one where there would be a conflict of policy within the Labor Party.

The new system will apply the same rules that are currently being applied through the desk based assessment. Perhaps we should call that the Forshaw type assessment, where we want to move to something bigger, better and certainly more appropriate. Quality control is still underpinned by good manufacturing practice and a number of other requirements in this area. This bill does not change these regulations or requirements. It is an important advance in this important area of medicine.

Question resolved in the affirmative.

Bill read a second time.

In Committee

The bill.

Senator LEES (South Australia—Leader of the Australian Democrats) (7.08 p.m.)—by leave—I move Democrats amendments Nos 1 and 2:

(1) Clause 2, page 1 (lines 7 to 13), omit the clause, substitute:
2 Commencement

(1) Subject to this section, this Act commences on the day on which it receives the Royal Assent.
(2) Schedule 1 commences on a day to be fixed by Proclamation.
(3) If Schedule 1 does not commence under subsection (2) within the period of 6 months beginning on the day on which this Act receives the Royal Assent, it commences on the first day after the end of that period.

(2) Page 9 (after line 18), at the end of the Bill, add:

Schedule 2—Restricted goods

Therapeutic Goods Act 1989

1 Subsection 3(1) (definition of restricted goods)
Repeal the definition.

2 Section 6AA
Repeal the section.

3 Section 6AB
Repeal the section.

4 Section 23AA
Repeal the section.

5 Subsection 57(9)
Repeal the subsection.

These amendments are ones that I am sure quite a number of senators are familiar with because we went through this debate previously when the restrictions were put in place. The minister’s argument that it is reasonable that this one drug has to get approval by a process that involves both houses of parliament within five days is quite extraordinary, unprecedented and unnecessary. As we know, this is a drug that is used to induce abortion and provides women with real choice. It has been used by millions of women worldwide and has recently been approved by the Federal Drug Administration for use in the USA.

It has many advantages over surgical termination. It is less invasive and does not carry some of the risks of infection and adverse reaction to anaesthetic. Delays in obtaining surgical abortion can cause enormous stress. For women who know that they will not be able to continue with a termination, this is an alternative that for them is medically far better. RU486 can also be used to treat non-viable ectopic pregnancies, which can be life threatening. For example, an average of three women die every year just in Victoria from complications relating to and arising from ectopic pregnancies. Where surgery cannot be performed, again, this is a viable option.

In 1996 the Senate passed amendments to the Therapeutic Goods Amendment Act which defined RU486 as a 'restricted good’. As Senator Tambling has already said to us, the government is comfortable with a system whereby the minister for health has to approve every importation into Australia. Since these amendments were passed, the desired effect has been achieved and there have been no applications for importation. We only have to look at this to know that that is a restriction on Australian women that is absolutely unacceptable. I want to make it clear here that RU486 has been fully evaluated and medically accepted around the world; indeed, the records show that at least three million women have used this option.

Basically, if these amendments are successful, they would remove the current requirement for political approval for the importation of this drug and the details being provided each time before parliament. I believe it is completely inappropriate that each individual woman basically has to go to their doctor and the doctor has to seek approval from the minister for health each time to access what is a proven medical treatment. Given that abortion is allowable in all states—it is possible for a woman to terminate a pregnancy—I hope you all support these amendments.

Senator HARRADINE (Tasmania) (7.11 p.m.)—Senator Lees is ignoring the considerable history that attaches to RU486 and the dangers associated with RU486 and associated prostaglandins. These matters were the subject of consideration five years ago and, even before then, there was consideration about the matter. We have got to understand, first of all, that this is a public health issue and that people on both sides of the abortion debate agree that the importation, trials, registration and marketing of abortifacients raise major public health and public policy issues
and should not be left in the hands of bureaucrats or science technologists. The Senate agreed in 1996 that there should be ministerial responsibility, subject to effective parliamentary scrutiny. That is what occurred on that occasion, and one must understand the background of the situation which occurred at that time.

We should know what we are talking about. RU486, also known as Mifepristone, is a progesterone antagonist. It is a synthetic steroid which blocks the positive effects of the hormone progesterone which is necessary to sustain the rich nutrient lining of the womb during pregnancy. When the function of progesterone is inhibited by RU486, the womb’s lining is broken down and the foetus is destroyed in the process. This is RU486’s most common function. If administered after fertilisation but prior to implantation, RU486 is intended to make the womb unreceptive to the embryo because the lining is inadequate for the embryo to attach.

It is recognised that RU486 has a very significant failure rate when used alone. To make it more effective, three RU486 tablets taken by the pregnant women are followed several days later by a prostaglandin injection or suppository. This causes powerful uterine contractions to expel the foetus. Despite the combination of both drugs, overseas experience is that in an estimated five per cent of cases a surgical abortion has to be done. Later I will be showing that, far from de-medicalising abortion, the use of the drug requires attention, some three or four visits to the doctor and access to emergency services. The material that I have is from women—radical feminists, I suppose—who are very concerned about the health effects of this drug. I will quote from a letter that all honourable senators received about this on the last occasion. It is from Professor Renate Klein. It states:

RU486 has been falsely promoted as quick, easy and hassle free. I have vigorously refuted this. RU486 requires three to five visits to a licensed abortion clinic, a number of invasive examinations and the taking of up to five drug combinations. It has a 20 to 40 per cent failure rate that necessitates use of a second drug, prostaglandin, which still results in a five per cent abortion failure rate, requiring one woman in 20 to undergo a second abortion procedure.

The letter goes on:

One woman has died following an RU486 abortion and near deaths have since been reported. The many short-term effects include bleeding—often requiring blood transfusions—cardiovascular problems, fatigue, abdominal pain, nausea, dizzy spells and fainting. There are unknown long-term effects due to the drug’s action in the womb and ovary. No mature egg within the ovary escapes exposure to RU486. There is action on adrenal glands, the brain and the developing embryo. The teratogenic effects of prostaglandins used with RU486 are recognised.

Honourable senators will recall that there was really deceit on the part of the multinational drug company when it sought to have trials in Australia. That matter should not escape our understanding at the present moment, and I will elaborate on that later. It ought to be recognised that that multinational drug company has passed over the use of that to the Population Council. If this matter is not subject to ministerial oversight, we will be playing into the hands of the population control groups. I will be elaborating on that tomorrow.

Progress reported.

ADJOURNMENT

The ACTING DEPUTY PRESIDENT (Senator Murphy)—Order! It being 7.20 p.m., I propose the question:

That the Senate do now adjourn.

Northern Territory: Development

Senator TAMBLING (Northern Territory—Parliamentary Secretary to the Minister for Health and Aged Care) (7.20 p.m.)—I am pleased to speak in the chamber tonight about new industrial and mining developments in the Northern Territory. Much has already been said about the progress of the Alice Springs to Darwin railway, which I note is well and truly back on track. While the construction of the railway will have a huge positive effect on the Northern Territory community by providing welcome transport infrastructure and a psychological boost to Territorians by improving accessibility to Australia’s other population centres, let me reiterate that the railway, while significant, will be driven by much bigger proj-
ects now coming together on oil and gas that will have even more far-reaching effects on the economic fortune of the Northern Territory. As important as the railway is, I am talking in the order of 10 times as much capital investment.

