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SITTING DAYS—2001

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Wednesday, 19 September 2001

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

BUSINESS

Consideration of Legislation

Motion (by Senator Ian Campbell) proposed:

That the provisions of paragraphs (5) to (7) of standing order 111 not apply to the Commonwealth Electoral Amendment Bill 2001, allowing it to be considered during this period of sittings.

Senator FAULKNER (New South Wales—Leader of the Opposition in the Senate) (9.31 a.m.)—This motion is not supported by the opposition. I do not say that to the chamber lightly, because it has not been the opposition’s pattern in this parliament or in the previous parliament to generally oppose such exemption motions. The government is proposing that the Commonwealth Electoral Amendment Bill 2001 be granted exemption from the cut-off; only 18 motions have been negatived, withdrawn or not proceeded with in relation to government proposals to exempt bills from the cut-off. They are the statistics. Let us be clear: we have agreed to exempt 119 bills over the past three years; not one motion for exemption has been negatived. No motion has been negatived since 24 June 1996—a very different approach from this opposition to that taken by the current government when it found itself on this side of the chamber.

These are probably the last two weeks of the 39th Parliament. It is not an ordinary period; it is not an ordinary circumstance. These are extraordinary times. There are probably only six sitting days remaining for the 39th Parliament. There may be another week or two of sittings after these—very few in this building think that is likely. The government is asking the Senate to debate and to pass an extraordinary range of priority legislation, and we in the opposition do not argue that a lot of that legislation ought to be given priority. Have a look at it: it includes bills to enhance government powers in relation to illegal immigrants; there is legislation to excise parts of Australia from the Australian immigration zone; there is legislation to modify the processes of judicial review for asylum seekers; and there is legislation to provide a statutory basis for the operations of Australia’s intelligence services, just to mention some. Have a look at today’s red: there is a great deal of high priority legislation there.

And the government seems to be building on its own legislation program, adding more and more bills on a daily basis, as it lurches from crisis to crisis. Now we know, courtesy of a communication from the government, that the government is expecting the Senate
to deal with in excess of 50 bills in probably six sitting days. That is what we are being asked to do, and as far as this opposition is concerned we are going to cooperate as much as we can with the government to ensure genuine priority legislation, genuine business of government, gets high priority in this place. That has been the way this opposition has worked in the past, and that is the way we are going to work on this occasion.

But at the same time we have the government asking us, asking the parliament, asking the Senate, to accept that a bill which deals exclusively with an internal problem of the Liberal Party, a matter which we believe need not be before the parliament and should not be before the parliament, be given priority over so many other bills of national and international importance. The issue is whether the Commonwealth Electoral Amendment Bill 2001 merits being prioritised and exempted from the cut-off resolution. Why should the Senate prioritise this bill over all that other important legislation? Just in the area of Commonwealth electoral law, there are so many more important issues than the one that is dealt with in this piece of legislation. We say the Senate should not be fast-tracking this bill just to avoid embarrassment for the Liberal Party.

Of course, the bill is very instructive about the legislative priorities of the government. We actually have a parliamentary committee, the Joint Standing Committee on Electoral Matters, currently holding an inquiry into funding and disclosure laws in this country. That inquiry was deferred in August 2000. That is the priority the government puts on this issue: that inquiry was deferred in August 2000, while the government, in relation to the work of that parliamentary committee, prioritised a reference and inquiry into the integrity of the Commonwealth electoral roll. We and the Australian Democrats argued that both issues should be put on the agenda, that they are both important. But no, the funding and disclosure reference was put aside, and only now has that funding and disclosure reference been resuscitated by the government. It really shows you what the government’s priority is in these matters.

At public hearings yesterday in this building, and in previous weeks, all the major political parties in this country agreed that there are problems with the current electoral funding and disclosure laws. I commend the submissions made by the Liberal Party, the Labor Party, the Australian Democrats and the AEC to the Joint Standing Committee on Electoral Matters. We have submissions from all the parties, but the issue of the Liberal Party’s internal finances has never once been raised before the parliamentary committee that is responsible in this place for dealing with electoral matters. It has never been raised by coalition members before the Joint Standing Committee on Electoral Matters, and it has never been raised by the federal secretariat of the Liberal Party before the Joint Standing Committee on Electoral Matters. In that context, it is quite extraordinary that the government should bring forward this bill and ask the Senate to give it priority. There are so many more important and significant electoral issues that should be before the parliament and that, with a bit of political will from the government, could come before this chamber and be dealt with. More importantly, there are so many other issues that deserve the time and consideration of debate in this chamber.

We have said publicly that a lot of funding and disclosure issues do require the urgent attention of the Joint Standing Committee on Electoral Matters and of the parliament. Those matters deserve priority over this bill and have to be weighed against the other legislative priorities the government has. We do not indicate for one moment that those other matters are not deserving and do not warrant the Senate’s time. Of course they do, and they are more important than this particular bill. So I have to say that the bill that the government seeks to exempt from the cut-off today has no public policy benefit. The only beneficiary of this bill is the Liberal Party of Australia, and it will be benefiting through an improper use of the parliament. As such, we say that this bill should not be exempted from the cut-off and should not be given priority in the government’s legislative program. We even go further than that and make the obvious point: the bill
should never have come before the parliament at all. It should never have come before the parliament at all, because this internal problem in the Liberal Party can be fixed with one letter from Mr Lynton Crosby, the Federal Director of the Liberal Party, to the Australian Electoral Commission. One letter can fix the problem the Liberal Party has. But no, the parliament is being asked to fix the internal problems of the Liberal Party; and that is absolutely unacceptable.

The stated purpose of the Commonwealth Electoral Amendment Bill 2001 is to amend the Commonwealth Electoral Act so that the agent of the Liberal Party’s federal secretariat determines the distribution of public funding between the federal secretariat and the state and territory divisions of the Liberal Party. But of course the real purpose of the bill is far more sinister than that: it is to try and get the parliament to fix an internal problem in the Liberal Party and see if they can solve their internal power struggles, because they cannot do it themselves. They cannot run their own party: get the parliament to fix the problem. This is a desperate dash for cash by the Liberal Party’s federal secretariat. The fact is that the federal office of the Liberal Party cannot work with its state divisions—in particular, it does not trust its Queensland division. I do not care about that and why should the parliament care about that? Let them fix it. All political parties have internal problems. Political parties are expected to fix it themselves, not to pass legislation in the Commonwealth parliament to try and solve these sorts of problems.

This is a bill before the Commonwealth parliament that addresses the Liberal Party specifically and imposes on the Liberal Party a resolution to the bickering over the disbursement of public funding within the Liberal Party. This bill has nothing whatsoever to do with any other organisation, with any other party, apart from the Liberal Party. The legislation is a disgrace. It is the Liberal Party using the federal parliament to sort out its problems. It might have an innocuous title—the Commonwealth Electoral Amendment Bill 2001 sounds straightforward enough—but we have always described it as the Commonwealth Electoral Amendment (Dash for Cash) Bill 2001. That is what it is. If you read the bill, the Liberal Party is mentioned no fewer than 30 times; nearly every paragraph has the Liberal Party mentioned in it. The bill has one purpose—to fix the Liberal Party’s internal headaches—no other purpose at all.

With such a significant amount of priority legislation that we in the opposition accept ought to be debated and dealt with, there is no reason that the parliament should be asked to debate this bill now. It is an abuse of the parliament, a misuse of the procedures of the parliament and a misuse of executive government, and we will not accept that approach. We do not do this lightly; it is not our practice to oppose exemption resolutions, and the statistics, as I said, are stark. It is the first time we have done it in this calendar year, we never did it in 2000 and we did not do it in 1999. This is a very different approach to the one that the Liberal Party used when they were on this side of the chamber. There has not been an exemption motion negatived since 24 June 1996, and that shows that we do not oppose these motions lightly. We try to cooperate; we do cooperate wherever possible. We accept that there are times when the cut-off motion cannot apply. We are honest enough to admit that we never supported the cut-off motion in the first place, when it was introduced. I made a number of quite stirring speeches, I thought, at the time in opposition to the introduction of the standing order. We never supported it being adopted because we understood the weaknesses of the proposed standing order. I understood the motivations of the then Senator Chamarette, who proposed the standing order.

We know that there is a lot of urgent legislation that needs to be dealt with, but this parliament needs to accept that, as far as the opposition is concerned, we are going to put a line in the sand about this bill. If this bill is exempted, there will be a long debate. There should not be a long debate about this bill; there should not be any debate about this bill, because this bill should not be before the parliament at all. And if it is to be brought before the parliament, it should not come in...
during probably the last six days of sitting of the 39th Parliament. Governments have responsibilities in these issues, too. Governments have responsibilities here and this sort of abuse should never be accepted. I think the Labor Party has shown the way through on this: write a letter, send it in to the Australian Electoral Commissioner, just all agree on the disbursement of public funding, and there is no need for legislation. If it is good enough for the Labor Party, it ought to be good enough for the Liberal Party. We will not support this exemption motion and we will certainly not support this legislation.

Senator ROBERT RAY (Victoria) (9.51 a.m.)—When the standing orders were changed on the exemption resolution, I actually thought that I would never get to speak on one, because I never really believed in the exemption. But finally we have found a bill that will force me to my feet—I never thought we would on an exemption motion. Of course, this chamber is at a massive disadvantage by the government bringing it on right now. Later today, we will have tabled in this chamber the views of the Finance and Public Administration Legislation Committee, which held a public hearing and which has put a very considered report to this chamber, but we do not have the benefit of that for this particular debate because it has been rushed on.

I cannot refer to the contents of that report—although I can, of course, run through the various arguments, and I will do that—because the report has not been tabled and we all know that if I were to prematurely disclose what is in that report the chair of the Privileges Committee would have to rebuke me—indeed, probably censor me—in this chamber. I have colleagues in this chamber—Senator Brandis, Senator Lightfoot and Senator Conroy—who all attended those hearings and who likewise are limited in the comments they can make. But I do recommend that, later today when the report arrives, you read the report, read the considered views of the government members, read the not so considered views of the opposition dissenters—

Senator Brandis—Extravagant and rhetorical, Senator Ray.

Senator ROBERT RAY—Thank you, Senator Brandis. I must also place on record my thanks to Senator Brandis, who during the public hearings managed to get out one or two questions to the witnesses—but not the Labor Party witness. But let us not divert. So we are at that disadvantage.

The second point to be made is that in my notes I note that we have exempted 325 bills. Of course, I made those notes over a week ago. The figure is now 328 and I confidently predict that by the end of this morning, at around 12 o'clock, we are going to exempt two more sets of bills, which will take that figure up to 330. Why have an exemption motion? You have an exemption motion to apparently stop governments rushing through bills that are not properly understood and cannot be analysed. That is part of the reason, I think. But, secondly, every time a government does it, it indicates priority. Not only are we going to rush this bill in terms of the exemption motion, but if you look at today's program you will see that we have listed the bill as the third priority of this government. It is almost unbelievable when you consider the legislative task that we are facing.

Have a look at the document This week at a glance. It says that the following bills may be considered this week: the Australian Heritage Council Bill and the Australian Heritage Council (Consequential and Transitional Provisions) Bill. There is a bankruptcy bill, another bankruptcy bill, the Commonwealth Inscribed Stock Amendment Bill and bills on disability services, education and training and environment. I am starting to summarise these as I do not want to waste too much time. There are bills on indigenous education, interactive gambling and maritime legislation, a new business tax system bill and a second new business tax system bill. There is the Parliamentary Service Amendment Bill, the Patents Amendment Bill, the Royal Commissions and Other Legislation Amendment Bill and bills on social security, states grants and superannuation. Also, there are three tax law bills, one trade practices bill, one Treasury bill, one workplace relations bill and another workplace relations bill.
But it does not end there, folks; I can give you a few more. We have six migration bills to consider and we will probably have legislation to do with the Ansett entitlements—to put that into law—yet we also have a motion to be considered next up to cancel one of the October sittings of parliament. The code there is that we are not going to sit beyond Thursday week. We accept that. We are not interested in the weasel words that will be put forward to justify that motion, but basically it is clearing the decks for an election. Members of this government came into the chamber this morning saying, ‘Let’s exempt this particular bill; let’s give it No. 3 in priority, even though the Labor Party is indicating that it will probably have more speakers on this bill than any of the others before us. We’ll be trying to knock ALP senators back with sticks for speaking on this particular bill, because they’re so opposed to it.’ A sensible government would say, ‘I’m not sure this should be given the current priority; let’s get on and do some of these other critical bills.’ Do not put yourselves in the position of wanting to argue in the community that a bill that goes to fixing up the internal differences of the Liberal Party is more important than bills dealing with asylum seekers, people smugglers and all the rest. That is exactly what you will do when you vote for this cut-off motion today.

If you look at the history of this piece of legislation, the traditions in Australia, in terms of electoral change, have been to send measures to the Joint Standing Committee on Electoral Matters. For the last 18 years, parties have been putting in submissions to that particular body, having them canvassed there, making recommendations to government and getting a response from government, which eventually translates itself into legislation. That has been a process that has worked well over 18 years. It is not a bipartisan approach; it is part of the argy-bargy of argument in which issues are examined and for which witnesses are called. Of course, it did not happen in this case.

In this case, the deal was concocted by the federal secretariat of the Liberal Party, aided and abetted by their federal executive, with the government. They were not game to put in a submission to the Joint Standing Committee on Electoral Matters. They did not want that public exposure. What they wanted to do was to concoct a deal between the party and the government to resolve an internal matter. This will be in dispute. People may argue: where is the evidence for this internal dispute? I simply ask the question: why would we need this legislation if there were not an internal dispute? We know how to fix the Liberal Party’s funding problems, and I do not object to them doing it. How they arrange their own financing is essentially their business as long as it is within the law. All they need to do is get six state directors and the director of the ACT branch to sign, and have countersigned by Mr Lynton Crosby, one letter to the Electoral Commissioner to disburse the funds whichever way they want—what I call the 45c solution. And if they do not have the money for the stamp, I will give it to them. They can collect the signatures and then it is all over. There is no need for legislation. But what an extraordinary piece of legislation this is. It goes for no more than four pages and it writes the Liberal Party’s name into legislation on 33 occasions.

The fact is that we could have sent this for review to either the legislative committee or the joint committee. At one stage it looked as though we would send it to both, but commonsense prevailed. We resisted sending this to the Joint Standing Committee on Electoral Matters simply because of the way it has behaved over the last year. It has become the most partisan, star chamber committee that this parliament has seen over its 101 years, so it would not have been suitable. The sort of methodology that that committee has been able to apply to electoral reform and electoral changes has been destroyed by the most partisan chairmanship we have seen in the 100 years of this parliament. It was much better to send it to a legislative committee that was able, with all its political biases, to at least tackle the issue, and that is precisely what it did. I am not saying that it put its biases aside. That is very hard when it is very much to do with a political party having its name written into legislation 33 times. It is extremely hard to take bias out of it.
So why is this legislation necessary? It is obvious: the government cannot get the seven signatures. I am not here to say that they cannot get four or five, but apparently they cannot get the seven signatures that would solve this instantaneously. What is the reason for that? Apparently the major objective—and I have no absolute evidence for this—is the Queensland division of the Liberal Party. One would have to say that one can understand the Prime Minister’s frustration with some of the activities that have occurred in that division of his own party, but what we have had over the years on a range of issues is the Prime Minister coming into the House of Representatives chamber or into a press conference and saying: ‘The Liberal Party has autonomous state branches. I don’t control them. I can’t interfere with them.’ If the question of preferences to One Nation or to someone else comes up, the Prime Minister says, ‘I can use my moral sanctions, but I cannot direct state divisions where to go or stop the odd Liberal losing preselection around the country.’ I do not make a point about that—it can happen to any of us—but when Mr Mutch goes the Prime Minister says, ‘I regret that, but I don’t have the power to intervene.’ When Mr Andrew Thomson goes, he does not issue much regret, I have to say, but just says, ‘That’s the way the party operates because it is a state based party.’

I noticed them send off Senator Tambling with a few weasel words yesterday: ‘Thanks for all your loyal service. Thanks for coming into this chamber and voting loyally for the government. Bad luck you got butchered because of it, but we will just stand by and let you sink.’ So much for loyalty. I am not really making a point about loyalty; I am making a point about the fact that the Prime Minister has always used the structure of the Liberal Party to say that it is not a strictly federal organisation, that state divisions have rights and that he cannot interfere with those rights other than to concoct a deal with Mr Lynton Crosby to grab $12 million to $14 million from the states and centralise it federally. If he wants to do that, get the state division directors to sign a letter and he can do it tomorrow. That is the point. Historically, it was the Liberal Party that argued for funding to go to state divisions. When I was on the Joint Select Committee on Electoral Reform from 1983 to 1987, the Liberal Party argued strongly. In those days we took the attitude, ‘It is not winner take all; we will concede some ground on some of these matters.’ So we did allow funding to go to state branches. When the proposal came up in 1994 for the option to go state or federal, rather than just argue and put in the legislation that we go federal, we left in the legislation the option of going state division to suit our Liberal Party colleagues.

The previous Prime Minister used to have a phrase: ‘Never nurse a mug, they’ll die in your arms.’ That was probably true of us in 1994. We should have just said, ‘We are not going to give you what you want. It’s national fundraising, its national money or nothing.’ But we were too accommodating. And how do we get repaid? The Liberal Party changes its mind, concocts a scheme, avoids going to the joint committee, shoves the legislation into parliament, seeks an exemption and then gives it priority on the legislative program above all these other meritorious things.