New industry and infrastructure development is vital to the realisation of a vibrant future for the Northern Territory. We want to encourage local industry and commercial and retail development in a wide range of areas that will flow on from the huge investment, adding some $760 million a year to Australia’s export revenue and creating around 3,400 permanent jobs Australia wide for Territorians from oil and gas projects. Darwin and the Northern Territory are ideally placed to capitalise on all this as the new northern hub for Australia. I see exciting times ahead.

Exciting times are ahead for the Northern Territory in other areas too. A strong, world-class Internet gaming industry is emerging and is on the verge of major expansion, but much depends on the inquiries under way with regard to an Internet moratorium. But, on the subject of resources, I am heartened that the oil and gas developments are getting people talking about the untapped resource potential of the Northern Territory. Now that the NT is back on the national agenda, I would like to update the chamber on the latest developments. At the same time, I would like to take the opportunity to congratulate the efforts of the Northern Territory Minister for Resource Development, the Hon. Daryl Manzie, who, by all accounts, is doing a great job in stimulating national and international business investment in the Northern Territory. Firstly, I seek leave to table a speech by Minister Manzie which he made this evening in Darwin.

The ACTING DEPUTY PRESIDENT (Senator Murphy)—Is leave granted?

Senator Hutchins—Can I just have a look at it?

Senator TAMBLING—It has been checked by your whips previously.

Senator Hutchins—Well, they have told me to check it again. That is all.

Senator TAMBLING—I am sorry, but I did have an arrangement with the previous whip and I understood that there was a note on your desk. In summary, the new developments include: the Northern Territory government is aiming to develop the oil and gas resources of the Timor Sea, develop a gas based industry in Darwin, develop Darwin’s potential as a regional logistics hub and promote Darwin’s development as a major service and supply centre. There are of course provisions for future deepwater ports, which will cut transport times and involve local companies in this important aspect of development. The capital investment in these projects and associated developments could be in the order of $13.5 billion in the next five to 10 years.

Let me also bring to the Senate’s attention some of the other industrial projects being considered by various private sector interests in the production of ammonia based fertilisers, caustic soda, aluminium and magnesium. Liquefied natural gas may also be an option. Other exciting new mining developments near the town of Batchelor, south of Darwin—namely, Compass Resources’ polymetallic prospect and the Mount Grace magnesium refining project—could be assisted by the availability of natural gas for power generation. Mining and resources are the Northern Territory’s traditional industries, but let me now turn to a much newer industry.

Internet gambling has thus far presented a double-edged sword for the Northern Territory. On the one hand, the establishment of two main Internet gambling businesses in Darwin and Alice Springs and the development of a Territory based online casino has spawned millions of dollars in revenue and increased employment for Territorians. However, it must be acknowledged that there is community concern about the long-term negative effects of gambling. This area needs to be looked at very carefully, as do any further restrictions. The Northern Territory government has opposed the Commonwealth moratorium, intended to provide time for consideration of the social consequences of gambling. The Northern Territory Minister for Racing, Gaming and Licensing, the Hon. Tim Baldwin, now believes the new Australian uniform standards model, developed in response to the Commonwealth, strikes the
right balance between responsible gambling and the development of local interactive and Internet gambling and gaming industries. I now seek leave, which was done by prior arrangement, to table the ministerial statement by Minister Baldwin on this issue, made this week in the Legislative Assembly, which details the features of the new model.

The ACTING DEPUTY PRESIDENT—Leave is granted. Senator Tambling, I understand that leave is also granted for the tabling of the first document.

Senator TAMBLING—Thank you. Mr Baldwin states that the Northern Territory is committed to meeting the highest standards of interactive gambling. The Northern Territory is ready to work with other jurisdictions to develop the best possible scheme of regulation and Minister Baldwin is consulting with his interstate counterparts. Such controls are now proposed that the problem gamblers have an ‘out’ should they get into trouble, including the capacity for other individuals affected by the problem gambler’s actions to restrict access. Revenue raised by Internet gambling—a much different concept to the public and club environment and their pokie machines—assists the Northern Territory and Commonwealth governments in providing necessary services.

However, I should come to my third point: development in the Northern Territory is not always smooth sailing. Currently there is a different constraint that is providing a challenge for the Northern Territory in its future development of Darwin. The Kenbi land claim, arising from the Aboriginal Land Rights (Northern Territory) Act of 1976, threatens to frustrate the future expansion of the Darwin urban centre. It encompasses some 600 square kilometres on the Cox Peninsula, less than six kilometres from the business centre of Darwin. Since the early 1960s, the Kenbi area has been earmarked as an appropriate location for future expansion of the city. As such, it is the most important land claim in the history of the Northern Territory. The Aboriginal Land Commissioner has ruled in favour of local indigenous groups, even though at the same time he found that only six people out of the claimants satisfied the definition of Aboriginal traditional owners.

The Northern Territory is concerned that the Aboriginal Land Commissioner has misconceived his role and his statutory duties, and that therefore his recommendations to the federal Minister for Reconciliation and Aboriginal and Torres Strait Islander Affairs will reflect only the indigenous claimants and not the future needs of the Northern Territory people, outlined in the planning objectives of the Northern Territory government.

While the Northern Territory government has never sought to restrict the implementation of native title or the Aboriginal land rights act, this case, if resolved as it is currently determined in favour of the claimants, is bound to have far-reaching detrimental effects on the entire population of the Northern Territory. In this case, the needs of the majority have been overridden by the needs of a few. It is important that I note that the Chief Minister of the Northern Territory has made a ministerial statement in the Northern Territory Legislative Assembly this week on the issue of the Kenbi-Cox Peninsula land claim, and I seek leave to table that document.

Leave granted.

Senator TAMBLING—I certainly detect a mood of hopeful conciliation between the various parties on this issue, and I have noted, both in the media and in other discussions in the Northern Territory, that there are consultations between the Northern Territory government, the Larrakeyah people and the Northern Land Council and they are all approaching this matter constructively. It is important for the future of all parties that their issues be brought together in a positive manner that seeks resolution and that will be of assistance to the Minister for Reconciliation and Aboriginal and Torres Strait Islander Affairs. There is much to look forward to in the Northern Territory and much potential on which to capitalise. We are right on the verge of big developments that will underpin its social, economic and population growth for decades to come. The railway, the oil and gas projects, and even the development of Internet businesses, are all exciting prospects. We must therefore ensure that land issues, which
always underpin any growth on any issue in a particular community, are also determined to achieve the brightest hopes of as many Territorians and Aboriginal Territorians as is possible.

**Lyne Electorate: Health Care**

**Senator HUTCHINS (New South Wales)** (7.30 p.m.)—Tonight I wish to again take the opportunity to highlight an area of concern to residents of the electorate of Lyne. It concerns the medical and health services provided by the federal government as they are becoming increasingly inadequate and unaffordable. This is an example of where another coalition MP has failed his electorate and let them down. He is a National Party member, Mr Mark Vaile. The issue is of particular concern to elderly people who are especially prone to illness and injury and are often dependent upon a minimal pension to support themselves. With their meagre incomes they cannot afford to pay for private health care insurance or for consultations with doctors who charge above the Medicare consultation allowance. Instead they are dependent on the public system and doctors who provide services on bulk billing arrangements.

Tonight I want to touch on two areas where the government is failing in the provision of health care to elderly and low income people: the gap between the cost of prescriptions and the pharmaceutical allowance, and the scarcity of medical specialists in regional areas that is leading to the charging of exorbitant rates. In January this year the federal government increased the pharmaceutical allowance to pensioners to $2.90 per fortnight. However, the cost of prescriptions for pensioners has now risen to $3.50 each. The gap between the allowance provided by the federal government and the actual cost of prescriptions is increasing. This has come on top of an across-the-board rise in the cost of living for all residents as a result of the introduction of the GST.

The consequence is that the burden is falling on the most vulnerable in our community: the elderly, poor and frail. And it will fall on Mark Vaile at the next election as well. The degree of financial difficulty this is imposing on age pensioners is being exacerbated by the imposition of the GST on the elderly who live in mobile homes and caravan parks. The vast majority of these people are proud to reside in a caravan park or a mobile home. They find such living arrangements comfortable and enjoyable. There is a number of these residents, however, who choose to live in caravan parks because of financial necessity. They simply cannot afford to live in other forms of accommodation. In the case of age pensioner residents, the Howard government is stinging them at two ends. They are watching their prescriptions and rents go up and their income and their ability to afford health care and their standard of living go down.

The problems faced by elderly pensioners in the Port Macquarie area are being particularly exacerbated by the huge costs being demanded by specialist doctors in up-front consultation fees. Many pensioners are now being asked to pay up-front fees of up to $250 for what are essential consultation services with specialists. Several cases that I am aware of include: for a knee specialist, $80 up front; stomach specialist, $109; hormone therapy specialist, $250; and ear, nose and throat specialist, $70. The Medicare rebate for these services only constitutes part of the fees charged by the doctors. The patient still has to come up with the total cost of the consultation before they are allowed in the door. It is no exaggeration to explain that these people’s health is being placed in serious jeopardy by their inability to pay for these essential medical services and remedies.

The residents of Port Macquarie, which is in the seat of Lyne, have been calling on the federal government to explain how this situation has arisen and what the government plans to do about it. So far their questions have remained unanswered. They have not been told why the federal government has allowed the number of specialists in regional areas to erode to minimum levels. They have not been told why the federal government has not raised the pharmaceutical allowance to a level that is consistent with the rising costs of prescriptions. They have not been told if the member for Lyne, Mr Mark Vaile, will go and tell the Prime Minister about the
inordinate difficulties being faced by the elderly, the poor and the sick in his electorate and what he is going to do about it.

The prevailing view among the elderly who reside in the Port Macquarie area—and, in fact, in the Lyne electorate—is that at the forthcoming federal election, Mark Vaile, the local coalition candidate, should run with the slogan ‘If you are not wealthy, stay healthy’. I have been up there and seen and spoken to people, particularly the elderly and the infirm. I have been shocked at how they have to put up what little disposable income they have to make sure that they can receive these specialist medical services.

I have here a letter from a lady who has to go and see a number of these specialists. She has a particular difficulty where she has to see a gynaecologist and pay $250 up front and she has to see an ear, nose and throat specialist and pay $70. She has to see another doctor, whose name I have here, and pay $109 up front and then she has to go and see another doctor and pay $90 up front. I know this lady. I know she does not have the sort of money that Senator McGauran and Senator Ian Macdonald probably are used to living on. I know that this lady is struggling and is trying to make ends meet. It is very difficult for this lady and for men and women in that predicament to find that money, but it would not be a difficulty for the nabobs in the Liberal and National parties. I plead with the government to take into account the fact that these people are suffering. It is up to the government to see if it can alleviate the predicament these people find themselves in and to make sure that their difficulties are addressed.

Senate adjourned at 7.36 p.m.

DOCUMENTS

Tabling

The following documents were tabled by the Clerk:

Civil Aviation Act—Civil Aviation Regulations—Civil Aviation Orders—Directives—Part—


Parliamentary Service Act—Determinations Nos 6, 7 and 8 of 2000.
QUESTIONS ON NOTICE

The following answers to questions were circulated:

Department of Transport and Regional Services: Programs and Grants to the Gwydir Electorate

(Question No. 3213)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 18 December 2000:

(1) What programs and/or grants administered by the department provide assistance to people living in the electorate of Gwydir.

(2) What was the level of funding provided through these programs and/or grants for the 1996-97, 1997-98, 1998-99 and the 1999-2000 financial years.

(3) What level of funding was appropriated for the above programs and/or grants for the 2000-01 financial year.

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

(1) The following programmes and/or grants are administered by the Department

- Regional Adjustment
- Regional Solutions Programme/Rural Communities Programme/Rural Plan
- Local Government Incentive Programme
- Rural Transaction Centres Programme
- Local Government Development Programme
- Local Government Financial Assistance Grants
- The Federal Road Safety Black Spot Program
- National Highway Program
- Roads of National Importance
- Roads to Recovery Programme
- Federal Flood Recovery Fund; and
- Flood Relief Package - Grants to Small Business

(2) Funding 1996-2000

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The Northern Inland RDO includes Moree.

The Central West RDO covers 15 local government areas: Bathurst, Blayney, Cabonne, Cowra, Evans, Forbes, Lachlan, Lithgow, Mudgee, Oberon, Orange, Parkes, Ryldstone, Weddin and Wellington.


Regional Solutions Programme/ Rural Communities Programme/ Rural Plan
Regional Solutions Programme

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Local Government Incentive Programme

$626,000 was provided in 1999-2000 under the Local Government Incentive Programme to the Local Government and Shires Associations of NSW to assist councils, including those in the Gwydir electorate, to prepare for the Goods and Services Tax.

Rural Transaction Centres Programme

Projects funded under the Rural Transaction Centres Programme in the electorate of Gwydir in 1999-2000:

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Local Government Development Programme

In 1998-99 funding of $45,000 for a Tourism Market Research Project was provided to Cobar Shire Council (not in the electorate of Gwydir) which applied on behalf of five councils, including Bourke Shire and Brewarrina Shire (which are in the electorate of Gwydir).