I do have just a little sympathy with the Prime Minister when I have a look at what he is trying to solve. He is trying to get the money so that he can then put a gun to the Queensland division of the Liberal Party and make certain demands of them. It is very much a case of he who pays the piper calls the tune. That is what he is after. There has been just the odd problem in Queensland. For instance, we had that wonderful fundraiser for Mr Brough that had all the dissembling words used about it but basically was a disgrace. We had the Entsch problems in Queensland, with the contracts and the other matters. We had the Parer coal shares as a major issue in this chamber prior to the last election. We have had the civil war in Moncrieff about who is suing whom. That has apparently been settled at great cost, but the existing member refuses to endorse her replacement. We have the Ryan stack. It just reminds you of that Qantas song, ‘I’ve been to cities all over the world.’ Certainly, nearly any city you visit around the globe has a member of the Ryan federal electorate in it.
It does not matter where you are. I would not be surprised if they have a couple of Taliban members signed up somewhere. It is just the great stack. I take my hat off to them. I have never seen the like of it anywhere in Australian politics.

And then we have the state election. We got monstered. We were accused by the Liberal Party of being electoral rorters and everything else—the black hats of politics. I accepted some of the criticism that some people in the Queensland Labor Party were stupid. They were so stupid that they were not trying to maximise Labor’s vote in the election but in preselections. But we had to cop that, and we got punished to the extent that we won 66 seats and the Queensland Liberal Party won three, most of which were won on preferences. So much for the dysfunctional Queensland branch.

But as well as that, not happy with that, the Liberal Party have just dumped their leader on the Brisbane City Council by refusing to elect him to the administrative committee. That caused him to spit the dummy and another feud to break out. And of course we have the Groom GST fiasco up there in which they were not even that smart: they tried to cheat on GST for peanuts. It was not some grand scheme to diddle the Australian Taxation Office of $150,000 or $200,000. They claim $70 to $125 and we claim several hundred, maybe multiplied by two or three occasions.

We had shadowy figures—and I am not sure who they are; people have alleged who these shadowy figures are—setting up these GST dodges in Queensland, all of which rebounds on the Prime Minister. Across the top of all of that, day after day in the papers we read—and I do not know how true it is—of the brawl between the Carroll and Tucker factions. The grand solution to all of this was to put Senator John Herron, a former minister in this place, in charge of the Queensland branch. Have you ever seen anyone better resembling Pooh Bear—sticking his head in the honey pot, wandering around the Queensland branch with it on, not being able to affect anything? It really does border on the pathetic. But I do think that he has got a very tough job in front of him.

Underlying all of this is that what we are really doing—and this is the only temptation that they have put into the bill—is giving the Queensland branch of the Liberal Party a big smack. Wouldn’t we all enjoy doing that? Don’t we all remember its craven obsequiousness to the National Party through the seventies and early eighties?

Senator Ian Campbell—Mr Acting Deputy President, I raise a point of order. I remind you that we are debating cutting off a bill from the provisions of standing order 111. The Manager of Opposition Business has said that the opposition will be filibustering this debate to waste all morning and putting five speakers on to waste the entire morning’s parliamentary proceedings. Senator Robert Ray has not only been irrelevant to this motion but also accused people outside this building of signing up Taliban members to Liberal Party branches. He should be required to, firstly, withdraw that obscene allegation against individuals outside this place. At this time, to be accusing people of signing up members of the Taliban to the Liberal Party is absolutely obscene and below even Senator Robert Ray. I call on you, Mr Acting Deputy President, to ask him to be relevant to the debate. He is clearly irrelevant at the moment.

Senator ROBERT RAY—On the point of order, the relevancy of what I am saying goes to the urgency of the bill. Yes, we are not actually discussing the Queensland branch of the Liberal Party, but if the urgency for this bill is to take financial control from the Queensland branch to bring about certain ends because of the urgent dysfunctionality of that branch at the moment it is relevant to the point I am putting that we do not support a cut-off motion to fix internal problems of the Liberal Party. That is my first point. Secondly, I made no such allegation about the Taliban. I said ‘I would not be surprised’. I notice that Senator Ian Campbell has nothing to say about what Mr Slipper said yesterday—the disgraceful comments and wedge politics that he has been involved in. There has been no comment from Senator Ian Campbell on that.
The ACTING DEPUTY PRESIDENT (Senator Lightfoot)—Order! There is no point of order.

Senator ROBERT RAY—I should say that we had five speakers volunteer to speak on this. We have not conscripted anyone. We could easily go out and get another 10 or 15.

Senator Ian Campbell—Your manager told me that you have got five speakers.

Senator ROBERT RAY—That is correct. They are the five that volunteered. We did not go out and recruit any further speakers.

Senator Ian Campbell—It is called obstruction and filibustering.

Senator ROBERT RAY—We had five volunteers and we are going to accommodate the five volunteers. If we were filibustering, we would have got another 10 or 15 to speak on the bill. We are not. We have got five people who want to make—

Senator Ian Campbell—You have got 20 on the bill, we have been told.

Senator ROBERT RAY—Quite possibly.

The ACTING DEPUTY PRESIDENT—Senator Ian Campbell, order!

Senator ROBERT RAY—If the Manager of Government Business wants to give that bill priority over all of this other legislation that is more important—

Senator Ian Campbell—That is your priority. You are putting 20 speakers on it.

Senator ROBERT RAY—This is the first time! It is amazing how Senator Ian Campbell cuts up, Mr Acting Deputy President. This is the first time in 120 cut-off motions since the last election that we have opposed it, and he cuts up. He was Mr Nice Guy the other 119 times when we said, ‘Yes, Manager, we will support the cut-off motion’—he was all honey and sweet words then—and he cuts up rough on the one occasion that we oppose him over three years and 120 motions; a typical petulant attitude from the Manager of Government Business.

The ACTING DEPUTY PRESIDENT—Senator Ray, you might be kind enough to return to the subject matter.

Senator ROBERT RAY—Thank you, Mr Acting Deputy President. As I said before, we have granted the cut-off motion constantly. We do not have before us the committee report that argues the case both for and against, so we cannot refer to that. It would have been useful to have that before us in the chamber. This issue is about resolving the internal feuds of the Liberal Party using the federal parliament as an enforcer—a disgraceful piece of legislation that not only should not be given the cut-off but should sink without trace and never reappear. If we were talking about generalised amendments to the Commonwealth Electoral Act, we could do something to assist the Liberal Party, but this is a specific bill to assist the Liberal Party and only brought in because certain people cannot get their way inside the Liberal Party and will use and abuse the federal parliament for their own cheap political ends. We should not give this bill priority. We should refuse the cut-off and we should get on with the more important business of government.

Senator MURRAY (Western Australia) (10.13 a.m.)—The circulated list of bills proposed for debate in the Senate this week and next week, effectively six working Senate days, has 58 bills on it. I note that in today’s red there are three bills altogether for cut-off. I assume that in the package of migration bills being introduced there will be more bills which will be put to us for cut-off, and there may well be other bills coming before us. I think it very important in this debate to separate out the cut-off provisions from the contents of the bills at hand, although obviously the Labor Party’s points as to whether they merit urgency are relevant. Any senator and any portfolio holder having a look through these bills would choose different priorities. When I skim through them I would assume that the Royal Commissions and Other Legislation Amendment Bill 2001 has priority and would need to be dealt with because the royal commission is sitting on the HIH matter. From my own portfolio perspective, I believe the New Business Tax System (Debt and Equity) Bill 2001 and New Business Tax System (Thin Capitalisation) Bill 2001 need to be attended to.

I have concerns—met to some extent—with the environment and heritage legislation
bill that need to be dealt with. I think the bankruptcy legislation bills are important, particularly with what has been happening with major corporate collapses. I think the Workplace Relations Amendment (Minimum Entitlements for Victorian Workers) Bill 2001 is an important one to deal with. I would hope that amendments that we and the Labor Party put to that would actually be of benefit to Victorians and that some good elements in that bill from the government’s perspective would also be of benefit. I also happen to regard many of the private senator’s bills which are on the list from us, the Labor Party and other senators as urgent and attending to real issues of importance.

However, it is the practice of the Senate, as agreed by all parties, that the government does determine its legislation and its priorities. We as the Senate are subject to that practice. I happen to suspect that much of the migration legislation that we are going to be presented with is simply unnecessary and is going further than is necessary. However, I accept that it is entirely the prerogative of the government of the day to put forward its policy agenda for consideration by the Senate. If we return to the philosophy behind cut-off orders—and it is a wonderful provision—essentially it is a cautionary admonition to the executive to give the Senate enough time for review. It is designed to make sure that complex or difficult issues are capable of being examined and thought through before the Senate fulfil their review process. We are not a rubber stamp executive house, as is the House of Representatives.

With respect to this issue, the Labor Party have quite rightly indicated in their statistics that they have waved through all previous cut-off motions since June 1996. We know that the Labor Party opposed the cut-off provisions that the Senate introduced. We know that, if the Labor Party had the numbers in the Senate, they would do away with the cut-off provisions. So, if the cut-off provisions were thrown out, as the Labor Party propose, this bill would automatically be before us anyway. It seems a somewhat inconsistent position to me to not believe in the cut-off provisions and then to oppose them on this occasion.

But the key point, if the purpose of a cut-off provision is to delay a bill until such time as the Senate can examine the issue and to be careful where there are complex issues, is that this is not a complex bill. This is a really easy bill to understand. Senator Faulkner quite often makes me laugh. I think his ‘dash for cash’ stuff is amusing, but this is a very easy bill to understand: it is a four-page bill. Furthermore, it has been to a committee and there is a report. I know exactly what my position on it is, and I am damn sure that the Labor Party does. They have expressed their position very adequately.

Senator Conroy—Tell us!

Senator Carr—Here’s your big chance. Tell us; come on!

Senator MURRAY—I am the electoral matters spokesperson for the Democrats on these issues. I sit on the Joint Standing Committee on Electoral Matters and I also sit on the Finance and Public Administration Legislation Committee, which is the Senate committee that examined this bill. I did not attend the hearing, but I did read the submissions and the Hansard—

Senator Conroy—You missed a bottler; you would have enjoyed it.

Senator MURRAY—Yes, the journalists who rang me described it as a waste of time and a political exercise.

Senator Conroy—The bill or the hearing?

Senator MURRAY—The hearing. I believe that these issues have been well canvassed, but let us separate out the motion for cut-off from the bill itself. The Australian Democrats will not pass the bill without amendment. That is our position. I cannot reveal the committee situation until such time as they report, but to my knowledge there has been no email, no letter and no phone call about this bill from any member of any state executive of any Liberal Party division in existence. The allegations and counterallegations may be very interesting, but when we have the debate that will be the time to look at the provisions of the bill, its motivation and so on.

From the Australian Democrat position, there is nothing on the grounds of precedent
which warrants denying the government cut-off in this instance. This is not a complex bill. It has been reviewed; it has gone to a committee. The government is entitled to ask for legislation that it wants to be dealt with to be dealt with when it comes. If it is the will of the Labor Party to have an extended debate on this, so be it. We think that is their right and we would support their right—that is not an issue for us—but we will deal with the bill on its merits. We will be putting up amendments, but we will not oppose this cut-off motion.

Senator CARR (Victoria) (10.21 a.m.)—It is the view of the Democrats that this motion should be carried and we do welcome their acknowledgment of the rights of the opposition to examine these matters in detail. Senator Murray’s position I would agree with insofar as he outlines the functions of this chamber. Essentially they go to our responsibilities to debate and give priority to serious government legislation and to ensure that we assess and evaluate legislation properly. A member of this Senate could hardly argue with those propositions. The Senate essentially is here, in terms of the arrangements that we have entered into over 100 years of political development in this country, to exercise two broad functions: to examine the use and safeguard against the misuse of executive power, and to provide a representative function to ensure that a range of views are expressed and that the opinions of the electorate are voiced effectively through this chamber.

The Democrat position is that the government’s priorities need to be examined, which we would agree with as well. It would seem, however, that the Democrats perhaps misunderstand that the government’s priorities are to examine a whole swag of migration legislation—and I have been advised by the government that that is a question that they will be giving high priority to after the examination of these matters.

Senator Robert Ray—When they have this money.

Senator CARR—After they have secured access to public funds to sort out their internal political problems. Equally, the Democrats should not be under any illusion that the opposition’s position on those migration bills is that they will be pursued and they will be dealt with before we go home. There will be no argument about that from the opposition.

Senator Kemp—That is an interesting change.

Senator CARR—There will be no question about that and I think that the Democrats should understand—

Senator Robert Ray—Just go and take a look at your own record in opposition.

Senator CARR—We ought to make sure that this is understood: the Democrats ought not be able to avoid their responsibilities in regard to the consideration of those migration bills by suggesting that the Labor Party take the heat on these electoral provisions so that they do not have to face up to their responsibilities in regard to the migration issues, because those migration bills will be considered before we go home. So, Senator Murray, I do trust that that is understood in the preparation of your position.

We ought to look at the matter of priorities. The Leader of the Opposition and Senator Ray have indicated our record on exemptions from the cut-off. In the 38th Parliament, there were 202 bills considered and 18 were not exempted. In the 39th Parliament, there were 119 bills considered and none were rejected—the cut-off motion was not applied at all. Over a five-year period, some 328 bills have been exempted from the cut-off motion. It indicates our seriousness in considering those priorities and the government’s legislative program. We do not seek to apply this cut-off motion indiscriminately. It was used on 18 occasions in the 38th Parliament and they were quite serious pieces of legislation. They went to issues such as the privatisation of Telstra—very serious matters. So these are not questions that we have sought to apply in a reckless manner. We need to examine our responsibilities to ensure that legislation is considered properly and that the government, equally, is brought to account for its sense of priorities. What we have been asked to consider here is that this bill be given priority over and above other matters on the legislative program.
Senators prior to me in this discussion have indicated that there are 58 bills that the government has put before us—58 bills to be considered in six days. We are entitled to ask why it is that this particular bill should be given such a priority over those 57 other bills. In essence, what is being suggested to us is that we ought be able to see that this bill is more important than the other bills that the government has put before us. That is a question that requires proper examination.

We do not apply ourselves in an obstructionist way in this Senate: we take our job seriously, we give proper consideration to government legislation and we do not recklessly say that the government ought not proceed with a particular bill. However, when there is legislation such as this that is quite clearly an abuse of executive power and that is quite clearly designed to produce a situation to resolve internal problems in the Liberal Party, we are entitled to say, 'Hang on a minute: is this an effective use of this chamber's time?'

Again and again the government comes to the opposition and asks for extra time to consider legislation. It is an extremely rare event where we say that we do not agree with the granting of extra time. In fact, 170 hours of additional sitting in this last parliament have been granted by this opposition to the government for the consideration of government business. That suggests to me that the opposition are able to put their bona fides on the table and to say that we are prepared to give proper consideration, 170 hours is the equivalent of an extra 12 weeks of parliament. About 14 hours or thereabouts per week are spent on government business. So 12 additional weeks have been provided to the government to consider its legislative program. The argument that we are an obstructionist opposition does not hold water.

Senator Ian Campbell spat the dummy a few moments ago, which he is wont to do when a few simple propositions are put to him. He brings a highly controversial measure before this chamber that five Labor senators have indicated they want to speak on—the matter attracts a good deal of interest for them—and he says it is filibustering. In a context where we have provided an extra 12 weeks for the consideration of government business, when five senators come forward to say a few words on this I do not think it is reasonable for him to argue that we are an obstructionist opposition or that we are seeking to filibuster this particular measure. As has already been indicated, a great many other Labor senators would be anxious to speak on this and I have no doubt that when this bill is brought on there will be considerable interest in the discussion of the provisions of the bill.

Senator Robert Ray—Do not forget the forensic committee stage.

Senator CARR—That is the question that also arises—the questions that could be asked during the committee stage of the bill. I say that in a context where we are asked to consider a total of 58 bills before we rise for the election. That is clearly the context of all of this: an election environment. Why does the government consider that this bill should be given such priority? It strikes me that we have a government that is essentially losing control of its legislative program. This government is not able to determine fact from fiction. It is not able to set effective priorities. What we have seen, rather, is basically a government that in recent weeks has had a frantic air of inability to actually deal with any particular program to speak of.

What have we dealt with this week? This is a question that the government has to answer, because it is the government that brings forward the legislative program. We dealt with a condolence motion on Monday, but what did we deal with yesterday? What are we being asked to deal with for the next six days? Fifty-eight bills. It strikes me that what we have, then, is a legislative program which has been before us with regard to issues such as indigenous education, workplace industrial relations, the environment, heritage, superannuation and bankruptcy, all of which I give higher priority to than what is a political stunt to fix up a Liberal Party problem.

What we are being asked to do is to give consideration to a four-page bill which gives the Liberal Party 33 mentions in those four pages. It is a bill which has not been given proper consideration by the joint house
committee, where the government made no submissions. It has not sought to take this issue seriously through the parliamentary committees in that way. Essentially, it has entered into an arrangement between the Liberal federal secretariat and various figures within the government to ensure that public electoral funding is presented in such a way as to prevent the state divisions from carving up the federal secretariat.

What we say to that is simple: you ought to sort out your own political problems internally. You should have the capacity to make those sorts of political arrangements inside the Liberal Party. That is what you expect of us and that is what the electorate expects of us. It is the old story: if you cannot govern yourselves, how can you expect to govern the country? What we have here, I think, is a government that frankly does not have a clear sense of priority other than its political survival. That is the condition under which we have seen this government operate over the last two months. That is the way in which it has thrown money at various problems—as it sees it, determined by its polling. What we have now is another one of those sorts of devices—a tricky device to try to fix an internal political problem, rather than deal with the substantive issues that affect the living standards of ordinary people.

Take, for instance, the question of the Ansett entitlements. The government made an announcement yesterday. It said, ‘We made decisions in regard to that’—to protect some workers and some of their entitlements. But has a legislative program been put forward? Do we see it there? Where is the bill? Where is the legislative response? What we have is a press release. This is a government that seeks to try to rule on the basis of press releases. This is a government that seeks to try to rule on the basis of press releases. This issue is one that we will not see too many press releases on from the government—because that might actually expose the detail of those arrangements that have been entered into.

What we have here is a piece of legislation that is not worthy. It is not a piece of legislation that we ought to spend a considerable amount of time on in this chamber. The statement that accompanies this bill says:

...the Electoral Act provides that public funding be paid to the agent of the State or Territory Division of a party for the State or Territory in which the candidate(s) stood. However, as the Federal Secretariat of the Liberal Party is responsible for federal election campaigns, it is appropriate that all or part of the public funding be paid to the agent of the Federal Secretariat.