Financial Assistance Grants


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<td>1,490,052</td>
<td>741,912</td>
<td>2,231,964</td>
</tr>
<tr>
<td>Yallaroi Shire</td>
<td>1996/1997</td>
<td>741,984</td>
<td>677,464</td>
<td>1,419,448</td>
</tr>
<tr>
<td></td>
<td>1997/1998</td>
<td>736,852</td>
<td>673,044</td>
<td>1,409,896</td>
</tr>
<tr>
<td></td>
<td>1998/1999</td>
<td>758,284</td>
<td>682,460</td>
<td>1,440,744</td>
</tr>
<tr>
<td></td>
<td>1999/2000</td>
<td>790,380</td>
<td>702,056</td>
<td>1,492,436</td>
</tr>
</tbody>
</table>

Note

'p' denotes Shire boundary falls in more than one electorate.

The Federal Road Safety Black Spot Program Nil

$523,000

$50,000

1999-0 $100,000
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Major Works</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Newell Highway – Moree Bypass</td>
<td>12,000</td>
<td>124,000</td>
<td>314,000</td>
<td>294,000</td>
</tr>
<tr>
<td>The Newell Highway – Coonabarabran Bypass</td>
<td>19,000</td>
<td>95,000</td>
<td>18,000</td>
<td>189,000</td>
</tr>
<tr>
<td>The Newell Highway – Coonabarabran Bridge</td>
<td>1,944,000</td>
<td>21,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1,975,000</td>
<td>240,000</td>
<td>332,000</td>
<td>483,000</td>
</tr>
<tr>
<td>Asset Preservation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Routine Maintenance – Gilgandra to QLD border</td>
<td>14,951,000</td>
<td>12,569,000</td>
<td>18,661,000</td>
<td>11,795,000</td>
</tr>
<tr>
<td>Safety and Urgent Minor Works (SUMW) – Gilgandra to QLD border</td>
<td>1,485,000</td>
<td>1,714,000</td>
<td>1,249,000</td>
<td>1,716,000</td>
</tr>
<tr>
<td>Asset Preservation sub-total</td>
<td>16,436,000</td>
<td>14,283,000</td>
<td>19,910,000</td>
<td>13,511,000</td>
</tr>
<tr>
<td>TOTAL</td>
<td>18,411,000</td>
<td>14,523,000</td>
<td>20,242,000</td>
<td>13,994,000</td>
</tr>
<tr>
<td>Roads of National Importance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Kidman Way</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bourke Shire – Sealing 98-112km north of Cobar</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Bourke Shire – Sealing 81-94km north of Cobar</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>3,448,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Federal Flood Recovery Fund; and Flood Relief Package - Grants to Small Business

Flood Recovery Fund - none (not initiated until 2000-01).

Flood Relief Package - Grants to Small Business – none (not initiated until 2000-01).

(3) Funding 2000-2001

Regional Adjustment
Nil

Regional Solutions Programme, Rural Plan and Rural Communities Programme

<table>
<thead>
<tr>
<th>2000-01</th>
<th>Regional Solutions Programme</th>
<th>Rural Communities Programme</th>
<th>Rural Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nil to date</td>
<td>$644,773</td>
<td>$72,610</td>
<td></td>
</tr>
</tbody>
</table>

Local Government Incentive Programme

In 2000-01 around $4 million will be provided under LGIP in addressing the Government’s priorities, particularly in regional Australia. Applications for funding closed on 27 October 2000 and councils in the electorate of Gwydir were eligible to apply. Applications for funding are currently being assessed and no applications have yet been approved.
Rural Transactions Centres Programme
Projects funded under the Rural Transaction Centres Programme in the electorate of Gwydir in 2000-01 (as at 22 January 2001):

<table>
<thead>
<tr>
<th>Town</th>
<th>Type of Project</th>
<th>Amount ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ashford</td>
<td>Project Assistance</td>
<td>140,000</td>
</tr>
<tr>
<td>Gulargambone</td>
<td>Project Assistance</td>
<td>48,086</td>
</tr>
<tr>
<td>Mendooran</td>
<td>Project Assistance</td>
<td>122,600</td>
</tr>
<tr>
<td>Mungindi</td>
<td>Business Planning</td>
<td>8,800</td>
</tr>
<tr>
<td>Werris Creek</td>
<td>Project Assistance</td>
<td>78,396</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>397,882</strong></td>
</tr>
</tbody>
</table>

Local Government Development Programme
Not applicable.

Financial Assistance Grants
Local Government Financial Assistance Grants to Councils in the Electorate of Gwydir for the period 2000/2001:

<table>
<thead>
<tr>
<th>Council Name</th>
<th>General Purpose Funding ($)</th>
<th>Roads Funding ($)</th>
<th>Total ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bourke Shire</td>
<td>1,603,364</td>
<td>1,051,136</td>
<td>2,654,500</td>
</tr>
<tr>
<td>Brewarrina Shire</td>
<td>1,054,156</td>
<td>712,944</td>
<td>1,767,100</td>
</tr>
<tr>
<td>Coolah Shire</td>
<td>949,196</td>
<td>577,488</td>
<td>1,526,684</td>
</tr>
<tr>
<td>Coonalapet Shire</td>
<td>1,390,736</td>
<td>758,944</td>
<td>2,149,680</td>
</tr>
<tr>
<td>Coonamble Shire</td>
<td>1,234,000</td>
<td>807,936</td>
<td>2,041,936</td>
</tr>
<tr>
<td>Gilgandra Shire</td>
<td>1,051,148</td>
<td>729,576</td>
<td>1,780,724</td>
</tr>
<tr>
<td>Gunnedah Shire p</td>
<td>1,476,872</td>
<td>875,784</td>
<td>2,352,656</td>
</tr>
<tr>
<td>Merriwa Shire</td>
<td>432,292</td>
<td>317,788</td>
<td>750,080</td>
</tr>
<tr>
<td>Moree Plains Shire</td>
<td>2,042,516</td>
<td>1,603,160</td>
<td>3,645,676</td>
</tr>
<tr>
<td>Mudgee Shire</td>
<td>1,571,316</td>
<td>956,368</td>
<td>2,527,684</td>
</tr>
<tr>
<td>Murrurundi Shire</td>
<td>344,548</td>
<td>315,076</td>
<td>659,624</td>
</tr>
<tr>
<td>Narrabri Shire p</td>
<td>2,156,240</td>
<td>1,283,236</td>
<td>3,439,476</td>
</tr>
<tr>
<td>Quirindi Shire</td>
<td>796,900</td>
<td>486,580</td>
<td>1,283,480</td>
</tr>
<tr>
<td>Rylstone Shire</td>
<td>699,124</td>
<td>376,428</td>
<td>1,075,552</td>
</tr>
<tr>
<td>Scone Shire</td>
<td>992,032</td>
<td>599,028</td>
<td>1,591,060</td>
</tr>
<tr>
<td>Walgett Shire</td>
<td>1,804,512</td>
<td>1,166,008</td>
<td>2,970,520</td>
</tr>
<tr>
<td>Warren Shire p</td>
<td>828,528</td>
<td>569,800</td>
<td>1,398,328</td>
</tr>
<tr>
<td>Wellington</td>
<td>1,492,668</td>
<td>767,224</td>
<td>2,259,892</td>
</tr>
<tr>
<td>Yallaroi Shire</td>
<td>801,944</td>
<td>728,016</td>
<td>1,529,960</td>
</tr>
</tbody>
</table>

*p* - Shire boundary falls in more than one electorate.

Figures are estimated entitlements only. Final entitlements available in mid August 2001.

The Federal Road Safety Black Spot Program
$99,800.
National Highway Programme (based on expenditure updates provided by the RTA)

<table>
<thead>
<tr>
<th>National Highway Projects</th>
<th>2000-2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major Works</td>
<td>$</td>
</tr>
<tr>
<td>The Newell Highway – Moree Bypass</td>
<td>1,000,000</td>
</tr>
<tr>
<td>The Newell Highway – Coonabarabran Bypass</td>
<td>500,000</td>
</tr>
<tr>
<td>Higher Mass Limits Bridges, strengthening, monitoring and planning for replacement</td>
<td>1,100,000</td>
</tr>
<tr>
<td>Major Works sub-total</td>
<td>2,600,000</td>
</tr>
<tr>
<td>Asset Preservation</td>
<td></td>
</tr>
<tr>
<td>Routine Maintenance – Gilgandra to QLD border</td>
<td>9,485,000</td>
</tr>
<tr>
<td>Safety and Urgent Minor Works (SUMW) – Gilgandra to QLD border</td>
<td>390,000</td>
</tr>
<tr>
<td>Asset preservation sub-total</td>
<td>9,875,000</td>
</tr>
<tr>
<td>TOTAL</td>
<td>12,475,000</td>
</tr>
</tbody>
</table>

Roads of National Importance
Nil.

Roads to Recovery Programme
Contributions to local councils within the Gwydir Electorate

<table>
<thead>
<tr>
<th>Local council</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bourke Shire</td>
<td>379,310</td>
</tr>
<tr>
<td>Brewarrina Shire</td>
<td>257,271</td>
</tr>
<tr>
<td>Coolah Shire</td>
<td>208,391</td>
</tr>
<tr>
<td>Coonabarabran Shire</td>
<td>273,871</td>
</tr>
<tr>
<td>Coonamble Shire</td>
<td>291,549</td>
</tr>
<tr>
<td>Gilgandra Shire</td>
<td>263,273</td>
</tr>
<tr>
<td>Gunnedah Shire</td>
<td>316,033</td>
</tr>
<tr>
<td>Merriwa Shire</td>
<td>114,676</td>
</tr>
<tr>
<td>Moree Plains Shire</td>
<td>578,512</td>
</tr>
<tr>
<td>Mudgee Shire</td>
<td>345,112</td>
</tr>
<tr>
<td>Murrurundi Shire</td>
<td>113,697</td>
</tr>
<tr>
<td>Narrabri Shire</td>
<td>463,065</td>
</tr>
<tr>
<td>Quirindi Shire</td>
<td>175,586</td>
</tr>
<tr>
<td>Rylstone Shire</td>
<td>135,836</td>
</tr>
<tr>
<td>Scone Shire</td>
<td>216,163</td>
</tr>
<tr>
<td>Walgett Shire</td>
<td>420,763</td>
</tr>
<tr>
<td>Warren Shire</td>
<td>205,617</td>
</tr>
<tr>
<td>Wellington</td>
<td>276,859</td>
</tr>
<tr>
<td>Yallaroi</td>
<td>262,710</td>
</tr>
<tr>
<td>TOTAL</td>
<td>5,298,294</td>
</tr>
</tbody>
</table>

1 Anticipated expenditure based on assumption of payment of two quarterly instalments or the equivalent of half of the annual local authority allocation for the four year programme.
2 Warren Shire crosses the Gwydir and Parkes electorates. Above figure counts all of Warren Shire allocation in Gwydir electorate.

Federal Flood Recovery Fund
Flood Recovery Fund - $10 million
Flood Relief Package - Grants to Small Business
Flood Relief Package - Grants to Small Business - $5.5 million appropriated for grants. $0.5 million appropriated for service delivery costs by Centrelink.
This funding is available for a number of electorates effected by the November 2000 floods in Northern New South Wales and Southern Queensland, based on eligibility of applicants. There is no set amount for Gwydir.

Bankstown Airport: Aircraft Movements
(Question No. 3234)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 18 December 2000:

(1) Since 1 January 1998, what were the number of aircraft movements for regular passenger travel (RPT), charter and private operators, by month, at Bankstown Airport, Sydney.

(2) What is the forecast annual growth for RPT, charter and private aircraft movements at Bankstown Airport through until 2010.

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

(1) The available statistics on the number of aircraft movements at Bankstown Airport are shown at Attachment A. There were no Regular Public Transport (RPT) movements during the specified period.

(2) The future growth and mix of aircraft activity at Bankstown Airport will be determined by the nature of the development strategy adopted by the future airport operator and by the commercial response of the aviation industry to that strategy.