What an extraordinary proposition that a matter such as this be given priority. What we have here is an attempt to overcome the series of scandals that have emerged in the Liberal Party in Queensland, the branch irregularities, the recruitment of members from Hong Kong. We have even seen attempts to manipulate the preselection results. They are such an amateur outfit in Queensland that they are not able to keep these sorts of matters out of the public arena. What we see is a device being pursued by them to cover up their political problems. We have threats of Supreme Court action; we have defamation writs being presented against aspiring candidates. We have, basically, a terminally ill political outfit—and you are expecting us to be the doctor that comes to their rescue. I do not think it will actually change anything in that regard, because this is fundamentally an organisation that is rotten to the core. What we need is an attempt by this government to establish a political framework in which to deal with its internal problems. We have yet to see that happen.

We are entitled to say to the federal secretariat of the Liberal Party, ‘It is not our problem. This is not an issue that this parliament ought to be wasting time on, because there are so many other questions that require attention.’ This dash for cash bill is not the way to deal with these sorts of issues. It will not address the long-term problems of the Liberal Party and it is not really our job to seek to do that. It is our job, however, to consider serious legislative requirements facing the people of this country. What the government has in those 58 bills is a whole series of measures that do meet that criteria. It may well be that we do not vote for every particular clause of the legislative program, but we do have a responsibility to give it consideration. We cannot do that if the chamber’s time is spent on these sorts of sideshows, these political fixes to try to
amend the financial problems in the Liberal Party by way of a legislative fiat.

It is self-serving legislation; it is legislation that on a prima facie level falls into the category of legislation identified by many who speak on these matters as essentially a misuse of the law-making power in this country. This is not legislation that can go through on the nod. It requires far more scrutiny. I think the reasoning behind it in the very short second reading speech that has been tabled requires much further examination and will require quite considerable debate in this chamber.

To exempt the bill from the cut-off, in my judgment, would be a misuse of the legislative time that is available to us in the remaining six days of the parliamentary session before the election. We are able this time to say to the Democrats, ‘You ought to be thinking seriously about the implications of carrying the cut-off on this bill.’ I do not think you will be able to find the satisfaction that you are looking for in regard to this bill being a device to avoid consideration of the migration legislation. It strikes me that that may well be part of your thinking. Perhaps you could correct me if I am wrong, but that may well be one of the motivating factors in your support for the government on this matter. That would be a mistake. The migration legislation will have to be dealt with one way or another. It is a serious issue and does require the attention of the chamber. The government has indicated to me that it will give that legislation relatively high priority in the remaining time that is available.

There is a range of other issues here that we will need to detail and consider in that time. Come Thursday night next week, I expect quite a few of us will be asking just how much time we are going to require to complete the government’s legislative program. We are entitled to say that, if there is a limited time, we ought to be establishing much firmer priorities. This is not the way to do it. This is not a measure that this chamber should be expected to carry. I ask the Democrats to reconsider their position.

Debate (on motion by Senator Ludwig) adjourned.

Ordered that the resumption of the debate be made an order of the day for 24 September 2001.

**BUSINESS**

**Days of Meeting**

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

That the order of the Senate of 9 November 2000, relating to the days of meeting of the Senate in 2001, be modified as follows:

(a) omit “Monday, 15 October to Thursday, 18 October”, and
(b) after “Monday, 22 October to Thursday, 25 October”, insert “Monday, 29 October to Thursday, 1 November”.

Senator ROBERT RAY (Victoria) (10.39 a.m.)—I think we are entitled to an explanation. The Assistant Treasurer has just moved this motion. Why? You are not relying on Mr Reith’s reasons, surely—that it fits cabinet schedules and everything else. I just want an honest answer as to why this motion is before us. There is no filibuster—I will not take long—but we are entitled to know what the justification for this motion is.

We do not often vary the days of sitting of the Senate. What possible reason could there be? We have been told there is a full program of legislation here. It has been hinted that the electoral bill is very important. Why would we be knocking off a week’s sitting? Can we have an explanation as to why we are? I can give one. I can give a reasonable explanation, one I find acceptable: the government wants flexibility in determining what the election date is going to be. Why not say so? Why not honestly put that down? Then we can move on in life.

I recall that just three years ago Senator Hill came into this chamber and moved an alteration to the date of the estimates hearings. That enabled Senator Faulkner and me to nominate the election date to the day. It would not have been fair if we had whipped across to Alice Springs and had a bet, because it was insider knowledge.

This is about putting off an October sitting so the Prime Minister is not squeezed on election dates. That is fair enough. It is one of the rights a Prime Minister has. The Prime Minister is a bit squeezed by CHOGM. We
understand that. He wants to go along with the proper principles of government and probably wait until Her Majesty departs the country before calling an election. It is pretty difficult under the existing timetable. Therefore, the Prime Minister thinks, ‘Let us put back the sittings by a week.’ Good, but why not say so? We have not had a reason. The Assistant Treasurer just got up and moved the motion. There was no explanation—nothing. Why not have a two-minute explanation as to why this is required and then boot it through?

Senator IAN CAMPBELL (Western Australia—Manager of Government Business in the Senate) (10.42 a.m.)—From what I heard of what Senator Ray has just said, I think he understands the situation well. The House of Representatives decided, for a number of reasons—

Senator Faulkner—It was announced before. The House of Representatives decided nothing. It was announced prior.

Senator IAN CAMPBELL—Senator Faulkner is quite right. The Leader of the House made an announcement in relation to the sittings of the House of Representatives. The reasons that Mr Reith made public in his announcement were in relation to rearrangements of cabinet's agenda and cabinet sitting times as a result of the Commonwealth Heads of Government Meeting which is imminent in Queensland and decided—

Senator Robert Ray—Can we get a polygraph in here?

Senator IAN CAMPBELL—I am reporting exactly what Minister Reith said in his press release.

Senator Robert Ray—I’m sorry. I apologise to you then.

Senator IAN CAMPBELL—That is what Mr Reith has said on behalf of the government. I decided that it would be worth discussing with the Manager of Opposition Business and other leaders and whips in the Senate the desirability of having the Senate sit at the same time as the House of Representatives. I understand that, in his wisdom, the Manager of Opposition Business consulted with his party and with other parties, and they all agreed with the wisdom of synchronising the sittings of the House of Representatives and the Senate. I welcome the support of the opposition in this.

Senator BARTLETT (Queensland) (10.44 a.m.)—It is worth noting in relation to this motion to change the days of sitting that it is obviously a change from the timetable that has been laid down since the start of the year or earlier. Clearly there is motivation on the part of the government in relation to flexibility for calling of the election date. From the Democrats' point of view, it is worth pointing out, as we do repeatedly, that this is yet another reason and another example as to why it would be better to have fixed terms for the federal parliament and to have a referendum to make that change to our Constitution so that we do not get rearrangement of parliamentary schedules and other important activities at the whim of a government that is just changing things around to suit the own electoral timetable. If we had a fixed date for elections, we would know in advance. We have now had fixed dates in a few legislatures in this country, including the ACT, where an election is being held at the moment. That has occurred without any major disruption or distortion and, I would argue, with a clear benefit to the operations of government.

I think this is just another situation which highlights the immense benefit in having a fixed term instead of the Senate being shunted around from one week to another to suit the electoral priorities of the government. Clearly, there is no other reason. There will always be circumstances where, due to unforeseen circumstances, you might need to change sitting schedules. To do so purely on the whim of the government for their own electoral purposes and their own flexibility in relation to polling day is not really edifying. I think it highlights why we do need—and Australia would benefit significantly from—a fixed term for government.

Senator BROWN (Tasmania) (10.46 a.m.)—You take at face value a government’s wish to change sitting times but in going along with this there has to be a genuine wish to sit at that later time in October. That will be tested by the way the government treats business in the coming week. I am not
going to be stampeded into crushing this Senate’s timetable into the coming week. If the government has no intention of sitting down the line but intends to call an election, let us hear it. Let us have the date of the election and let us have the program. I am not going to be de facto part of a hidden agenda by the Prime Minister or the government that abuses the responsibility of this parliament to properly debate legislation in good time. We are already seeing the government stacking legislation that it has not had the confidence to bring earlier—54 pieces of it—and quite a bit of it manufactured in the last few weeks. It has got that on the program. I expect that program will extend into October so that it can be dealt with properly. If the government has no intention of coming back in October, let us hear it and let us hear the date of the election now so we can work from a basis of the government being honest with the parliament when it wants us to fit in with a timetable making a major change to the sitting schedule.

Senator FAULKNER (New South Wales—Leader of the Opposition in the Senate) (10.49 a.m.)—As honourable senators would be aware, I always try to be generous in this place with my comments. I must say that on this occasion I found the explanation from the Manager of Government Business in the Senate to be humbug. To be fair, at least I will acknowledge that Senator Campbell was able to provide some explanation, however poor it may have been. I would compare that favourably to the effort of Senator Kemp—and I am sure my colleagues would agree—who actually moved a resolution here, the content and import of which he knew not. I do appreciate you, Senator Campbell, coming to save Senator Kemp on this occasion. Generous though I am, I did find your explanation to be humbug. I do acknowledge that it was you merely repeating the humbug that had been provided by Minister Reith when out of session—the point I made to you—an announcement was made by Mr Reith, in his capacity as Leader of the House, that the House of Representatives, in this case the parliament, would not sit in accordance with the published sitting timetable.

Senator Robert Ray—How did he announce it, on a mobile phone?

Senator FAULKNER—I don’t know the answer to that, Senator Ray. I understand he is much more careful about these things nowadays than he used to be. The point here—and it is a serious point—is that this brings right into focus the pressure that we have in this chamber. It reinforces the points that the opposition were making during the previous exemption debate. We have got 58 bills provided to the opposition. I appreciate the request made by the Manager of Opposition Business in the Senate, Senator Carr, who had the good sense to request the government to provide a list of legislation that the government wanted to progress before the Prime Minister called the election. There are 58 bills on that list and I ask senators again to reflect on the priority that the Electoral Legislation Amendment Bill should have when compared with all that serious important legislation, some of which has significant national and international implications. This is a time now for the government to give some serious thought to prioritising that legislation in a way that is not entirely partisan in its approach but has the best interests of the parliament and the national interest in mind as it does so.

We accept that it is the government that determines when an election is called. There are a growing number of advantages when you look at advertising campaigns and the resources that are available to members of parliament and governments. But one of the key advantages of incumbency in our political system is for the Prime Minister to determine when an election is to be called. The reason this change is occurring to the sitting timetable of the parliament is that Mr Howard wants to have more flexibility in relation to the date on which he calls the election. That is fair enough. I think we all understand how it works. We all understand that is a decision within Mr Howard’s gift. All the opposition say is, ‘Let us be honest about it; let us be open about it; let us be frank about it; and let us at least have some sort of acknowledgment that that is what this motion is about.’ The motion, albeit its motivation is
now exposed, will still be supported by the opposition.

Question resolved in the affirmative.

Consideration of Legislation

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

That the provisions of paragraphs (5) to (7) of standing order 111 not apply to the Royal Commissions and Other Legislation Amendment Bill 2001, allowing it to be considered during this period of sittings.

Senator FAULKNER (New South Wales—Leader of the Opposition in the Senate) (10.52 a.m.)—I want to make the point that it has been the opposition's consistent approach during the life of this parliament to support such exemption motions. Here is another example of an exemption motion that in the view of the opposition is a perfectly reasonable one. There is a real partisan interest in this issue; it goes to two royal commissions, and I will be speaking about this later in the second reading debate on behalf of the opposition. These matters are important and we accept that they are ones that require a formal exemption from the cut-off. Even though we have concerns again with the motivation of the government, we are not going to be dog-in-the-manger about this. We are going to adopt the approach that we have adopted for the previous 119 bills that have come before this parliament and for which the government has sought exemption.

The opposition will lend its support to the government to allow this bill to be exempt from the order of the Senate. That is our standard operating procedure. That is our approach and has consistently been so for a long period of time. That is why again I stress that the action that the opposition took in relation to the Commonwealth Electoral Amendment Bill 2001 was so unusual. It requires an extraordinarily partisan and politically motivated piece of legislation for the opposition to determine that passage of the exemption motion is not warranted. In this case, the HIH royal commission and that into the building industry are matters of very serious concern in this country. The opposition supports the motion, and that is consistent with the approach it has taken with in excess of 100 consecutive exemption orders.

Senator ROBERT RAY (Victoria) (10.55 a.m.)—My understanding is that this cut-off motion will allow legislation to come before the parliament to cover off on two royal commissions. I anticipate that this cut-off motion will be agreed to very shortly by the Senate, which makes it 120 times since the last election—that is, 120 to nil—that a cut-off motion has been passed. Admittedly, one was adjourned this morning.

It is true to say that we think the royal commission into the collapse of HIH and all its complex ramifications is absolutely necessary. The second one is there, I suspect, for some political motive because it is directed towards a particular industry that has had its problems and is directed specifically about one or two particular trade unions. The interesting thing is how often, if we ever say this is a political stunt, those opposite say, 'You are just carrying out the orders of your union bosses.' I thought that I would at least put it on the record that in my 35 years in the Labor Party the particular unions and 'union bosses' have never voted for me once in their life and never will—never at preselection, never for federal conference, never for federal executive.

Senator Carr—That is not entirely true.

Senator ROBERT RAY—Senator Carr says that it is not entirely true. If he is confusing that with support from the Left, I will point out that, when I received 88 per cent in the preselection, amongst the other 12 there were representatives of these groups. I am not criticising them because of this; it is the delicious irony that we are accused of just responding to union bosses' orders when, frankly, they would not do something to me if I were on fire. We all know that.

Senator Faulkner—I am sure they would have wanted to vote for you.

Senator ROBERT RAY—They would probably want to do it before or after I was on fire, Senator Faulkner, but certainly not at that time. What we are going to do here is vote for overturning a cut-off motion to allow legislation to be put here, part of which we strongly disagree with. ‘Why?’ Because
we believe it at least has a legitimacy in the way it has progressed through government. It has come to cabinet by way of submission. It has gone through the normal processes. You do not have a situation here where the Federal Director of the Liberal Party gets on the phone to the Prime Minister and says, ‘I want $12 million to $14 million to spend in the next election campaign and one or two miserable state directors of the Liberal Party will not sign up to this.’ That is what we were debating previously.

I only get up on this motion to point out the differences that we were, I think, very justified in opposing and later adjourning and continuing to oppose the cut-off motion on the dash for cash bill. We will always do that, even though on this bill we have reservations about a royal commission into the building industry yet again. Wouldn’t we be much better having a royal commission into the collapse of Ansett, given the complexities that even the current day administrators are going through? We read today that they can hardly find any books or where the funds have gone. They have all these particular powers as an administrator. I think the money would have been much better spent there. But this is the government’s priority put before the parliament, and let us debate it because it is at least a national issue and not an internal political issue concerned with the Liberal Party, the corrupt behaviour and the dysfunctional behaviour of the Queensland branch, and efforts to put a gun at that branch’s head to bring them into line. That does not exist in these cut-off motions; here is yet another example. The figure now stands at 122 bills exempted from the cut-off order over the past three years; not one request for exemption has been rejected.

Senator FAULKNER (New South Wales—Leader of the Opposition in the Senate) (10.59 a.m.)—This motion will be supported by the opposition. I feel that I now have to correct the statistics I gave earlier in the day when I indicated that the opposition had agreed to exempt some 119 bills over the past three years. The opposition will be supporting the question before the chair—another two bills—and of course we have agreed to exempt the Royal Commissions and Other Legislation Amendment Bill 2001, so I would like to indicate that the statistic now stands at 122 consecutive bills agreed to be exempted by the opposition. Again, it brings into very sharp focus the seriousness with which we view the approach the government is taking on the dash for cash electoral bill. It is the normal approach for the opposition to agree with these exemption motions; here is yet another example. The figure now stands at 122 bills exempted from the cut-off order over the past three years; not one request for exemption has been rejected.

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Senator FAULKNER—122nd.

Senator ROBERT RAY (Victoria) (11.01 a.m.)—I am very pleased to join my colleague in welcoming the 121st successful exemption motion, to be passed in a moment’s time.

Senator Faulkner—122nd.

Senator ROBERT RAY—There were 119; the one before is 120 and these two are 122—I see. Senator Faulkner, accurate as always, has got the number of bills to 122. It is interesting to note the generosity of the opposition on this issue. The Parliamentary Service Amendment Bill 2001 is a very minor bill that has been necessary coming out of previous legislation. But the other bill, the Interactive Gambling Amendment Bill 2001, is an embarrassing bill for the government, so it is even more important that we pass the motion for exemption from the cut-off. In their rush to put in their interactive gambling ban—a thing that just does not work—they mucked it up. They banned all advertising, not only on gaming but on wagering; now they are seeking to rectify the situation. Imagine being a minister bringing in that legislation and not picking it up when you introduced it just a few months ago. The rea-
son why it was not picked up is that they were playing politics. They were trying to blame everyone for the gambling plague in this country rather than bringing in effective legislation that properly covered it—hence the need for this bill, hence the need for urgency. Normally, if this were not urgent we could deal with it down the track without a cut-off motion. We have a cut-off motion simply because the government, as always, are too interested in playing politics and are not looking at the detail. It would shock no one in the chamber that Senator Alston was the minister in charge of this legislation. He is always making cheap political points; not looking at the detail of the legislation; bungling it entirely; and having to bring in additional legislation, in a humiliating way for the minister, to rectify it. Now they have to come to us and say, ‘Not only do we want your support for that; we want you to give it priority and we want you to once again, for the 122nd time, give this precedence in the chamber, ignore the cut-off order and do something to assuage the embarrassment of the government.’ We are only too pleased to cooperate.

Question resolved in the affirmative.

STATES GRANTS (PRIMARY AND SECONDARY EDUCATION ASSISTANCE) AMENDMENT BILL (No. 2) 2001

Second Reading

Debate resumed from 18 September, on motion by Senator Alston:

That this bill be now read a second time.

Senator ELLISON (Western Australia—Minister for Justice and Customs) (11.04 a.m.)—I thank those senators who have contributed to the debate on the second reading. The States Grants (Primary and Secondary Education Assistance) Amendment Bill (No. 2) 2001 amends the States Grants (Primary and Secondary Education Assistance) Act 2001, which authorised establishment assistance funding for the 2001-04 funding period. Establishment grants have been provided to assist new non-government schools with costs incurred in their formative years and also to enable them to be more competitive with existing schools. The bill increases the funding for establishment assistance to non-government schools for the 2001-04 program years in line with current estimates of demand. The act provided for total establishment assistance of $4.7 million for the 2001-04 program years. The amendment bill increases the total funding to just under $14.3 million, an increase of $9.5 million over four years. This amendment bill increases the cap on funding rather than directly increasing the funding for individual schools. It ensures that sufficient funding is available to pay all new schools their full entitlements for the 2001-04 program years.

The States Grants (Primary and Secondary Education Assistance) Act 2000 provided for two categories of new schools that will be eligible for establishment assistance. All newly commencing systemic and non-systemic schools applying for general recurrent grant funding from 1 January 2001, and newly commencing non-systemic schools that applied for general recurrent grant funding after 11 May 1999 and were approved with effect from 1999 and 2000, are eligible for establishment assistance. Establishment grants are available at the rate of $500 per full-time equivalent or FTE student in the first year of the school’s operation and $250 per FTE student in the second year of operation. Newly commencing non-systemic schools that applied for general recurrent grant funding after 11 May 1999 and were approved with effect from 1999 or 2000 are also eligible for establishment grants in 2001 and 2002. New schools not approved before the end of June 2001 will receive nothing without this bill being passed. All 54 schools currently approved for funding—involving nearly 4,000 students—will be denied their second grant instalment, due in October 2001, if this bill does not pass. There will continue to be shortfalls in funding for future years without the passage of this bill. This will affect the funding of new non-government schools across Australia, and the ramifications that I have just pointed to are dramatic indeed.

The shadow minister for education has said that the states grants legislation passed last year included no extra funding for government schools beyond cost supplementary-
tion. The government rejects this outright. This ignores the extra $238 million that the coalition provided for government schools in this year’s budget. That includes $143 million over four years through funding identified by the enrolment benchmark adjustment and applied to develop students’ scientific, mathematical and technological skills; $28.8 million for literacy and numeracy over the 2001-03 period; $23.8 million over five years to support online curricula; $32.7 million over four years to assist people moving from school to further education, by maintaining the important Jobs Pathway program at its current high level; $6.7 million over four years to the Enterprise and Career Education Foundation for extra work placement coordinators in remote areas of central and northern Australia, a very important initiative for regional and remote Australia; and, finally, $2.5 million to pilot career and transition advisers, who are very important for those young Australians looking to their future.

Of the specific schools initiatives in this year’s budget, 87 per cent of the funding is directed to the 69 per cent of students in the government sector; that is, the majority of that funding is directed to the 69 per cent of students in this country who are going to government schools. This refutes outright the claims by the shadow minister for education and demonstrates the commitment of this government to the government schools sector. On a proportionate basis, this is $50 million more than government schools could expect on the basis of their enrolments, and that is $20 million more than what Labor is seeking in its amendment to this bill. The government is contributing $222 million to state governments this year for capital works in government schools. MCEETYA figures suggest that the total Commonwealth and state funding for capital works in government schools each year would now be in excess of $650 million. Accordingly, this government does not support the amendment proposed by Labor and sees it as totally unnecessary in view of the substantial funding provided by this government to the government schools sector.

There have been a number of allegations made by the Australian Education Union about so-called rorting and loopholes and yesterday we heard Senator Carr raise allegations of fraudulent receipt of an entitlement to establishment grant funding. Firstly, I would point to what Senator Carr himself said, and that is that he recognised that the registration and recognition of new schools is a responsibility of the state registration authority and not of the Commonwealth; that is, it is not the Commonwealth government but the states that approve the formation of new schools. Secondly, all new schools have been legitimately approved as newly commencing schools and have met the requirements of the legislation and the administrative guidelines governing their approval. There has been no evidence to the contrary. If Senator Carr or any other senator has any information about fraud in respect of a particular school then, of course, I will arrange to have that fully investigated and, in the event there is substance in a claim, appropriate investigation or recovery action will follow. But I reiterate: the formation of new schools is approved by the state authority and not by the Commonwealth.

We should not lose sight of the purpose of this bill. The establishment grants policy has already been legislated by this parliament. This bill simply provides the necessary funding to schools that have an entitlement to the funds provided by this legislation. The Commonwealth seeks to improve outcomes for all Australian students, by strengthening both government and non-government schools. To put this in context, it should be noted that this government’s spending on government schools is at its highest level ever. Total funding for government schools in 2002 is $2.2 billion, some $669 million more than Labor provided in its last year in office; that amounts to an increase of 43 per cent. In the four years to 2004, total funding to government schools will be around $9 billion. This bill spells good news for those new non-government schools that are being formed and good news for the education sector in Australia, and the government
stands on its record of funding strongly both the government and non-government sectors in this country. I reaffirm this government’s commitment to a strong government schools sector and a strong non-government schools sector. This bill is a necessary part of that commitment, and I commend it to the Senate.

Question resolved in the affirmative.

Bill read a second time.

In Committee

The bill.

Senator CARR (Victoria) (11.13 a.m.)—I move:

That the House of Representatives be requested to make the following amendment:

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

1A Schedule 3 (table)

Repeal the table, substitute:

<table>
<thead>
<tr>
<th>Capital grants for government schools</th>
</tr>
</thead>
<tbody>
<tr>
<td>Column 1 Program Year</td>
</tr>
<tr>
<td>-----------------------</td>
</tr>
<tr>
<td>2001</td>
</tr>
<tr>
<td>2002</td>
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<td>2003</td>
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<td>2004</td>
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<td>2005</td>
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<tr>
<td>2006</td>
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<tr>
<td>2007</td>
</tr>
</tbody>
</table>

Note 1: Amounts for 2005, 2006 and 2007 will be inserted by an amending Act.

Note 2: The operation of section 106 may affect the amount of the grants.

Statement pursuant to the order of the Senate of 26 June 2000—

The amendment is circulated as a request because it would have the effect of increasing expenditure under the appropriation in section 111 of the States Grants (Primary and Secondary Education Assistance) Act 2000 by $30 million. It therefore increases the “proposed charge or burden on the people” within the meaning of the third paragraph of section 53 of the Constitution.

Statement by the Clerk of the Senate pursuant to the order of the Senate of 26 June 2000—

The Senate has treated as requests amendments which increase expenditure out of appropriations an Act amended by the bill. This request is therefore in accordance with the precedents of the Senate.

I think there is a need to respond to some of the statements that have been made by the minister here this morning. I am pleased to say that he did not use precisely the same language and terms that Dr Kemp used in his summing up in the House of Representatives. However, he did seek to use the same bodgie statistics that Dr Kemp has become a past master at using. He claimed, for instance, that the bulk of Commonwealth funding goes to students in government schools. That is not the case. He knows it is not the case. At estimates committee after estimates committee we have heard what the case is: that is, when this government came to office the share of Commonwealth funding to the government school sector, to public education, was 43 per cent. It has now been reduced, under this government’s policies, to about 34 per cent—or it will be under the present administrative arrangements. Those figures indicate a dramatic shift in the amounts of money that are being spent by this government on non-government education and on public education. There is a huge gap in this government’s commitment to the different sectors of education in this country.

It is true that about 70 per cent of Australian children attend public education institutions, but the government does not see that as its responsibility; it says that its responsibility is primarily to the 30 per cent who attend non-government schools. We think that is an approach that is basically wrong. I am sure that, as we consider the detail of the States Grants (Primary and Secondary Education Assistance) Amendment Bill (No. 2) 2001, that issue will become quite clear.

The minister, in summing up the second reading component of this debate, said that we should not lose sight of the purpose of the bill. This is a bill that is to provide special assistance to new non-government schools—that is the purpose of this exercise. This bill seeks to increase the amount of money to new non-government schools by 330 per cent. We ought to be clear about that and
have that at the centre of our focus for consideration. It is a massive increase. It is not a bill about newly registered non-government schools, as the minister would appear to imply from his statements, nor is it a bill that seeks to have a 330 per cent increase in funding for reregistered schools; it is a special amendment to the states grants act to provide a 330 per cent increase in funding for schools that meet presumably a set of guidelines laid down by the Commonwealth that make schools eligible for this money.

We will explore today just how well those guidelines have been administered. My interest here today is to establish a measure of accountability for the way in which those guidelines have been administered by the Commonwealth—Department of Education, Training and Youth Affairs and by the Commonwealth Minister for Education, Training and Youth Affairs. This nonsense we hear that the states are responsible for the spending of Commonwealth appropriated monies through a special bill ought to be challenged, and it will be. It will be strongly challenged—

Senator McGauran—At the next election.

Senator CARR—I hear the man—the statue speaks again: ‘The next election.’ No doubt, we will assess in the election, in a very short period of time, this government’s record when it comes to its attitudes, its priorities, about ensuring that all Australians—whether they attend government or non-government schools—are funded on the basis of their need, rather than on the political prejudices of a particular government and a public service that is obliged to follow its directions.

We heard in the House of Representatives, when this bill was considered, the minister, Dr Kemp, accusing the opposition of many things. On all counts, he was wrong, as he so often is. On all counts, he was insulting, as he so often is. His remarks emphasised that the opposition, he thought, was in the business of waging a campaign of vilification against particular schools. The parents, he said, had the right to send their children to these schools. We do not dispute the fact that people have the right to send their children to the schools that they think are appropriate. What we challenge are the government’s priorities and its sense of its responsibilities to ensure that all children are properly resourced and supported by the taxpayer, rather than its quite clearly biased approach. We will allege that the minister and his department have seriously maladministered the program that is the subject of this particular bill. We will allege that the payments to a number of schools under the establishment grants program were made when we think that the schools did not meet the eligibility requirements.

The most significant problem associated with the allocation of schools under this program came to light after the first version of this bill came into the parliament earlier this year. The minister likes to suggest that we are here as an adjunct of the Australian Education Union. I think you ought to bear in mind that it was in fact the Labor Party that pursued these issues first. It is true that the AEU has a particular interest in the defence of public education, which is something that I applaud, but it is not true to say that these matters were pursued as a result of the AEU raising them; it was because the Australian Labor Party had a look at these measures and raised these matters in the course of the Senate inquiry into the original bill and during the Senate estimates hearings. The public record is clear on that, Minister, and you disappoint me that you should try to misrepresent the situation. The facts of the matter were confirmed by officers of the department. Frankly, I have fond regard for the officers of the department—I look forward to working closely with them after the next election. I have no doubt that—

Senator Ellison—When you are in opposition.

Senator CARR—‘When you’re in opposition,’ says the minister. That is a question that is yet to be determined. But this is the problem with these questions, because there is a chance that governments lose office, Minister.

Senator McGauran—And how are you feeling today?
Senator CARR—I will tell you what: I am feeling a damn sight better than you ever will, Senator McGauran. As I have said to you, you would be having enormous difficulties in the National Party, I would have thought, in trying to maintain any position. In fact, if you are still alive at all and feel anything, I would be surprised, because, quite apparently, you have been politically dead for some time. The National Party in Victoria in particular, Senator McGauran, is not really in a position to shove its head up too high. What I would say, though, with regard to the accounts that have been presented, is that the officers of the department have made no attempt to actually dispute the relevant facts. I have no doubt that we will have an opportunity to explore those facts and to establish whether it is still the case that the Commonwealth officers maintain that these matters occurred.

I put it to the Senate that what we have here is the result of very grave errors because of this government’s recklessness, because of its careless and profligate attitude towards the disbursement of taxpayers’ funds. This government, because of its real blind spot when it comes to the issue of non-government schools, has not taken the necessary care with public funds. The argument I will present is that this government, because of its careless attitude, has put schools in a position in which they must be placed at the moment so that the minister can claim that 54 schools are without money. Why is it that the program was so overspent? When did the government establish that the program was going to be overspent? What advice was tendered by the department to the government to fix the problem? Why is it that we are dealing with these issues now—or whether it be in June—and not at the time that the States Grants (Primary and Secondary Education Assistance) Bill 2000 was considered last year?

It is my contention that, at least in October last year, the government knew that it had a serious problem but failed to act because it had a scandal on its hands and did not want to mix up public debate about that scandal with the scandal of its non-government schools funding policies—its SES policies—which saw the richest, most powerful schools in this country receive up to $3 million extra per annum because of a politically motivated campaign by this government. We saw a whole range of wealthy schools such as Geelong Grammar, Wesley, Scotch and King’s in Sydney given favoured treatment while the situation is quite the reverse for other schools. For instance, I note that in Adelaide there is not sufficient money to fix the roof of a school and some 20,000 students are learning in run-down classrooms with broken windows, leaky roofs, rotten walls and with rats and possum faeces quite clearly providing, let us say, an interesting environment for students in which to actually study! There are inadequate storage and office facilities. Clearly our public education system has been run into the ground, yet this government has no trouble finding up to $3 million extra per annum forever for category 1 schools—some of the richest and most privileged schools in this country.

So I think we are entitled to ask: what is the basis of the government’s policies? We are entitled to ask why it is that the government is seeking to behave in this way. We are saying that there has been at least a 50 per cent mistake in funding for this program. The schools themselves, we argue, are innocent in this sorry story. The blame for this administrative disaster rests clearly with Dr Kemp, with his department and with this government. The minister speaks of 54 schools. Minister, I ask you now: can we have a list of those 54 schools—the full list? We have been provided with a list of 49 schools; you now say that there are 54 schools. Can we have the full list of the 54 schools that you say cannot be funded because of the failure of this government?

Senator ALLISON (Victoria) (11.28 a.m.)—The Democrats will support Labor’s amendments. I spent a lot of my time in government schools, and it is clear to me that an extra $30 million is not going to go very far, but it is better than nothing. I see schools right around Victoria and in other parts of Australia where I think the conditions could, in some cases, best be described as Third World. That may sound extreme, but it seems to me that this government—and, I would
have to say, the government before it—does not care enough about the sorts of environments we provide for children to learn in. This situation is in stark contrast to that of so many private schools that have received a huge amount of extra funding from this government.

I thought I would draw on a report entitled *Our future* that was put out earlier this year by the Australian Government Primary Principals Association. It reports on a survey that was sent to all schools and over 50 per cent of schools responded to that survey. So something like 2,500 primary principals responded to the survey questions. Twenty-six per cent of those respondents said that their school facilities were ‘badly in need of an upgrade’. So one in every four schools was saying that their facilities, their school buildings, were ‘badly in need of an upgrade’. Only 15 per cent said that their facilities were excellent. I have been into some of those schools that would no doubt regard their facilities as excellent. In fact, I went into one in Dr Kemp’s own electorate only a couple of weeks ago. Indeed, they do have very good facilities, and perhaps the fact that it is in the electorate of the Minister for Education, Training and Youth Affairs might have something to do with that. But, by and large, these are schools that are in socio-economically advantaged parts of Victoria—in this case, Melbourne. It is not too much of a battle for those schools to raise money, to apply for grants and to provide facilities that are more than acceptable. My concern is about all those other schools, that one in four schools, where the principal has identified the school facilities as being ‘badly in need of upgrade’. I want to quote from the report, because I think it is a very good one. It accords with my own observation of schools too. The report states:

The frequency with which problems with school facilities were raised in Section 3—

raises questions about what government primary school principals consider the word ‘adequate’ to mean. Many requested fairly basic kinds of improvements, for example, toilets, protection from the weather, a space for the school community to meet, an administration area, classrooms big enough to fit computers in, spaces for teaching small groups of children or where a teacher can work one-on-one with failing students.

That seems to me to be a pretty basic list of requirements that schools ought to have. We are not talking here about gymnasiums, swimming pools, tennis courts or any of that cream on the top of the cake that so many private schools take for granted. No, we are talking here about what you need for a reasonable environment in which to teach children. The principals’ report went on to state: Old school buildings in their original state are like chalk to the cheese of modern purpose-designed facilities. The large number of old government primary school buildings is a huge liability.

One of the respondents said:

This school was built in 1916. The rooms are too small. We lack wet areas, space for computers and withdrawal areas. Increased space is needed to create an environment more conducive to learning. It would enable us to establish learning centres, for example. The activities in classrooms are currently limited because of the physical structure of the rooms. We need more opportunities for ‘hands on’ and group activities.

The principals point out that those sorts of limitations ‘are not restricted to the oldest, heritage schools’. I went to an old heritage school myself in Fairfield, Victoria, but my secondary schooling was in a school built in the 1960s, and this style of building comes under attack as well. One school said:

Our facilities were built in the 1960s. They prohibit team teaching and technology use. Of course a huge problem for many schools is the high proportion of portable classrooms, the so-called demountable buildings, and one school said of theirs:

Our demountables are hot in summer, cold in winter and they leak. There is no way of combining classes for cooperative learning sessions. There are no withdrawal areas and there is a lack of space for computers and storage.

Some of these so-called portables have been welded onto school grounds for up to 25 years. I have been to one school down on the peninsula in Victoria where the so-called portable classroom has been there for more than 25 years and is still in use. There are other schools. Berwick Secondary College has a very large population of students. I think the number of students to be expected
in that school could be easily planned, yet almost half of their students will be taught in portable classrooms this year. And there is no end in sight. There is no planning or funding for the construction of new classrooms—new, permanent, solid construction classrooms. The report continued:

War stories about demountables were plentiful. They are a particular problem for lessons that require running water and in climatic extremes. It is not practical to report the full range of concerns raised about the extent to which schools must rely on demountable structures and the problems this creates.