ATTACHMENT A

AIRCRAFT MOVEMENTS AT BANKSTOWN AIRPORT

<table>
<thead>
<tr>
<th>Year</th>
<th>Month</th>
<th>Over 7,000kg</th>
<th>Under 7,000kg</th>
<th>Military</th>
<th>Helicopter</th>
<th>Unknown</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998</td>
<td>Jan</td>
<td>30,855</td>
<td>na</td>
<td>2,353</td>
<td>na</td>
<td>33,412</td>
<td></td>
</tr>
<tr>
<td>1998</td>
<td>Feb</td>
<td>27,425</td>
<td>na</td>
<td>2,059</td>
<td>na</td>
<td>29,669</td>
<td></td>
</tr>
<tr>
<td>1998</td>
<td>Mar</td>
<td>32,124</td>
<td>na</td>
<td>1,972</td>
<td>na</td>
<td>34,200</td>
<td></td>
</tr>
<tr>
<td>1998</td>
<td>Apr</td>
<td>28,602</td>
<td>na</td>
<td>2,095</td>
<td>na</td>
<td>30,877</td>
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</tr>
<tr>
<td>1998</td>
<td>May</td>
<td>26,564</td>
<td>na</td>
<td>1,660</td>
<td>na</td>
<td>28,357</td>
<td></td>
</tr>
<tr>
<td>1998(a)</td>
<td>Jun</td>
<td>20,042</td>
<td>na</td>
<td>2,320</td>
<td>na</td>
<td>22,478</td>
<td></td>
</tr>
<tr>
<td>1998</td>
<td>Jul</td>
<td>18,424</td>
<td>22</td>
<td>2,058</td>
<td>48</td>
<td>20,596</td>
<td></td>
</tr>
<tr>
<td>1998</td>
<td>Aug</td>
<td>18,334</td>
<td>16</td>
<td>1,886</td>
<td>96</td>
<td>20,380</td>
<td></td>
</tr>
<tr>
<td>1998</td>
<td>Sep</td>
<td>20,070</td>
<td>4</td>
<td>2,216</td>
<td>130</td>
<td>22,484</td>
<td></td>
</tr>
<tr>
<td>1998</td>
<td>Oct</td>
<td>22,750</td>
<td>40</td>
<td>2,100</td>
<td>154</td>
<td>25,110</td>
<td></td>
</tr>
<tr>
<td>1998</td>
<td>Nov</td>
<td>18,608</td>
<td>22</td>
<td>2,360</td>
<td>238</td>
<td>21,348</td>
<td></td>
</tr>
<tr>
<td>1999</td>
<td>Jan</td>
<td>16,846</td>
<td>6</td>
<td>1,940</td>
<td>30</td>
<td>18,868</td>
<td></td>
</tr>
<tr>
<td>1999</td>
<td>Feb</td>
<td>16,606</td>
<td>54</td>
<td>2,094</td>
<td>66</td>
<td>18,874</td>
<td></td>
</tr>
<tr>
<td>1999</td>
<td>Mar</td>
<td>24,158</td>
<td>26</td>
<td>2,448</td>
<td>50</td>
<td>26,728</td>
<td></td>
</tr>
<tr>
<td>1999</td>
<td>Apr</td>
<td>23,948</td>
<td>26</td>
<td>1,774</td>
<td>12</td>
<td>25,814</td>
<td></td>
</tr>
<tr>
<td>1999</td>
<td>May</td>
<td>28,866</td>
<td>34</td>
<td>2,280</td>
<td>32</td>
<td>31,270</td>
<td></td>
</tr>
<tr>
<td>1999</td>
<td>Jun</td>
<td>21,198</td>
<td>34</td>
<td>2,374</td>
<td>30</td>
<td>23,664</td>
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<tr>
<td>1999</td>
<td>Jul</td>
<td>22,950</td>
<td>98</td>
<td>2,122</td>
<td>50</td>
<td>25,316</td>
<td></td>
</tr>
<tr>
<td>1999</td>
<td>Aug</td>
<td>25,206</td>
<td>34</td>
<td>2,216</td>
<td>44</td>
<td>27,558</td>
<td></td>
</tr>
<tr>
<td>1999</td>
<td>Sep</td>
<td>24,294</td>
<td>20</td>
<td>2,312</td>
<td>50</td>
<td>26,752</td>
<td></td>
</tr>
<tr>
<td>1999</td>
<td>Oct</td>
<td>24,280</td>
<td>58</td>
<td>2,384</td>
<td>58</td>
<td>26,884</td>
<td></td>
</tr>
<tr>
<td>1999</td>
<td>Nov</td>
<td>23,032</td>
<td>54</td>
<td>2,686</td>
<td>76</td>
<td>25,928</td>
<td></td>
</tr>
<tr>
<td>1999</td>
<td>Dec</td>
<td>17,844</td>
<td>14</td>
<td>2,270</td>
<td>60</td>
<td>20,296</td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td>Jan</td>
<td>12,346</td>
<td>78</td>
<td>2,158</td>
<td>16</td>
<td>14,716</td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td>Feb</td>
<td>20,342</td>
<td>18</td>
<td>2,562</td>
<td>34</td>
<td>23,072</td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td>Mar</td>
<td>20,182</td>
<td>16</td>
<td>2,034</td>
<td>18</td>
<td>22,384</td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td>Apr</td>
<td>24,634</td>
<td>70</td>
<td>2,566</td>
<td>68</td>
<td>27,450</td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td>May</td>
<td>25,210</td>
<td>88</td>
<td>2,482</td>
<td>54</td>
<td>28,006</td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td>Jun</td>
<td>24,504</td>
<td>20</td>
<td>2,850</td>
<td>14</td>
<td>27,564</td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td>Jul</td>
<td>25,650</td>
<td>28</td>
<td>1,798</td>
<td>68</td>
<td>27,662</td>
<td></td>
</tr>
</tbody>
</table>
Source: Airservices Australia

Notes:
(a) Change in reporting categories after June 1998.

Department of Foreign Affairs and Trade: Contracts to Deloitte Touche Tohmatsu
(Question No. 3259)

Senator Robert Ray asked the Minister representing the Minister for Foreign Affairs, upon notice, on 24 January 2001:

(1) What contracts has the department or any agency of the department provided to the firm Deloitte Touche Tohmatsu in the 1999-2000 financial year?
(2) In each instance what was the purpose of the work undertaken by Deloitte Touche Tohmatsu?
(3) In each instance what has been the cost to the department of the contract?
(4) In each instance what selection process was used to select Deloitte Touche Tohmatsu (open tender, short-list or some other process)?

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

<table>
<thead>
<tr>
<th>Agency</th>
<th>Purpose of Work Undertaken</th>
<th>Cost to the agency Aus$</th>
<th>Selection Process</th>
</tr>
</thead>
<tbody>
<tr>
<td>DFAT</td>
<td>Review Locally Engaged Staff (Nairobi)</td>
<td>10,500</td>
<td>Restricted Tender</td>
</tr>
<tr>
<td>AusAID</td>
<td>Nil</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EFIC</td>
<td>Nil</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Department of Immigration and Multicultural Affairs: Contracts to Deloitte Touche Tohmatsu
(Question No. 3266)

Senator Robert Ray asked the Minister representing the Minister for Immigration and Multicultural Affairs, upon notice, on 24 January 2001:

(1) What contracts has the Department, or any agency of the department, provided to the firm Deloitte Touche Tohmatsu in the 1999-2000 financial year.
(2) In each instance what was the purpose of the work undertaken by Deloitte Touche Tohmatsu?
(3) In each instance what has been the cost to the department of the contract.
(4) In each instance what selection process was used to select Deloitte Touche Tohmatsu (open tender, short-list, or some other process).

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

(1) The Department of Immigration and Multicultural Affairs and its agencies had no contractual arrangements with the firm Deloitte Touche Tohmatsu in the 1999-2000 financial year.
(2) Not applicable.
(3) Not applicable.
(4) Not applicable.

Department of Foreign Affairs and Trade: Contracts to KPMG
(Question No. 3276)

Senator Robert Ray asked the Minister representing the Minister for Foreign Affairs, upon notice, on 24 January 2001:
(1) What contracts has the department or any agency of the department provided to the firm KPMG in the 1999-2000 financial year?

(2) In each instance what was the purpose of the work undertaken by KPMG?

(3) In each instance what has been the cost to the department of the contract?

(4) In each instance what selection process was used to select KPMG (open tender, short-list or some other process)?