The kinds of architectural changes needed to support instruction are outside the reach of most government primary schools.

Another school said:

We want to redesign our 50 year old classrooms, the smallest ever built, by making three classrooms into two.

The report further stated:

The purpose of redesigning classrooms in this way is to create spaces that enable teachers to more carefully tailor instruction to cater for individual attainment levels and learning styles. Schools need appropriate, linked spaces to enable teachers to work with small groups or individual students while ensuring that the rest of the class is gainfully occupied. Old demountable buildings and lines of box-like classrooms do not readily translate into effective work environments.

There was a whole section in the report on the subject of grounds:

Many principals want children to be able to play or be taught outside but with some protection from the elements. Concern about the need for shade was very common.

One of the respondents said:

Australians are now aware that the risk of skin cancer is increased with exposure to the sun yet shade facilities are very limited at our school.

The lack of well-designed outdoor facilities was also a major concern. One respondent said:

There is insufficient area for 370 children to play. Tempers become frayed.

Many schools lack suitable facilities to enable children to socialise outdoors while being adequately supervised.

Another respondent said:

Most behaviour problems start in the playground. Children are often angry, upset and frustrated on return to class. Children who come to school without social or play skills need direction in the playground.

The report went on to state:

There were many requests for level, grassed playing fields. Without such spaces it is not possible for children to learn team sports.

Principals were concerned about the aesthetics of their school grounds. Some felt that more attractive surroundings and play equipment would encourage non-attending students into school premises. Others were concerned about the disadvantage suffered when competing with non-government schools with sites that are better planned and more aesthetically pleasing. While the reasons principals gave for needing better-planned outdoor areas differed according to local circumstances, the needs they articulated were similar. Schools need outdoor play facilities that take account of safety and supervision issues while creating a sense of harmony between the built and natural environments.

I congratulate the principals association for conducting this survey. It is very important that we as parliamentarians get into schools to see first-hand the sorts of conditions that our teachers and principals are operating in. I have said on many occasions in this place that you see the enormous difference between having in some cases less than $5,000 to spend on a student per annum and the amount of money which is being provided to schools by governments and topped up by parents. It is very clear that if you have got $10,000, or even $8,000, to spend on every student you can do a great deal better with the environment in which they learn. It is not just about class sizes; it is about making pleasant spaces and places which are practical and allow our teachers to do the work that we expect of them.

As I said, we will support this amendment of Labor's. We do not think it goes far enough. In fact, if you divide $30 million by the number of students in the government sector, it works out, if my mathematics are right, to about $100 a student, and it costs a great deal to fix up classrooms and make them suitable for the sort of education system that most people now expect. We would sooner see this amount much higher. We are also aware that the government is likely to
reject this request. If it does so, then it will do that at risk of this bill failing. It should bear that in mind as well.

A lot of the aspects of this legislation are wrong, in our view. It was flawed from the beginning to talk about providing funding for the establishment of new private schools without the checks and balances in place and without the quid pro quo for government schools. This does not actually do that, because there are so few government schools being opened up now. Private schools, by and large, are being established in areas which do not necessarily need them. They are established in competition very often with other private schools and with government schools. For those reasons, we think this is flawed legislation and we should not be dealing with it in this place. Nonetheless, I indicate Democrat support for this amendment.

Senator ELLISON (Western Australia—Minister for Justice and Customs) (11.40 a.m.)—I refer to some of the comments that Senator Carr made and at the outset correct him in relation to the percentage of government funding. He does not tell the full story. He says that it will be reduced from 43 per cent to 34 per cent between the years 1996 to 2004. That does not take into account the increased enrolment in the private sector vis-à-vis the government sector. You have to take into account the increased enrolment in both sectors, the government schooling and non-government schooling areas. That really then shows you how, naturally, if a sector grows in enrolment its percentage of funding would grow accordingly. That is not explained by Senator Carr and really misrepresents the situation.

The comments by Senator Carr touched on several issues. Firstly, he said that the opposition had been provided with the names of 49 new schools and that I had spoken of 54. Since that list was provided to the opposition, five further schools have been added to the list. They are: Reddam House, New South Wales; Jubilee Primary School, Queensland; Living Faith Lutheran Primary School, Queensland; Ellenbrook Christian College, South Australia; and Glendale Christian College, South Australia. These schools have been paid since the last list was provided. They were paid only 22 per cent, however, of their estimated entitlement, which is $500 per student, and without this legislation will receive no funding pursuant to their October entitlement. With those five further schools and the list that Senator Carr has, he now would have a full list of the schools we are talking about.

In relation to the other questions as to when the need for further funding was discovered—I think that that covered several of the points that Senator Carr made—the minister was aware of the shortfall in funding by the end of October 2000 following briefing provided on this matter amongst other issues in the latter part of October 2000. The States Grants (Primary and Secondary Education Assistance) Bill 2000 was already in the parliament, having been introduced on 29 June 2000, and was passed by the House on 6 September 2000. The states grants legislation appropriated $22 billion in funding for both government and non-government schools. The minister concurred with the advice provided then by the department that the shortfall funding could be secured in the 2001-02 budget context. This advice was that the funding appropriated in the states grants bill was sufficient to manage the program in the early part of 2001 and that the government could come back to parliament in early 2001 to increase the appropriation. The legislation was subsequently introduced into the House of Representatives on 5 April of this year and into the Senate on 20 June of this year.

The policy underlying establishment grants was set out in the original states grants act which passed on 7 December 2000. The assumption was made that it was reasonable to expect that the changes, which were parameter driven changes, would be passed in the winter sitting—so an entirely appropriate course of action adopted by the minister in the way this funding was approached. It came to his attention, he acted appropriately and in no way is there any aspect of carelessness on the part of this government. In fact, we have taken active steps to see that the funding for these 54 schools is covered, and the delaying and obstructive tactics by the opposition are seeing this funding for
these schools being held up. I think that covers the points that Senator Carr made.

Senator CARR (Victoria) (11.45 a.m.)—Thank you very much, Minister, for providing the names of those additional schools. Minister, I go to the proposition that the government has, as you say, not acted carelessly in this matter. What I would be interested to know is the date on which the department understood that the appropriation for this particular establishment grants program would not be sufficient to meet the demand from eligible schools. You have indicated to us that the minister was given a briefing at the end of October about the overspend in the program and that, because the states grants legislation had been introduced into the House of Representatives on 29 June, it was appropriate in the government’s mind to therefore move for a separate amendments bill in the year 2001. Of course, the truth of the matter is that the legislation was not introduced into the Senate until 9 October 2000 and that there were a series of amendments considered in the legislative processes of this chamber right through to the final passage of the bill—if I recall rightly—in the second week or thereabouts of December.

So some time between October and December the government had plenty of opportunity to amend its legislation. It chose not to do so. I would be interested to know why it chose not to do so. If the government and the Minister for Education, Training and Youth Affairs knew as of the end of October why didn’t he take action when the legislation to appropriate some $22 billion covering this area of the department’s expenditure was before the parliament? Was it the case that the department kept this information from the minister? I would be interested to know that. On what date did the department establish that the program was so overspent and how long did it take to inform the minister? Because from that point on, once the minister was informed as of the end of October, he has to take political responsibility for his administrative incompetence. I think we are entitled to answers to those questions.

The government says that the figures I have quoted in regard to its funding priorities do not take into account the enrolment changes that have occurred between the government and non-government sectors. The government confirms, however, that when it came to office the Commonwealth contribution towards schools education was about 43 per cent of its total. By 2004, that will be down to less than 34 per cent of its total. That change cannot in any way be seen as a consequence of changes in enrolment. The government also acknowledges that enrolments have actually increased in government schools, but their percentage share of Commonwealth outlays in schools education has moved from 43 per cent down to about 33.8 per cent of its total spending. How do we account for this other than the political priority that the government assigns to the two different sectors of education? How else do we take into account the fact that, despite 70 per cent of Australian children going to government schools, under this government’s spending we have seen such a sharp deterioration in their level of support from the Commonwealth?

I put it to the chamber that the explanation is pretty clear: there is an ideological obsession by this government to support one sector of education over another, to support the minority against the majority and, in particular, to support a particular group within that minority. Under this government’s policy, Trinity Grammar School will receive an extra $3.1 million per annum forever, on top of what they already get; Newington College in Sydney will get $1.8 million per annum extra; King’s, $1.5 million per annum extra; Wesley, $3.9 million per annum extra; Caulfield Grammar, $3.6 million; Haileybury College, $2.9 million; Ivanhoe Grammar, $2.4 million; Geelong College, $2.3 million; Geelong Grammar, $1.7 million; Mentone Grammar, $1.6 million; and Scotch College, $1 million. These are not struggling parish schools. These are schools that have numerous ovals. They have the latest in sports equipment, they have numerous turf cricket pitches and they have polo schools. They have all the things that every parent would obviously want their children to have access to. The fact remains that not every parent does have access to them. You have got to be able to afford the fees of up to $18,000 per annum per child to get access to that sort of
largess, that sort of privilege and those sorts of social connections. But what do this government do? They say, ‘You’re obviously underprivileged; we need to make sure you get a bit of a handout from the taxpayer.’ So the parents of the children going to these schools, who are not the poorest people in this country, get an extra handout from this government.

The priorities are dead wrong when you have a situation as I have indicated in South Australia where 20,000 children in public education facilities do not have a building program that makes sure that the roof don’t leak. That seems to me to be basically wrong. There is a major problem with our public policy that produces that sort of an outcome. We as a country are entitled to ensure that every child has excellence in education. We as a country and as a parliament are entitled to ensure that governments provide genuine equality of opportunity. If we say that education is at the core of this country’s prosperity—and surely we all agree with that—that is the basis on which this country is really going to develop and grow.

We are also entitled to take that down to the individual level and say that for every child in this country you should, through a public education system, provide opportunities that allow you to develop to your full potential. How can you do that when you have one system that is essentially impoverished and pauperised—a system of public squalor and private affluence? That is what we have under this government’s policies.

Dr Kemp has taken upon himself the role of the great advocate for the elite. He sees himself as the champion for the wealthy and he writes far and wide about how he is the champion for what he considers to be the ‘politics of choice’. His latest effort is to write letters to attempt to evade responsibility for the consequences of the policy shortcomings that are being pursued by his government. What he actually means by ‘choice’ is that those that have the resources get the choice—those that already have a privileged position get the choice to continue their privileged position and those that do not miss out. He has sent a series of misleading letters to private schools regarding the legislation that we are discussing today. Obviously, I will make a point or two about the nature of those letters and I think that I should also point out that those letters fail to point to a few facts as well. He says in those letters:

The Labor Party and the Democrats first voted down this legislation containing this funding during the last sitting of the parliament. That is just not true. That is just not the fact. The public servant that wrote that letter ought to have a good look at themselves, because it is just not true. The Labor Party proposed, and of course did with the support of the Democrats through the innovation and education bill, to split the bills. This chamber said to the government: ‘If you want to consider this omnibus legislation, do it properly. Don’t try to bundle legislation together to put popular measures with unpopular measures and tuck them altogether and hope that no one notices, because you’re not going to get away with it.’ We said that the bill should be split into different elements. There were such disparate elements that we were entitled to consider each of those on their merits. The government said: ‘This is horrendous. This is the end of the earth. We are withdrawing the bill.’ That is what happened. The government withdrew the bill. We did not vote it down. The government withdrew the bill.

We see that now the government has split the bill. That is basically what has occurred. It has divided the particular measures that were once in the omnibus bill into three separate components. The minister told the chamber: ‘When this bill comes before the Senate, the government intends to withdraw the bill. This is a decision the government is
taking.’ The government chose to do that. It is no good for the government to then turn around and say that the Labor Party voted down the bill. It is just not the case.

Dr Kemp in his letter also referred to the Labor Party’s proposal for matching pro rata provision of $30 million to be made available to government schools. He said:

The government will not agree to this amendment because we already provide $222 million this year for capital grants to government schools.

We are asked to believe that the reason Dr Kemp opposes our amendment is that the government is already providing a measure of capital funds to government schools. This year I think he is providing more than $88 million in capital funds to non-government schools, an increase in the amount provided in the previous years. This $88 million represents a substantial increase. Dr Kemp would have us take the view that he is opposing our amendment on the grounds that he is already providing sufficient support. The disparity is clear there as well: he will not be providing tens of millions of dollars in any increases in capital grants for the government sector. We have to ask ourselves whether the intention of these grants is, as he says ‘to assist new non-government schools with the cost incurred in their formative years’. It is an obvious fact that new schools do incur particular costs and expenses during their early years, but why is it that only non-government schools incur costs and expenses in their formative years? Clearly that is not the case, but that is the proposition that we are asked to support in this bill.

This government fails to confront the fact that it treats public education fundamentally differently. It is not even prepared in its rhetoric to acknowledge that all Australian children should be treated the same. The government’s proposition is:

Until the legislation is passed, the Commonwealth will be unable to pay the 50% adjusting payments due to the schools in October.

There, of course, is the key issue here. If we argue that this program, faulty though it may be, was effectively and appropriately administered—if the department had actually administered the guidelines—then there would have been sufficient moneys. I ask again, Minister: on what date did the department establish that it did not have sufficient funds to meet the program requirements? (Time expired)

Senator ELLISON (Western Australia—Minister for Justice and Customs) (12.00 p.m.)—We have just seen Senator Carr delaying things—not the government. Senator Carr has been trawling over issues which he has dealt with before and which have been covered by the Senate estimates committee. I refer in particular to 25 June this year when Senator Carr asked questions as to when the department first realised that there was a shortfall. He said then:

We are discussing a bill to amend the States Grants (Primary and Secondary Education Assistance) Bill 2000 which was passed in December last year, which you knew to be wrong in October and chose not to do anything about.

Mr Greer, who represented the department, said:

No. As I said, we identified the shortfall in the early part of October. The formal advice on that matter was passed to the minister in the course of October, as Mr Evans indicated.

We have here a situation where Senator Carr asked this question in June this year and was given an answer this year, and I give it again. What I am saying today is that we have before us an important piece of legislation which deals with schools, which are not wealthy schools—they do not represent just one particular corner of Australian society. In fact, the schools entitled to establishment grants include new Catholic parish schools, non-denominational schools, Jewish day schools, Steiner, Montessori and other community schools, including the non-government school with the lowest SES score in the country—the Nyikina Mangala school in the Kimberley. That is not the sort of school that Senator Carr has been referring to. These are not schools which have acres and acres of playing fields and large swimming pools. What we are talking about here is funding schools which are being established and which need assistance in getting established. That is very important. Senator Carr is asking questions again and again—questions which he asked in June this
year and to which he was given very clear answers.

Senator Carr talks about the government’s delay in addressing this problem. We have been trying to address the problem for many months. We introduced measures to deal with this issue and we have had nothing but delay from the opposition—and we are getting it again today with Senator Carr asking the very same question that he asked on 25 June this year. The opposition needs to come clean. It has demonstrated its point. It has put forward an amendment. We should vote on that amendment and proceed with this very important legislation so that the benefits can flow to those schools which need assistance.

Senator CARR (Victoria) (12.03 p.m.)—Minister, I am surprised that you think these matters have been dealt with adequately through the Senate estimates committee. The government acknowledged that they did not have the foresight to appreciate the problems that were emerging until they told the minister at the end of October, and my question went to the date on which the department knew. We still have not had an answer to that. You said it was sometime in October. I think I am entitled to pursue that matter. I have yet to have an answer to that question. What was the date on which the department appreciated that they did not have sufficient funds to maintain the program—that they had, in fact, overspent the program?

It would seem that the department were paying out grants to eligible schools and were well aware that the allocations from the program would run out in October—we are not quite certain when, but sometime in October—that full payment of moneys owing to the schools could not be made and that the timing of the initial payments to schools and the amount paid to each school took no account of the possibility that increasing funds would not be available. There was just a presumption that the extra money was going to be there—it was going to be found from somewhere; there was going to be an appeal made to who knows whom and these moneys would suddenly appear.

It strikes me that when the states grants bill was before the parliament last year that was the appropriate occasion to approach the parliament for additional moneys, if that was required—not eight or 10 months later. A delay in the passage of the legislation, or even its rejection by the parliament, was something the government would have been able to test last year when the bill was before the parliament in regard to the expenditure of $22 billion. The alternative approach would be to suggest that the government was perhaps a little reckless, or even contemptuous of the parliament, because the assumption was being made that we would automatically agree no matter whether this program had been properly administered and the guidelines followed. If the minister did know from the end of October that there was a major shortfall in the program, the minister is clearly responsible for the current situation. He is certainly complicit in the actions to cover up this matter.

I raised some questions in the estimates when I became aware of the problem and I was not satisfied with the answers. I am still not satisfied, and that is why we need to pursue these matters. We need to establish whether it is the case that the department had allocated funds in the original bill and had failed to take account of the schools applying for registration after the commencement of the new funding package that was announced in 1999—that is, applying for registration after the commencement of the new funding package that was announced on 11 May 1999. I would have thought that is quite inexplicable, unless there is an assumption that the decision to provide establishment grants on a backdated basis was also made subsequent to the drafting of the bill. I ask the minister whether he can confirm that. Was the decision to backdate payments made subsequent to the drafting of the bill—that is, prior to 29 June 2000?

We have a proposition that this extraordinary increase of over 330 per cent is required in this appropriation. When was the decision taken to backdate the payments, and was that part of the original calculations in the statements that have been made about the passage of this bill last year? The minister has asked about the question of delay and the commitment the Labor Party has given to schools that are affected by any possible delay. I pre-
sume that these requests will be supported by the chamber. If the message from the Senate is not accepted by the House of Representatives because the government will not agree to our requests, then the payments will be made after the election.

When a Beazley Labor government is elected, we will provide not only an extra $10 million for the establishment grants for non-government schools but at least an extra $30 million for government schools across the country. That approach ought to be emphasised. We say that the schools concerned are being held hostage by this government’s failure to administer the program properly, with due care and regard for the expenditure of public moneys—that schools are the ones that are being held to ransom by this government, by the minister, Dr Kemp. The straightforward answer to this is that the government accept the requests we are making for an additional $30 million to be provided for public education as part of the passage of this legislation.

I think I am entitled to a few answers, and I will continue to ask questions until I get a few answers. The behaviour of the government in this matter is totally unacceptable. It is not appropriate that you treat the parliament in such a contemptuous way. It is not appropriate that you treat the 70 per cent of children who attend government education institutions—government schools—in this country with such contempt. You will be held accountable for that here in this chamber and also in the electorate. I have no doubt that in the forthcoming election this will be an issue. The whole question of government spending on government schools and the government’s biased, discriminatory policy against children in public schools is something that ought to be debated. I have no doubt what the public think about that.

Senator ELLISON (Western Australia—Minister for Justice and Customs) (12.09 p.m.)—Senator Carr raised a number of issues there. I will deal with and dispel each of them. Firstly, there is the question of the backdating of funding. On this issue, Senator Carr should cast his mind back to the passage of the States Grants (Primary and Secondary Education Assistance) Bill 2000. That was legislation which was dealt with last year and which, in part 6, division 5, ‘Grants to provide establishment assistance’, provided for the backdating of funding. That was something that Senator Carr agreed to. He is now asking when it was done and why it was done and is questioning the rationale. We are saying that the opposition dealt with all this with the government in the passage of the bill last year. Division 5, clause 75, dealing with grants to provide establishment assistance, dealt with the backdating of funding to June that year. It is a non-issue, because it has been dealt with previously by legislation. Senator Carr should know that.

Senator Carr has also raised the question of why additional funding is not being provided for government schools. The question is quite simple. Government schools are a state responsibility, and the Commonwealth’s contribution is supplementary to the states’ efforts. Commonwealth funding on government schools is at the highest level ever. All states and territories have received increased funding for their government schools every year since 1996. All states and territories have received increased funding every year since this government came to power in 1996. Total funding for government schools in the 2000-01 budget is $2 billion, and over the next four years it will total $9 billion.

The Commonwealth is contributing $222 million to state governments this year for capital works in government schools. MCEETYA figures suggest that total Commonwealth and state funding for capital works and government schools each year would be in excess of $650 million. The government has demonstrated its support for government schools, and it did so in the 2001 budget of 22 May this year, when $238 million, or 87 per cent of the schools budget measures, were for government schools, which have only 70 per cent of the nation’s students. The government’s record for government schools entails an increase in 2002 of $669 million—in other words, a 43 per cent increase since the government came to power in 1996. What we are saying here is that there is additional funding being granted for government schools. When Senator Carr says, ‘Where is the supplementation?’, he
fails to acknowledge these increases in funding for the government school sector. Eighty-seven per cent of our schools budget goes to the government school sector, which educates 70 per cent of young Australians.

In relation to the other issues, Senator Carr is repeating what he has said time and time again, particularly at Senate estimates hearings. Again I would say that the points he is raising today do nothing to advance this debate; they merely delay the passage of a bill which is essential for a sector of Australian schools not wealthy and which cater to a wide diversity in the community.

Senator CARR (Victoria) (12.14 p.m.)—Minister, I am disappointed again that you have failed to appreciate the obvious difficulties that arise from the policies you are pursuing. Take Adass Israel, a school I recently visited in Melbourne. I have mentioned this in the chamber on previous occasions. This is a school that is in a community that is generally regarded as being quite wealthy. It is in Caulfield. The difference is that the pupils come from families who are not wealthy at all. I have been made aware of examples where families of 12 are living in two-bedroom flats, in rented accommodation in Caulfield. The resources of the school, I must say, left me shocked. How can a modern community ask that children be educated with those arrangements? The library is clearly inadequate. The computer facilities are clearly inadequate. They have to actually roster students into the playground.

This is a school that, under your funding regime arrangements, is seen to be better off, under its SES score, than Geelong Grammar and a whole series of other category 1 schools in Melbourne. You have a situation where the government is seeking in the case of Geelong College to provide $2.3 million extra per annum, which would provide an additional $2,039 per student on average. But low fee paying non-government schools enjoy increases which amount to little more than $7 per annum. The inequity is within the non-government school system itself. It is a social and economic policy that is aimed not just at protecting non-government schools as opposed to government schools, but at protecting the privileged schools within the non-government school system itself.

Prince Charles’s former school of Timbertop has newly opened arts and ceramic centres and completely refurbished, expanded technology centres which are completely computer networked. We are seeing schools which have tuition fees for boarders in excess of $20,000 per annum for one child. Just think about that. What does that mean to families with children in schools like Adass Israel? I think you have to say that $20,000 spent on one child per annum for boarding fees means that folk who send their children there are pretty well off.

This government does not take into account the disparities of resources that are available within its school funding. It does not take into account the capacity of schools to draw upon private income and to enjoy the resources that are currently being accumulated. I resent the suggestion that we have not understood the social composition of this government or, for that matter, the policies that they would be expected to pursue. This government comes from that sort of background. If we look through the list of Cabinet ministers, we all know where they went to school and we can understand why they are so privileged. We also understand why they take such an attitude towards the already privileged. I do not think there is much to be said about that. Let me come back to the issues with regard to the administration of this school.

Senator Ellison—More class warfare!

Senator CARR—Minister, the problem is that you feel it necessary to discriminate against people who are not so well off. That is the way in which this government functions, with its social policies, its social security, its health policies and its education policies. It actually has a view that those who are already well off ought to be given a further hand up. There is a class policy being pursued by this government, that seeks to advantage the already privileged and to ignore the needs of the majority of Australians. In schools policy, that can be clearly demonstrated. But I come back to the processes and I ask the minister, given the approach he has
pursued here today, whether under this legislation state registration for a new non-government school is sufficient in itself to secure funding under the Commonwealth program.

Senator ELLISON (Western Australia—Minister for Justice and Customs) (12.19 p.m.)—It is a fact—as I have said and I will say it again—that the registration of new schools is a responsibility of the states. The constitutional responsibility for education remains in the hands of the states; therefore the registration of any new schools resides with the states. That is the way it is. We have in place ample accountability mechanisms in relation to funding and in relation to making sure that schools are not for profit. There have been some allegations by, I think, Senator Carr and the unions that schools that are run for profit are benefitting. That is totally misleading. The Commonwealth schools legislation stipulates that schools’ funding must not be conducted for profit. The department requires the approved authority of each applicant school to provide a copy of its constitution to ensure that this requirement is met. The allegation that some schools are not really schools at all but extensions of preschools is equally false. The Commonwealth general recurrent funding is not available to schools offering preschool education only. The state registration authorities recognise a non-government school as a new school and not as a campus of an existing school under the state legislation.

The opposition needs to remember that the responsibility for education is with the states. What we have done here is rely on that exercise of responsibility and approval of new schools, and quite properly so. This has been in place for some time. These new schools also have to comply with the program guidelines which deal with these establishment grants. So we have two layers of accountability: firstly, the states, in registering these new schools, and then the Commonwealth’s guidelines and accountability mechanisms in the funding of those schools.

If Senator Carr is saying that some of these schools should not be funded because there is something untoward, he should say which schools should not be funded. But I do find that to be at odds with a letter, dated 28 August this year, by Senator McKiernan to Mr Abdallah Magar, the administrator and director of the Australian Islamic College in Kewdale, in my home state. Senator McKiernan says in his letter:

I can give you an assurance that the establishment grants will be paid following the federal election. Labor will pass the legislation and will provide the much needed $30 million to public schools.

Senator McKiernan is saying in that letter that that money will be paid to these schools. Where is the problem of the payment to these schools? I ask Senator Carr: is there a difference in the opposition here? Senator McKiernan is giving an assurance that the establishment grants will be paid following the federal election. Senator Carr is raising queries as to why we are paying certain schools. He is strongly suggesting that there are some grounds for not paying these funds to some schools because of all sorts of allegations. There is a difference here in the opposition. Senator McKiernan says in his letter that the establishment grants will be paid—not that they will only be paid to some schools found to be appropriate within the guidelines and that some schools’ funding will be held up pending investigation; no, they will be paid. The opposition needs to come clean on this one as well.

Senator CARR (Victoria) (12.24 p.m.)—To be clear about this, it is not just state registration. The government is saying that there are additional criteria and that these additional criteria go to a number of factors, yet unspecified. Is it correct that a school must not just receive registration by the relevant state authority but also meet Commonwealth guidelines with regard to the payment of money? That is clearly what the officials implied at the Senate estimates.

Senator Ellison—I have just said that.

Senator CARR—All right. What are the criteria that we should examine in that regard? Should we examine the ownership of the school, the legal structure, the registered offices, whether a school is a pre-school or a not-for-profit school? These are all matters that you have presumably addressed in the criteria. Various officials have described
means by which schools are accepted as new schools. For instance, at the estimates on 25 June, Mr Goonrey, in referring to a new school at Highton in Geelong, said:

We looked at the normal criteria and reached a conclusion based on the information available at the time.

Since that time, what investigations were undertaken in the case of that school? Was it a mere change of name or was the school actually closed? Did the approved authority cease to operate the school? Was the registration the same? Was the school formed from an existing entity or an amalgamation of two entities or was this school a campus of an existing school? What investigations were undertaken by the department to establish those facts?

Senator ELLISON (Western Australia—Minister for Justice and Customs) (12.26 p.m.)—Whilst the officials are getting information as to the further investigations, I can say that the guidelines cover a number of issues, and I have touched on them previously. For instance, in relation to the allegations made by the Australian Education Union, I can say that they have made a number of allegations about payment of Commonwealth establishment grants to certain non-government schools. These allegations are quite false because they fail to take into account the relevant state and Commonwealth legislation. In each case, the schools’ applications were considered in detail to ensure that all requirements under the legislation and administrative guidelines were met. A number of factors were considered and decisions were made on the balance of the evidence available at the time.

If state registration authorities recognise a non-government school as a new school, and not as a campus of an existing school under state legislation, this is strong evidence that it be treated as a new school under the Commonwealth legislation. If Senator Carr has any problem with that, he should go back to the majority of Labor states who are applying this; it is they who apply the test in that regard. The allegation that some schools are not really schools at all but extensions of pre-schools is equally false. Commonwealth general recurrent funding is not available to schools offering pre-school education only. If Montessori or other pre-schools obtain state or territory registration as a school and offer primary or secondary education, they are approved as new schools for the payment of Commonwealth general recurrent funding.

When a school is approved under the Commonwealth act as a new school, establishment grants are then payable. I stress again that what we have here is two levels of accountability: firstly, the registration test applied by the states and, secondly, the guidelines which are implemented by the Commonwealth in relation to funding. This is the way it has operated in relation to the registration of new schools for many years. It operated under the previous Labor government in this fashion, and I do not recall any complaint being made by the previous Labor government as to this registration regime.

In relation to the further investigations, I am advised that none of the schools concerned were considered to have been formed from the separation or the closure and reopening of an existing school. In the case of the Christian College Institute of Senior Education, there was not the type of separation of staff, facilities and other resources of an existing school into the new schools that is normally present in a separation. For example, the company running the Christian College Institute, not Christian College Highton, leased new school property and facilities from another party rather than taking over any buildings already owned by Christian College Highton. The Christian College Institute was formed with a particular focus on a school-to-work educational philosophy. This outlines the further investigation to which Senator Carr was referring.

Senator CARR (Victoria) (12.29 p.m.)—Minister, what is the purpose of state registration? It is a threshold test that a school is registered in a state. What is the purpose of registration in the state? Is it for the purpose of establishing whether or not it is a new school, or is it for the purpose of meeting the criteria set down by a state on the various standards that one would expect a school to operate under? What is the test that is applied at the state level for whether or not a school is new—or old, for that matter—whether or not it is a change of name, or
her or not it is a change of name, or whether or not it is the establishment of a new campus? Where can we find within the government’s administrative practices an examination of that matter?

You are saying that, in the case of the school in Geelong that I referred to, the government undertook an investigation, that they found that they had bought new premises and that therefore they do not enjoy the characteristics of a separation. Minister, can you confirm that there was a transfer of students from a related school, Christian College Highton, in the year of the establishment? Can you confirm that in 2000 Christian College Highton lost 295 students, while the Christian College Institute of Senior Education, the new entity, gained approximately 330 students? Were those students previously enrolled? How many of those students were previously enrolled at the other school? Can you confirm that the Christian College Institute of Senior Education is a registered training organisation for vocational education and that its address is ‘care of, Christian College Highton’? They enjoy the same address on official registration documentation. Can you confirm that the principal place of business for both schools is listed as 18 Burdekin Road, Highton?

What investigation of these matters was undertaken by the department? Was any attempt made to establish whether or not this new entity was in fact a new campus, not a new school? Or did you assume, because it was registered in the state of Victoria as a school, that it was a new school? There is an important difference. We have already established that under the guidelines it is not just a question of registration that is necessary. There is an automatic payment—you do not even apply for this money; it is sent to you in the mail by the very generous Commonwealth government. One presumes, however, that before it is sent a few basic checks are made. That is the question I am putting to the departmental officials through you, Minister: were these basic checks made?

When they discovered that the registration of the two schools was one and the same insofar as their principal place of business is concerned, when they discovered its RTO status and the fact that, of the 13 directors of the Christian College Institute of Senior Education, 12 were also directors of Christian College Highton and that the schools enjoyed the services of the same company secretary, did the department seek to establish that there might be some connection between the two entities? It seems to me that on the surface of it there is a prima facie case that there is a connection: the same address, the same company secretary, the same directors—and, one presumes, the same students. But you can tell me whether or not that is the case, Minister. If any of those things are right, what actions were taken by the department before they sent the cheque, or do they require these matters to be examined now? Is this why the government overspent the program? Is this why the government needed a 330 per cent increase—because of this example and many others, which I will obviously need to explore?

**Senator ELLISON** (Western Australia—Minister for Justice and Customs) (12.34 p.m.)—I will take on notice the questions on Christian College Highton. Senator Carr asked about the purpose of the registration of new schools by state authorities; he full well knows that I have already covered that issue, saying that it is the constitutional responsibility of the states. The states set the curriculums—Senator Carr knows that—and it is appropriate for the states to be responsible for the registration of new schools. They have been the responsible authority under this government and the previous government, and nothing has changed. In relation to the particulars he mentioned, I will take them on notice.

**Senator CARR** (Victoria) (12.35 p.m.)—That is the point. The minister says that I am wasting time because I am asking him a few questions: we do not get answers and I will continue to ask a few questions until I get some answers. We know the score: the government says that the states are responsible for registration. They have been the responsible authority under this government and the previous government, and nothing has changed. In relation to the particulars he mentioned, I will take them on notice.

**Senator CARR** (Victoria) (12.35 p.m.)—That is the point. The minister says that I am wasting time because I am asking him a few questions: we do not get answers and I will continue to ask a few questions until I get some answers. We know the score: the government says that the states are responsible for registration. What he does not tell you is that under this government the policy criteria regarding the Commonwealth’s capacity to determine the existence of new schools were changed. It left it entirely to the states. It got rid of basic requirements such as minimum
enrolments. It got rid of the capacity of the Commonwealth to say who had access to Commonwealth moneys. It chose to say to the states, ‘Go for your life; you have no restraint. You register a school and it automatically gets access to Commonwealth moneys.’ That seems to be the case. From this series of matters that go to the operations of this entity, it would appear that the Commonwealth has not examined the facts.

I am surprised, since they know my interest in this matter, that an answer would not be readily available, Minister. I think it would be reasonable for your senior officers to guess that Carr might ask a few questions about this particular school. It was reasonable for me to assume that they may well have even looked at some remarks that I made last night about the joint directors of the schools, the joint registered address of the schools, their RTO registration and their student composition. They might have had a bit of an inkling that these would be matters of interest to me and they would have had answers to those questions.

So it leads me to believe that the government is not really serious about this. I am shocked that the government is so ill prepared for what is quite clearly a serious matter. The spending of Commonwealth moneys is a serious matter and the future of the education of the children of this country is a serious matter that ought to be properly examined and it seems to me that we are entitled to basic answers on those questions, but it is quite apparent that the government is not prepared to deal with these matters. The whole issue of whether or not a school is a new school or a new campus is critical to the debate, because if it is a new campus you know that under the guidelines it is not entitled to the money. I think it is a reasonable proposition for us to get an answer to the question of whether or not the department undertook to establish the facts in this matter, to establish whether or not we are seeing new schools being established—which are, therefore, eligible for new grants—or whether we are seeing new campuses being established. That is a pretty basic proposition, and I think, Minister, that we are entitled to answers on those matters.

I am told that, with a wholly owned school, who was in the school, who employed the staff and where the school was located are all matters that ought to be looked at. In fact, I have been advised at Senate estimates that these are the things the department does look at. I presumed that the file would, therefore, be able to be produced immediately to say, ‘This is what we did in regard to this particular school.’ I have no doubt that there will be many others where you will be able to provide me with advice.

You mentioned Senator McKiernan and sought to impugn him in your remarks here earlier, but Senator McKiernan has said exactly what I have said today and what others have said in the Labor Party. He has said it very clearly. He has said, ‘We are going to support the payment of establishment grants.’ There is no issue about that. What we are saying is that, if this government fails in its responsibilities, then after the election establishment grants will be paid, but that will be done on the basis that there will also be some balance in the program—$30 million, at least, to government schools. We also say, of course, that the guidelines have got to be followed. We think it is proper public administration that proper process ought to be followed, and I think we are entitled to ask the government and the department whether or not that has occurred.

You mentioned the Kewdale site, and I am told that at the particular school at the Kewdale site in Western Australia there were two older campuses which shared the same director. The two older campuses of the college lost 450 students at the same time that the alleged new school, as you suggest, gained 600 new students. Since the establishment of the new entity there have been no students lost. That is a remarkable recruitment policy, I must say, and obviously the recruitment director there has particular skills that I am sure will be sought after by others. The three campuses we are talking about that make up this new entity all share the same fax number and the same email address. Maybe they are saving money on the fax machine, but it seems to me that, if we are talking about millions of dollars being paid in government moneys to these schools,
we are entitled to know why it is that they do share the same facilities, if they are different and separate entities.