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

<table>
<thead>
<tr>
<th>Agency</th>
<th>Purpose of Work Undertaken</th>
<th>Cost to the Agency</th>
<th>Selection Process</th>
</tr>
</thead>
<tbody>
<tr>
<td>DFAT</td>
<td>Preparation of a Consultancy Report on Indonesia: Recovery Prospects and Opportunities (Stage 1)</td>
<td>12,000</td>
<td>Full Tender</td>
</tr>
<tr>
<td>DFAT</td>
<td>Preparation of a Consultancy Report on Indonesia: Recovery Prospects and Opportunities (Stage 2)</td>
<td>12,000</td>
<td>Full Tender</td>
</tr>
<tr>
<td>DFAT</td>
<td>Preparation of a Consultancy Report on Indonesia: Recovery Prospects and Opportunities (Stage 3)</td>
<td>12,000</td>
<td>Full Tender</td>
</tr>
<tr>
<td>DFAT</td>
<td>Provision of advice on administered items, accounting and framework for North American Pension Scheme for locally engaged staff</td>
<td>75,000</td>
<td>Extension of prior engagement</td>
</tr>
<tr>
<td>AusAID</td>
<td>Independent advice to the AusAID Information Technology Steering Committee</td>
<td>$30,000</td>
<td>Restricted Tender</td>
</tr>
<tr>
<td>EFIC</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
</tr>
</tbody>
</table>

Department of Immigration and Multicultural Affairs: Contracts to KPMG

(Question No. 3283)

Senator Robert Ray asked the Minister representing the Minister for Immigration and Multicultural Affairs, upon notice, on 24 January 2001:

(1) What contracts has the department or any agency of the department provided to the firm KPMG in the 1999-2000 financial year.

(2) In each instance what was the purpose of the work undertaken by KPMG.

(3) In each instance what has been the cost to the department of the contract.

(4) In each instance what selection process was used to select KPMG (open tender, short-list, or some other process).

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

(1)-(4) The Department of Immigration and Multicultural Affairs had the following contractual arrangements with the firm KPMG:

<table>
<thead>
<tr>
<th>PURPOSE OF WORK</th>
<th>PAYMENT 1999-2000</th>
<th>SELECTION PROCESS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training sessions pertaining to business migration - review of financial statements lodged from business clients</td>
<td>$3,600</td>
<td>Continuation of training. KPMG prepared the original manuals. Direct approach to KPMG</td>
</tr>
<tr>
<td>Undertake project work in relation to the development of &quot;Holistic Diversity Management&quot;</td>
<td>$27,500</td>
<td>Sole Tender - Professionalism and specific expertise in relation to project work</td>
</tr>
</tbody>
</table>
Department of Foreign Affairs: Contracts to PricewaterhouseCoopers
(Question No. 3293)

Senator Robert Ray asked the Minister representing the Minister for Foreign Affairs, upon notice, on 24 January 2001:

1. What contracts has the department or any agency of the department provided to the firm PricewaterhouseCoopers in the 1999-2000 financial year?
2. In each instance what was the purpose of the work undertaken by PricewaterhouseCoopers?
3. In each instance what has been the cost to the department of the contract?
4. In each instance what selection process was used to select PricewaterhouseCoopers (open tender, short-list or some other process)?

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

<table>
<thead>
<tr>
<th>Agency</th>
<th>Purpose of Work Undertaken</th>
<th>Cost to Agency Aus$</th>
<th>Selection Process</th>
</tr>
</thead>
<tbody>
<tr>
<td>DFAT</td>
<td>Advice on retirement plan for locally engaged staff (Tokyo)</td>
<td>103,025</td>
<td>Restricted Tender</td>
</tr>
<tr>
<td>DFAT</td>
<td>Advice on Output Pricing Review</td>
<td>27,245</td>
<td>Direct Engagement</td>
</tr>
<tr>
<td>DFAT</td>
<td>Review of Security and Controls on Financial Management Information System</td>
<td>10,000</td>
<td>Open Tender</td>
</tr>
<tr>
<td>AusAID</td>
<td>Financial audit of the Fiji Women’s Crisis Centre (Phase II) (an AusAID funded project)</td>
<td>5,383</td>
<td>Restricted Tender</td>
</tr>
<tr>
<td>EFIC</td>
<td>Nil</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Department of Immigration and Multicultural Affairs: Contracts to PricewaterhouseCoopers
(Question No. 3300)

Senator Robert Ray asked the Minister representing the Minister for Immigration and Multicultural Affairs, upon notice, on 24 January 2001:

1. What contracts has the department or any agency of the Department provided to the firm PriceWaterhouseCoopers in the 1999-2000 financial year.
2. In each instance what was the purpose of the work undertaken by PricewaterhouseCoopers.
3. In each instance what has been the cost to the department of the contract.
4. In each instance what selection process was used to select PricewaterhouseCoopers (open tender, short-list, or some other process).

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

1)–(4) The Department of Immigration and Multicultural Affairs (DIMA) had the following contractual arrangements with the firm PriceWaterhouseCoopers:

<table>
<thead>
<tr>
<th>PURPOSE OF WORK</th>
<th>PAYMENT 1999-2000</th>
<th>SELECTION PROCESS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development and implementation of replacement purchasing agreement, including the implementation of activity based costing, the provision of benchmarking services and development of a project plan</td>
<td>$578,310</td>
<td>Department of Finance and Administration (DOFA) Standing Offer 97/10418</td>
</tr>
<tr>
<td>Accounting and financial assistance in the application of accounting policies within the context of accrual budgeting</td>
<td>$381,372</td>
<td>Open Tender</td>
</tr>
<tr>
<td>Data validation for possible enhancement of MRT’s (Migration Review</td>
<td>$12,000</td>
<td>Specialist expertise</td>
</tr>
</tbody>
</table>
Senate: Wednesday, 28 February 2001

Department of Foreign Affairs and Trade: Contracts with Ernst and Young
(Question No. 3310)

Senator Robert Ray asked the Minister representing the Minister for Foreign Affairs, upon notice, on 24 January 2001:

1. What contracts has the department or any agency of the department provided to the firm Ernst & Young in the 1999-2000 financial year?
2. In each instance what was the purpose of the work undertaken by Ernst & Young?
3. In each instance what has been the cost to the department of the contract?
4. In each instance what selection process was used to select Ernst & Young (open tender, short-list or some other process)?

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

<table>
<thead>
<tr>
<th>Agency</th>
<th>Purpose of Work Undertaken</th>
<th>Cost to the agency</th>
<th>Selection Process</th>
</tr>
</thead>
<tbody>
<tr>
<td>DFAT</td>
<td>Audit locally engaged staff pension fund</td>
<td>$10,000</td>
<td>Restricted Tender</td>
</tr>
<tr>
<td>DFAT</td>
<td>Prepare Fraud Control Plan</td>
<td>$39,585</td>
<td>Restricted Tender</td>
</tr>
<tr>
<td>DFAT</td>
<td>Probity auditing for tender processes</td>
<td>$11,307</td>
<td>Restricted Tender</td>
</tr>
<tr>
<td>DFAT</td>
<td>Advice on market testing arrangements—Devolved Banking</td>
<td>$3,220</td>
<td>Direct Engagement</td>
</tr>
<tr>
<td>AusAID</td>
<td>Nil</td>
<td>Nil</td>
<td></td>
</tr>
<tr>
<td>EFIC</td>
<td>Nil</td>
<td>Nil</td>
<td></td>
</tr>
</tbody>
</table>

Department of Immigration and Multicultural Affairs: Contracts to Ernst and Young
(Question No. 3317)

Senator Robert Ray asked the Minister representing the Minister for Immigration and Multicultural Affairs, upon notice, on 24 January 2001:

1. What contracts has the department or any agency of the department, provided to the firm Ernst & Young in the 1999-2000 financial year.
2. In each instance what was the purpose of the work undertaken by Ernst & Young.
3. In each instance what has been the cost to the department of the contract.
4. In each instance what selection process was used to select Ernst & Young (open tender, short-list, or some other process).