I am told that this particular school referred to itself on the public record as a new campus. If the school administrators are describing themselves in the press as new campuses, are we not entitled to ask what action departmental officials have taken to establish the facts of the matter? Were they misquoted; when the Kewdale school officials described themselves as a new campus, were they wrong? If they were wrong then, obviously, fair enough. It is a strange circumstance though, and maybe we are entitled to establish what evidence was sought by the department as to their entitlement under the establishment grants. I do not necessarily agree with all the language about non-government education in the press. What I do note though—

Senator Ellison—Three more minutes.

Senator CARR—There are a few more points I probably need to make. How about some answers now? If I sit down now, will you be able to provide me with some advice?

Senator ELLISON (Western Australia—Minister for Justice and Customs) (12.42 p.m.)—Senator Carr referred to a previous reference I made to a letter by Senator McKiernan. In that letter, Senator McKiernan said that he had consulted with Mr Beazley's office and, therefore, I have my money on Senator McKiernan. I am relying more on his letter than on what you have said today, because what you have said today is that there are cases where schools should not be funded, apparently. You say that there are issues which need to be resolved and, of course, flowing from that, funding should not follow.

You also said that we ought to know what questions you are going to ask. I might say, Senator Carr, that it would be a very unfair demand of any crystal ball to estimate the sort of question you might come up with in estimates or in this place. I think that the department has done very well in the details it has provided me in relation to the Christian College Institute of Senior Education Highton. In relation to that college, the department is not required to keep the registered addresses and names of directors, secretaries and auditors of a company, as this information is not generally relevant to the eligibility and payment of general recurrent grants to schools. The Christian College Institute of Senior Education and Christian College Highton do not have the same administrative structure and ownership structure. While a significant number of students at the new schools came from the existing schools, it was understood that, in the example of Christian College Highton at the time, it independently decided to cease offering years 10 to 12. Following consultations that the Christian College Institute had with it and other schools in the region. Reflecting the broader catchment area that the institute would have—the whole Geelong region—future intakes were expected to come not just from Christian College Highton but from other non-government schools such as Christian College Bellarine, Covenant College and Geelong College and also from schools in the state system. So the intake of students, Senator Carr, was not coming just from the school that you say is of the same entity; it was drawing on quite a large catchment area and including students such as those from the Christian College Bellarine, Covenant College and Geelong College and from the state system generally. Therefore, when you look at that you cannot point to it as being indicative of the two schools being one and the same. For those reasons, there is cogent evidence there which would reject any such impugment.

 Progress reported.

MATTERS OF PUBLIC INTEREST

The DEPUTY PRESIDENT—Order! Pursuant to order, I call on matters of public interest.

Refugees and the Movement of People Worldwide

Senator PAYNE (New South Wales) (12.45 p.m.)—I rise to speak in this matters of public interest debate today on the question of the movement of people worldwide. I think this international challenge has been building in the modern world for decades, but in my view it will be one of the great
challenges of the 21st century. I do not want that to detract, of course, from the fact that I have previously mentioned on the record that I think the impact of the disease HIV-AIDS is another of those great challenges, and it is ironic indeed that the two, in many locations, are intertwined.

I think the events of last week put life in focus for the Western world in many ways, but most particularly it puts a focus on our vulnerability. For the people of many countries, war and terrorism have been waged in and around them for decades, the result being that they know only too well the precious and often fleeting nature of human life; and many of them, for a range of reasons, leave their countries. Where do they end up? That is the vexing question.

It was not until I came to this role as a member of the Senate that I gained any experience in the area of immigration. I now suspect that I have acquired much knowledge that I never believed I would get, possibly through my experience chairing the Senate Legal and Constitutional Legislation Committee, through working with Acting Deputy President McKiernan on the Legal and Constitutional References Committee, through the estimates process and even through the Human Rights Subcommittee of the Joint Standing Committee on Foreign Affairs, Defence And Trade. So this is an area in which I take some interest.

I want to note on the record Australia’s exceptional immigration record over more than two centuries. It is ironic, in my view, in the face of the challenge that we now have, that that aspect of our development certainly contrasts in some ways to the United States, Canada and South Africa.

I remember Bryce Courtenay, speaking at a literary lunch in relation to his book The Potato Factory, reflecting on the differences between the genesis of some of those other developed countries of the Western world and saying that because Australia had come out of its penal ancestry, if you like, it had a much more robust, perhaps aggressive, perhaps slightly ‘bolshie’, attitude to life in general. But 20th century movement into Australia has come literally from all corners of the globe, whether you are talking about the Chinese coming into early Sydney and Melbourne or those from England, Ireland, Greece, Italy, Vietnam or the former Yugoslavia. In Greater Western Sydney, where I work, there is an extraordinarily burgeoning African population, which is just fascinating. We have people from the breadth of the Middle East, from the subcontinent, from everywhere. This is an extraordinary nation—it is nothing less—and it is populated by remarkable people.

In fact, I recall that my first official duty as a senator for New South Wales was to represent the education minister at St Felix’s Primary School in Bankstown in Sydney for the opening of some extensions. I was stunned to sit in front of maybe 400 children from what seemed to be in excess of 50 different national backgrounds and look at the diversity of the community in which I worked. To hear the then Catholic bishop for the area say hello to those children in about 20 different languages was also a pretty compelling experience as part of that process. We have to encourage and cultivate that diversity and do that in a very tolerant and open fashion. When we face the challenges that we face now, it is absolutely my view that the only way to go about dealing with them is in a considered, logical and positive way, not from a position of scaremongering, nor engendering discrimination.

I think there are popular commentators in this country who are now exploiting this debate in a most disgraceful fashion. For example, I was told by a constituent the other day of a prominent Sydney radio commentator who felt that it somehow added to the debate on Australia’s immigration process to sit happily on his Sydney radio program and say to his gentle listeners, ‘Do you know that in Melbourne, Victoria, apparently there are 40 mosques; apparently in Sydney there are 45.’ And so he went on, apparently thinking that that was relevant to some aspect of Australia’s immigration debate and that somehow we should take issue with the fact that there were mosques in the cities of Australia. I do not have a question over how people worship and I do not debate how people worship. I spent 10 years of my life living beside a Turkish mosque in inner city
Sydney in the most harmonious environment possible. When people start to exploit this debate on that basis, I think it is totally reprehensible.

This is not just our problem and we cannot claim that we have the only way to deal with it or the best solution, but we do have one approach and as a parliament we are trying to determine how best to take that forward. I want to emphasise, as the Prime Minister has, that we and every country have the right to decide who comes to our country and in what circumstances. That must be the basis of our approach. In terms of asylum seekers and refugees, we must be able to return the non-genuine refugees.

Mr Acting Deputy President McKiernan, I, as you, have seen this problem elsewhere. Earlier this year, in April, I was invited by the British government to visit Britain and among the issues that I took up on that visit were immigration, detention and border control. Media commentary here occasionally might have one believe that this is the only country in the world with this problem, and that is clearly not the case. Our isolation and, conversely, Britain’s proximity to a changing Europe, Africa and the Middle East both guide to a large degree the nature of the differing responses of each of these nations to the movement of people. There are often similar community tensions, I will grant that. Britain does not impose mandatory detention on all its unlawful arrivals, but it has now commissioned four new detention centres to be operated by private sector providers. Its correctional system and facilities, such as Rochester prison, are also used for the detention of unlawful arrivals who may be regarded as dangerous.

The Home Office in the Immigration and Nationality Directorate told me that they are recruiting approximately 700 new officers to locate asylum seekers and unlawful arrivals who have disappeared into the community. Those officers will have powers of restraint and detention. They have extraordinary challenges in Britain which we can never, I suspect, appreciate. When you can have families, including 12 year-old children, clinging under a train coming across the English Channel into Waterloo as a method of trying to enter Britain, you face a completely different situation. I found that contrast particularly compelling. We do not face daily cross-Channel smuggling challenges, which they confront in places like Dover, which I visited. Our distance from the Middle East and fragmenting parts of Europe really does militate against potentially huge numbers of people who are on the move around the world arriving here en masse. I think it is important, though, to note that in dealing with these problems we have to consider what other countries are also experiencing.

I first went to a refugee camp in 1989, in Aranya Prathet in Thailand. For, shall we say, a 24-year-old—which is probably what I was at the time—it was a particularly confronting experience. I had never been anywhere like that in my life. To talk to the women in particular—because there were very few men in that camp; they had disappeared, had been killed, were lost in battle and so on—about the lives that they had, having been forced out of their own countries, was an absolutely extraordinary experience.

More recently I was in Nepal. There are 91,000 Bhutanese refugees settled in about four or five camps in parts of Nepal. At the moment, I suspect they are the victims of inter-country niceties and debate about how to verify their status and where they should go. The challenge for the Bhutanese refugees in Nepal is one being taken up at the moment by the World Food Program. They ask: how are we going to feed these people? They can actually put a date on it. They are not sure how to feed them after the middle of November this year. These are the sorts of international challenges for refugees that people are facing. I met Tibetan refugees in Nepal also. Imagine escaping from the environment of Tibet and going across those mountains into Nepal. You are not just going for a walk in the park here; you are actually making a significant commitment about why you need to leave your own country and, in many cases, your family. What worried me most about the Tibetan refugees I met were the stories about those whom they had left
behind, and they are, in so many cases, young women and their children.

I have been—again with you, Mr Acting Deputy President McKiernan—to detention centres in Australia. My most recent visit was to a detention centre at Maribyrnong. On the last occasion I was there we met an Albanian detainee who had arrived in Australia with two of his children. He spoke no English and they spoke no English. They were here on false papers—absolutely granted—but I have never in my life witnessed from a grown man such distress, such desperation and, I think, probably complete isolation. Knowing that his children were maybe twentyfold more isolated and more devastated by the experience and were in a detention centre in this country bothers me enormously.

In the United States there are three million Mexicans without documents. George Bush said recently, after discussions with President Vicente Fox, that they need to normalise the situation in that regard. At a press conference in September, he said:

If somebody is willing to offer a job others in America aren’t willing to do, we ought to welcome that person to the country, and we ought to make that a legal part of our economy.

So there is some constructive movement in that regard.

I have spoken in this place before—in fact as recently as March this year—on the reputation and the activities of the Taliban in Afghanistan. It is an obscenity on the face of the earth—nothing less. Their treatment of women is nothing less than obscene. They have no human rights. They have no freedom. They are excluded from participation in all sectors of life. They do not just tell women what to wear; if women violate the rule of the Taliban, they kill them. It is that simple. If anyone wonders why people might try to escape, I will, with no humility whatsoever, refer them to my speech of 28 March in this chamber in relation to that.

Every day this job shows me that I am extraordinarily privileged personally, that I have every advantage. As a country, broadly speaking, we are very advantaged. We have no choice, in my view, but to approach our challenges on this issue from that perspective and with compassion. In this debate we are talking about people, not commodities. It does not matter how they get here or anywhere else; they are still people and they have basic human rights. I abhor people smuggling. I totally reject it. It is a new and obscene version of pimping and its victims—the people who are smuggled—are pawns. People smugglers should be dealt with—prosecuted to the full extent of the law—and we should strengthen our provisions in dealing with that.

We should look at the challenges that the UNHCR faces in 2001, and you can only do that, in my view, by taking a very big step back. We should look at the fact that, although a total of 139 countries have signed the Geneva Refugee Convention, very few in fact have regular resettlement programs and accept quotas of refugees on an annual basis. We stand in shining contrast to many countries around the world in that regard. We take 10,000 refugees in our offshore resettlement program. Our own migrant intake is in excess of 70,000—we do that well.

But there are aspects of the current debate which are, in my view, verging on the slightly crazy. It is complicated in my city by the debate on ethnic crime. I think there has been a disgraceful lack of political leadership and, in some cases, some acts of commission in political leadership which have exacerbated that problem. There are ethnic communities in my city that are trying very hard to take a responsible approach, most particularly the Lebanese community, and the way they have been treated by political leadership in my state is, in my view, totally offensive.

The Economist—not a publication I am wont to quote all that often, my friends will tell you—wrote an editorial on 8 September this year which it would do many people a great deal of good to read. It comments on what rich countries gain, rather than lose, from immigration.

I was in East Timor at the time of the Tampa events. We had very limited news—good old Maliana does not really have your CNN and your BBC direct feed. It was strange to be there in that environment—in a growing democracy where the people were
trying to escape oppression, in a country where refugees came to Australia at a time of great need for themselves—and to actually hear this debate explode. I do not understand exactly how that happened, and nobody has really been able to explain it to me in the weeks since.

This is a modern discussion of globalisation—I have said before it has been happening since Marco Polo. We seem able to encourage and manage the movement of capital but not people. I think the UN has a very special role to play in this regard. In the last moments available to me, I would like to say that the UN has just postponed a special session on children because of the horrors visited upon the city of New York and the United States generally. There have been 26 special sessions since 1947. They can be invoked by the Secretary-General, by countries or by the General Assembly. I think it is imperative that the UN consider a special session on refugees and that it review the convention and the 21st century challenges in this area. (Time expired)

Telstra: Documents

Senator MACKAY (Tasmania) (1.00 p.m.)—I would like to congratulate Senator Payne on that speech and indicate that it is a hard act to follow. However, the issue that I wish to talk about today is also extremely important. It relates to Telstra and telecommunications matters. Yesterday the government and Telstra finally released to the opposition and a Senate committee the full database of E71s or faults that exist on the Telstra network throughout Australia. We had 2,186 A3 pages of faults—approximately 100,000 faults on the Telstra network around Australia. Labor had to use every trick in the book to get this information from Telstra and the government. We were given the run-around. We were cited commercial-confidence as a reason for the information not to be provided. When you look at the depth and breadth of the faults in this database, it is pretty clear why Telstra strove so hard to ensure that it was not provided to the people of Australia. I would indicate that the government’s own Besley inquiry did not even look at this information in relation to the state of the network.

I will give some examples, but I want to go firstly to the response of the government. Minister Alston claimed yesterday, when he released the database to the opposition, that the faults were minor. Telstra also indicated that the faults were minor. Telstra, as did the minister, used the examples of cracked lids, et cetera. The Labor Party has had very little time to have a look at what is actually contained in this database, but it seems, from a cursory examination of the first 100 pages of the 2,000-plus page database, there are approximately 50 faults that have been determined as urgent and 20 that have been determined as dangerous. This is despite claims by the government and Telstra that these 100,000 faults are minor.

I will give the Senate some examples of the faults that we discovered, and we are still going through the database. Understand that these are faults reported by technicians to Telstra. In the main, the customers are unaware that they actually exist on the network. In 1997 in New South Wales there was a fault report by a technician. I will quote directly from it:

FAULTY 1 KM OF TEMP CABLE RUN THROUGH BUSH ON TOP OF GROUND. CONSTANTLY BREAKING DOWN & DANGEROUS

Those are the words of the technician. It continues:

BEST SOLUTION IS TO PUT SUB ONTO RADIO TOWER. PLAN UNAVAILABLE

A Queensland fault reported by a technician in 1999 to Telstra:

URGENT ATTENTION REQUIRED **URGENT**—SINGLE X POLE *URGENT* ATTENTION REQUIRED OVER 2 YEARS NO MAINTENANCE EITHER REPLACE POLE OR REPLACE APPROX 180M OF LEAN IN CABLE

A South Australian fault reported in 1999:

SAFETY URGENT—ERECT GUARD OR BARRIER AROUND M/H AT ABOVE ADDRESS AS CARS/TRUCKS CONSTANTLY DRIVEOVER M/H & SMASH LIDS. BKN LIDS OFTEN FALL ON CABLES IN M/H. VERY HAZARDOUS TO PUBLIC. THIS SITUATION HAS OCCURRED 4 TIMES IN 7 MONTHS.

This fault was reported in Victoria in 1998:
LOW TO GROUND. REPLACE DAMAGED 50/0.64 CABLE WITH SAME. (APPROX 90M).
A 2PR ... IS RUNNING BETWEEN JOINTS & CUSTOMER HAS COMPLAINED A NUMBER OF TIMES, URGENT.
This was reported in Western Australia in 1997:
REPLACE 2 SECTIONS OF FAULTY CABLE ... IN ... RESERVE. ***URGENT***PHONES ARE CONTINUALLY GOING FAULTY
I have many more examples of these from the analysis that the Labor Party has been able to undertake so far. I want to ask Telstra and the minister whether they regard those faults as being minor. Telstra itself said in estimates that approximately 80 per cent of E71 faults or potential faults were minor. The opposition does not disagree with that—80 per cent of them probably are minor. Telstra itself has said that the 20 per cent remaining are not minor. It said this on the record in Hansard in estimates.

The minister’s press release yesterday said that Labor will use this information for scare campaigns. I find this allegation extraordinary. We sought this information as a service to the public so that people, particularly those in regional Australia, would be able to look at it and discover the state of the network in their regions. This request was not agreed to by Telstra. All we got effectively was disaggregation by state. So the whole database—the 2,186 pages of it—is on a state-by-state basis. Not only that but the location has also been blanked out, so all that people in regional Australia can do—say, those who live somewhere in New South Wales; Tamworth or whatever—is have a look at the web site and have a look at the faults in the entirety of New South Wales, with no appreciation or information as to where the faults are. And many of these faults are potentially very serious.

I think this is a matter of public interest and I find it extraordinary that Telstra and the government have denied Australians the right to have a look at the state of the network, at least in their region—certainly not the entire state. I am also interested to challenge the government and Telstra as to why the location of major faults or potential faults is a matter of commercial-in-confidence? Why? People have a right to know what is likely to breakdown in their area. Minister Alston’s response has been to say, ‘Ah, yes, but we have cleaned up our act. The Telstra repair rate has increased.’ What he is talking about is those faults that are reported by customers themselves after the damage has been done. The database that we have is an indication of the problems before they get to the point where customers complain. And some of them, as I said, are extremely serious indeed.