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

1. to (4) The Department of Immigration and Multicultural Affairs (DIMA) had the following contractual arrangements with the firm Ernst & Young:

<table>
<thead>
<tr>
<th>Purpose of Work</th>
<th>Payment 1999-2000</th>
<th>Selection Process</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal Audit Services</td>
<td>$770,459</td>
<td>Select Tender</td>
</tr>
<tr>
<td>Business Adviser to Competitive Ten-</td>
<td>$19,687</td>
<td>Formal selection process was</td>
</tr>
</tbody>
</table>
PURPOSE OF WORK | PAYMENT 1999-2000 | SELECTION PROCESS
--- | --- | ---
dering & Contracting (CTC) Taskforce | | conducted by CTC Taskforce using the Department of Finance and Administration (DOFA) endorsed list of CTC suppliers
Reconciliation of Curtin Detention Facility costs. | $14,549 | Extension of services provided by Ernst & Young under select tender
Development of Fraud Control Plan | $11,626 | Extension of services provided by Ernst & Young under select tender
Fraud Risk Assessment & Control Environmental Reviews | $9,480 | Extension of services provided by Ernst & Young under select tender
Management Initiated Reviews | $6,357 | Extension of services provided by Ernst & Young under select tender
Systems Review & CEI (Chief Executive Instruction) development | $7,795 | Extension of services provided by Ernst & Young under select tender
Review of Cluster 3 Contract Performance Reporting & Monitoring | $4,903 | Extension of services provided by Ernst & Young under select tender
CEI Preparation, Fraud Control Plan, Audit Attendance and completion of systems assessment for the RRT (Refugee Review Tribunal) | $3,240 | Extension of services provided by Ernst & Young under select tender
Provide legislative and policy advice on the effect of FBT (Fringe Benefits Tax) reporting and the GST (Goods and Services Tax) on the income benefits and allowances of DIMA’s employees | $14,650 | DOFA endorsed list of CTC suppliers

**Department of Foreign Affairs and Trade: Contracts to Arthur Andersen (Question No. 3327)**

**Senator Robert Ray** asked the Minister representing the Minister for Foreign Affairs, upon notice, on 24 January 2001:

1. What contracts has the department or any agency of the department provided to the firm Arthur Andersen in the 1999-2000 financial year?
2. In each instance what was the purpose of the work undertaken by Arthur Andersen?
3. In each instance what has been the cost to the department of the contract?
4. In each instance what selection process was used to select Arthur Andersen (open tender, short-list or some other process)?

**Senator Hill**—The Minister for Foreign Affairs has provided the following answer to the honourable senator’s question:

<table>
<thead>
<tr>
<th>Agency</th>
<th>Purpose of Work Undertaken</th>
<th>Cost to the agency Aus$</th>
<th>Selection Process</th>
</tr>
</thead>
<tbody>
<tr>
<td>DFAT</td>
<td>Nil</td>
<td></td>
<td></td>
</tr>
<tr>
<td>AusAID</td>
<td>Nil</td>
<td></td>
<td></td>
</tr>
<tr>
<td>EFIC</td>
<td>Nil</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Department of Immigration and Multicultural Affairs: Contracts to Arthur Andersen (Question No. 3334)**

**Senator Robert Ray** asked the Minister representing the Minister for Immigration and Multicultural Affairs, upon notice, on 24 January 2001:
What contracts has the department or any agency of the department provided to the firm Arthur Andersen in the 1999-2000 financial year.

In each instance what was the purpose of the work undertaken by Arthur Andersen.

In each instance what has been the cost to the department of the contract.

In each instance what selection process was used to select Arthur Andersen (open tender, short-list, or some other process).

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

1 to 4 The Department of Immigration and Multicultural Affairs had the following contractual arrangements with the firm Arthur Andersen:

<table>
<thead>
<tr>
<th>PURPOSE OF WORK</th>
<th>PAYMENT 1999-2000</th>
<th>SELECTION PROCESS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision of management and marketing advice in relation to the implementation of the Productive Partnership Program</td>
<td>$20,239</td>
<td>Panel established by the Department of Finance and Administration.</td>
</tr>
</tbody>
</table>

Immigration and Multicultural Affairs Portfolio: Legal Advice

(Question No. 3379)

Senator Robert Ray asked the Minister representing the Minister for Immigration and Multicultural Affairs, upon notice, on 29 January 2001:

1 What has been the total cost to the department in the 1999-2000 financial year of legal advice obtained from the Attorney-General’s Department.

2 What has been the total cost to the department in the 1999-2000 financial year of legal advice obtained by the Department from other sources.

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

1 $910,850.67

2 $157,963.59.

Human Rights: Australia-China Dialogue

(Question No. 3418)

Senator Bourne asked the Minister representing the Minister for Foreign Affairs, upon notice, on 31 January 2001:

1 Is the Minister aware of recent reports that the Chinese Government has called for efforts to crush the Zhong Gong, a meditation and exercise group, which is similar to the Falun Gong.

2 Can the Minister seek information from the Chinese Government about these reports and advise about the nature of the Zhong Gong and the Chinese Government’s intentions or proposed action concerning it and its members.

3 Will the Minister convey the Australian Government’s concern over these reports and that it would view very seriously any action taken by the Chinese Government against the Zhong Gong, similar to that taken against the Falun Gong.

4 Is the Minister aware of reports that members, including three missionaries, of the China Fang-cheng church, a Christian church, were arrested on or about 23 August 2000.

5 Will the Minister cause inquiries to be made of the Chinese Government as to these reports and as to whether members of the China Fang-cheng church have been arrested and if so, why.

6 Will the Minister convey to the Chinese Government the Australian Government’s concern at the matters alleged in these reports and at any action already taken or proposed against the China Fang-cheng church or against its members on account of their religious beliefs.

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

1 Yes.
(2) The Government intends to raise the treatment of Zhong Gong through the bilateral human rights dialogue with China.

(3) The Government views very seriously any action that infringes on the rights to freedom of speech and assembly, and raises its concerns in the appropriate forums at the appropriate times.

(4) Yes, but I note that the US missionaries have since been released and have returned home.

(5) During each round of the bilateral human rights dialogue, the Government has raised concerns about treatment of unregistered groups such as the Fang-cheng Church and will continue to do so.