The minister also said that tasks listed in the database do not interfere with a customer’s service. I think I have amply demonstrated in the examples I have used—and we will continue to pull them out—that many of them do and are in fact safety hazards, both for the Telstra workers and the people concerned. During all this time of waiting, Telstra have also renamed this faults database. Each fault or potential fault was always called an E71. They are now called CNIs—customer network improvements. That struck me as being particularly Orwellian. And the entire database has been renamed as well.

At the same time that we have managed to get this information—2,000-odd pages of 100,000 faults, many of which are minor but a great proportion of which have a significant impact on safety and require urgent attention—the government has mooted that it is going to put Network Design and Construction back on the market. Network De-
sign and Construction are the people who are responsible for both the construction and maintenance of the Telstra network and many hundreds of jobs from NDC in regional Australia have already gone. This is at a time when clearly there is a big backlog in terms of faults that require fixing. In fact, over 600 jobs have been lost since last November from NDC. I understand that Network Solutions—the people responsible for fixing the network—is also earmarked to be privatised and over 600 jobs from NNS are scheduled to be slashed in regional Australia. I also understand today—anecdotally—that in Queensland 100 more Network Design and Construction jobs are ready to go. These are the people who are responsible for the maintenance and the fixing of the faults in this database that we have.

The Labor Party wants to highlight to all Australians the true state of our telecommunications network before they have the opportunity to decide to vote away our majority government owned telecommunications company—Telstra. If this is the level of faults we can expect under a partially privatised Telstra, I can only imagine what would occur under a fully privatised Telstra. Bear in mind that one of the first things that happened in 1996 was that the government and Telstra cut the capital expenditure budget in Telstra. That is the budget that is earmarked for fixing precisely the types of faults that I have outlined here today. That was all about privatisation, and on we go. NDC has been on the market; then it was off the market. But the reality is, if the coalition win the next election, the whole of Telstra will be privatised, including NDC.

We would like Telstra and the government to use their own database and to go through this information and pull out the 20-odd per cent that they regard as being urgent or potentially dangerous and get them fixed. Let us not forget that Telstra recently posted a profit of $4.1 billion, a figure which was regarded by Dr Switkowski as being largely contributed to by cost cuts. Now we know, when we look at the state of the network, particularly in regional Australia, where precisely these cost cuts have come from. Out of that $4.1 billion, the government, through its dividend, or the people of Australia, through their dividend, got $1.2 billion. That dividend would go if Telstra were fully privatised.

I urge all Australians to have a look at the information that we have got so far. I appreciate that it is only state by state. It is still largely secret, as I indicated, because it is not disaggregated by region and the locations of the faults and the exchanges have been blanked out. People who live in regional Australia—and it is not just regional; many faults are in urban and outer metro areas also—still do not have access to the information we think they require.

That is not the end of the story. There are about 100,000-odd faults in the database but there are several more potential faults that may generate even more faults—in other words, there is a cascading effect. For example, let us say we have a 200 pair cable with a leak and a crack in it. If it does not rain, the copper cable will work fine. However, if it does rain, and the manholes fill up with water and the cable gets wet, 100 faults to other exchanges would follow from that waterlog. This sounds a bit technical but, as I understand it, this is routine. Telstra is lucky there has not been more rain in certain parts of Australia. In some parts of Australia, where the network is in desperate need of repair, three days of solid rain would mean the copper network would not be working at all. Customers do not even know this database exists, in the main—although there are some indications in the database that customers have complained of faults but they do not know what the faults are—because these faults are reported by the experts; the technicians.

Finally, this is not a scare campaign by Labor. That is why we have gone to the trouble of making the entire database available on the Internet for people to have a look at. We call on Telstra to provide the information in the way that we originally requested it, and that is by region and including the location, at least, of the urgent and dangerous faults that have been highlighted in this database. We think that is the least Australians can expect. Australians have a right to know
the state of their network, particularly when we are dealing with the most profitable company in Australia—a company that recently posted a profit margin of $4.1 billion.

It is no wonder Telstra and the government have to be dragged kicking and screaming to provide this information when you have a look and see what some of the faults and difficulties are. Some of them go back to 1993. There are a big majority that go back to 1997 and 1998. Australians for the first time have a chance to have a look at what some of these difficulties are. These are problems waiting to happen. The government should be using some of the profit that Telstra creates to fix the network. That is basically what Telstra is there for. I call on all interested regional Australians, and also those in metro and urban areas, to take a good look at this database.

Keane, Brother Francis Paul

Senator MURRAY (Western Australia) (1.15 p.m.)—In the August 2001 Senate Community Affairs References Committee report on child migration Lost innocents: righting the record, recommendation 4 states:

That in accordance with the Statutes of the Most Excellent Order of the British Empire, the Commonwealth Government initiate the process for Francis Paul Keaney’s membership of the Most Excellent Order of the British Empire to be cancelled and annulled.

This unanimous recommendation goes some way to ‘righting the record’ for all those child migrants and Australian children who suffered under Brother Keaney in Western Australian orphanages run by the Christian Brothers. The evidence damns him as a despicable and heartless monster.

The fight to vanquish evil in the church is international. In France, a bishop has recently been jailed for covering up paedophilia by another priest. In the United Kingdom, the church has supported the Nolan Review, an independent appraisal of harm done to children in the Catholic Church’s institutions. In April 2001, in the executive summary of their first report, their hope was:

... to bring about a culture of vigilance where every single adult member of the Church consciously and pro-actively takes responsibility for creating a safe environment for children and young people.

I deeply regret that the official response by the Christian Brothers to the committee’s Keaney recommendation does not contain the same sentiments. Instead, leading Christian Brother Shanahan said on Channel 10 news on 30 August that stripping Keaney of his honours was going ‘too far’ because:

I think we need to recognise that it’s not just black or white, but like all human beings there’s quite a mixture in the man.

Sure—a mixture of evil, conman, sadist and deviant. Brother Shanahan’s reaction continues a long history by some of support for men like Keaney. Thankfully, others like the courageous Brother Coldrey campaign to expose these crimes and to address the uncomfortable issues so arising.

Before addressing the mixture that maketh this particular man, a brief profile of Keaney is in order. Born into a farming family in Ireland in 1888, aged 23 he emigrated to New South Wales in 1911 where he joined the police force before entering the Christian Brothers Order in 1916 at the age of 28. Apparently, it is a characteristic of people like Keaney to seek out opportunities for their deviant behaviour. Where else would he start his ecclesiastical career then but at an orphanage in South Melbourne? In 1919 he joined the staff at Clontarf Orphanage in Perth, Western Australia. In the late 1920s he inaugurated the Tardun Farm School Scheme east of Geraldton and then later served a number of terms as principal, including at Clontarf from 1936 to 1941 and at Bindoon Boys Town from 1942 to 1944 and again from 1948 until his death in 1954 at the age of 65. Keaney was physically imposing. He stood six foot three inches tall and was of powerful build with a voice to match. He intimidated fellow Christian Brothers and boys alike.

In the late 1940s, Keaney set about erecting his own monument by embarking on the near impossible task of completing five large granite buildings at Bindoon using child labour. His unpaid hungry, fearful labour force were mostly child migrant boys who were also expected to clear, fence and establish vineyards and orchards on 17,000 acres of
undeveloped Western Australian farmland. To achieve his vision, he inflicted a manic and brutal regime of slave labour on the boys under his care. They were relentlessl

from dawn to dusk in a dangerous work environment where the risk of accident was a reality. With their bare hands they cleared the land, laid the foundations and erected the most magnificent structures for Keaney and the Christian Brothers Order. Education was largely denied these boys, as was an adequate diet and protective clothing. Christian love and care was distinguished not by its presence but by its absence.

So what is the mixture that Brother Shanahan likes in Keaney? Publicly, he possessed considerable public relation skills that he put to good work in creating a mythology about himself. He had many friends and acquaintances in high places that he wined, dined and conned. There were political and business leaders, heads of government departments and high ranking militarists and church dignitaries. He was referred to as ‘Keaney the builder’, as ‘the orphans friend’, as ‘the mender of broken lives’ and other extravagant sobriquets. Such was the admiration—if not adulation—that he was awarded an MBE and an ISO in 1954 and a statue was erected to his memory in 1957.

Privately, however, a very different man is revealed. No McLean, no Philby, no spy-master better concealed his true self. Listen to the former child migrants themselves.

From submission 13:

When Brother Keaney arrived the real slavery beatings and sexual assaults became rampant.

From submission 20:

Some of the scars of Keaney’s brutality still remain with me both physically and emotionally... his actions would have warranted criminal charges had he not operated and exerted influence over the law in Western Australia.

From submission 25:

Bindoon was nothing more than a paedophile ring. Most of the Brothers were into raping and molesting the little boys, sometimes sharing their favourites with each other. They seemed to like the shy boys best.

Again, from submission 25:

We had no shoes, mixing sand and lime for the mortar. I remember the pain of lime burns on my feet and legs and if I stopped I would be flogged with... Keaney’s walking stick. We were all flogged by Keaney...

From submission 57:

We built that bloody place. We built it with our bare hands... We were slave labourers... We had no shoes. We worked in our bare feet every day. Winter and summer. We built that bloody place for them...

From submission 26:

I lost my teeth at Bindoon—my face kicked repeatedly by Brother Keaney

From submission 36:

We would be subjected to extreme atrocious verbal abuse and very personal insults mainly from Brother Keaney. He would loudly shout to us that we were the “scum of the earth” and the “descendants of whores”...

Again, from submission 36:

Br. Keaney was a very sadistic, perverted and deviant paedophile. He abused many of the boys... in his care. Tragically, there was just no one that we victims could go to for help. Who would have believed us anyway?

From Welsh’s Bindoon file:

When one boy asked Keaney if he could be taken off the pick and shovel to learn the electrical trade, he was hit between the eyes with Keaney’s walking stick. [His] head was split open and with blood pouring from the wound, he fell to the ground. “Get up, you little black shit,” Keaney roared as he unleashed a barrage of savage kicks to [his] body. “Get back to the pick and shovel! That’s all you’re good for... Damn you to hellfire!”

And another from the Geordie Bindoon file, pages 59 to 60:

An Irish lad, who happened to be closest to Keaney in one of his rages, and for no other reason, was backhanded off the scaffold and landed 10 feet below on his back. [He] spent six weeks in Royal Perth Hospital followed by five weeks rehabilitation at Shenton Park Hospital. Forty years later [he] is on a pension due to back and neck problems.

Sadly, there were some who knew the truth but did not have the courage to blow the whistle. Even prior to Bindoon, a child welfare department official considered taking proceedings against Keaney for criminal assault on a Clontarf boy. That is in submission 95. Certainly from government records uncovered it is clear that some officials had
serious reservations about Bindoon. For example, a 1948 departmental memo states:
I have never been very happy about Bindoon and if the migrant boys are to remain there ... a great improvement will have to be effected.
Another in 1949:
I’m afraid that if something is not done to rectify the present position both the Department and the Bindoon authorities will leave themselves open to a charge of exploiting children.
If the boys ran away the police returned them, unbelieving of what they were told. The aura and the power of the church were too strong. The very brothers in charge of their care were often themselves the perpetrators of criminal physical and sexual assault. When a boy did pluck up enough courage to complain, he was savagely flogged for his temerity. Hard to believe? Read the report and the submissions.

So this is the private part of Keaney’s mix. The tragedy is that his crimes were hidden from the public. He got away with them, and hundreds of migrants and Australian children live a lifetime of pain as a result. A number of the leaders of the church were accomplices in this crime, but there are those who will not be a part of the cover-up. In Australia, the Christian Brothers’ official historian, Brother Dr Barry Coldrey, wrote extensively on this area throughout the 1990s. In A Secret Report, written solely for the order’s leadership in Ireland and Rome, he states that the brothers knew of sex rings operating in their institutions and that no effective steps were taken to prevent them. Legally, they were accomplices to crime—a crime in itself.

So unpopular has Coldrey’s work been that he has paid a price in the church. Although I am certain that there are very large numbers of Catholic priests who do support his cleansing work, there have also been moves to deny Coldrey any official post. Before Christmas last year he released his latest book on the Internet, called Religious Life Without Integrity. It was only a matter of months before he was ordered by superiors from Rome to withdraw it.

Another authority in this area is Richard Sipe of the United States. He retired from the Catholic priesthood with the permission of Rome in 1970 and has spent 37 years working in the area of psychology and mental health and for the Catholic priesthood with the backing of the church. In a report sent to the committee, he reveals that 30 per cent of United States’ priests have some regular, some occasional adult sexual relationships. There is nothing wrong with that, in my view. Sadly though, his long-term research results in an estimate of six per cent of priests who have and do sexually abuse children. Thankfully, the vast majority—94 per cent—have not and do not. There are obvious problems with transferring figures from one country to another. We do know, however, that there have been and are priest paedophiles in Australia. Currently there are 4,445 Catholic priests in Australia. Six per cent would mean a possible 267 paedophiles. One per cent would mean 44. Point one of a per cent would be four. I do not know how many there are, but there are not none.

Sipe believes that many, but not all, clerical sexual abusers cannot help their behaviour, whilst others are simply evil. Whatever the case, they and their crimes cannot and must not be protected. Mercy for them means scores of victims for society to deal with, preyed on by those whom little children trust. Keaney was evil and should be stripped of his imperial honours. He was a sadist who indulged in criminal assault and who knowingly protected rings of predatory brothers engaged in systemic long-term sexual assault on defenceless children. I do hope the government will take the committee’s unanimous recommendation to heart.

In concluding, I would like to quote from an interaction between myself and Brother Shanahan on Thursday 22 March 2001. The Senate Hansard reference is CA486-487. I said as follows to him:
The accusations are as follows: those two orders—
I was referring to the Christian Brothers and the Sisters of Mercy—
engaged in systemic criminal assault, which included systemic floggings with a variety of weapons and brutal and dangerous behaviour towards children which were offences against the law at the time; widespread sexual assault including rape; widespread conspiracy between
individuals and organisations within the Catholic Church to conceal crimes and to persuade police, medical staff and other authorities to be accomplices to the concealment; denial of education and the rights of children; brutal and inhumane working conditions including slave labour; theft of possessions and wages; cruelty and emotional deprivation on a grand scale; aggravated breach of contract with governments who entrusted children to their care; lies and deceit to children and to children as adults and to families, including forging and uttering; and a hypocritical and continuing use of legal stratagems to avoid the moral responsibilities arising out of those times.

I said to him:

You have dealt with that, to some extent, with your apology and, to some extent, with your submission. Do you accept those accusations as being an accurate reflection of the evidence of many people?

And Brother Shanahan’s response was:

I accept that those accusations have been made by people. I do not accept them in the sense of pleading guilty as charged.

Veterans: Welfare and Care

Senator SCHACHT (South Australia)

(1.30 p.m.)—I rise to talk on a matter concerning the welfare and care of our Australian veterans. The parliament of Australia has, by and large, for decades now, since the end of the First World War, treated the issue of veterans in many ways as a bipartisan issue. Both sides of politics have accepted the responsibility that because of their service our veterans should get the best care possible for their injuries and that the widows and children of those who paid the supreme sacrifice should receive appropriate compensation. In my time as shadow minister for veterans’ affairs I have always tried to conduct, on behalf of the Labor Party, issues to deal with veterans’ affairs on the basis of bipartisanship. I have raised issues from time to time regarding veterans for the benefit of veterans, not for the benefit of the Labor Party or to make some political point, and I think that has been well respected within the veterans community. So it is with some sorrow that I have to raise an issue here about an area of diminished care for Australian veterans because of the policies of the present government.

At the budget estimates hearings last year there was a very painful cross-examination and it took a long time to get the department and the minister at the table to accept and explain that there were to be imposed on the Department of Veterans’ Affairs $80 million of savings. When I asked which sections of the programs were to bear the $80 million savings, I was told that it was very hard to say, other than that there would be administrative savings. It was very hard to get detail other than that. When I tried to find out specifically whether the service and care provided to veterans were at risk, I was told unequivocally no, these were efficiencies that would not affect the quality of care of veterans. I said, ‘I will wait and see how you impose those $80 million savings and I will wait to see whether it is true that veterans do not suffer.’

The savings started at the beginning of this year. It has been brought to my attention only in the last month or so—unfortunately, after the last hearing of estimates, which was in June of this year—that there has been a reduction in the quality of care provided in certain areas to veterans and, in particular, in the community nurse care program. This is a program whereby nurses are hired to provide care to veterans in their homes, a program that is very successful and very much needed. We do not complain about the program but what we, as an opposition, now raise is that, since the new contracts were offered to the nursing agencies in April this year, we are finding that their funding levels have been reduced and, as a result, the care provided has been reduced.

Over the last couple of months it has been brought to my attention, first by nurses and now by concerned veterans and their families, that the changes in the contracts are now putting veterans’ health at risk. It is now becoming evident that the changes are a part of the government’s way to save $80 million. I can find no other reason why these new contracts have reduced the quality of care. Thousands of veterans from all over Australia use the community nursing care program, as it provides a whole range of care including palliative care, personal hygiene, medication care and wound management.
The first and most significant change that the government made as a cost-cutting measure was to dismantle the independent Exceptional Case Unit. This previously was outside the department and provided independent advice to assess the level of care each veteran needed and, once that was determined, the nurse would be contracted to provide that care. That Exceptional Case Unit has been disbanded and the new unit has been now put inside the department. So you have the department both deciding the level of care and then providing it. There is not an arm’s-length arrangement. This is the first thing of concern to the opposition and, I believe, to the veterans community. The department is now both providing and determining the level of medical service; there is not an independent assessment based on what the veterans need.

The second change is that the initial funding offered to nurses for patients with specific needs has dropped by, in many cases, more than 30 per cent. It has been brought to my attention that the government is claiming that this reduction is due to the fact that nurses no longer provide medical equipment and medical supply packages for their patients. However, this means that the medical supply packages can be distributed to veterans only through prescription. It also means that, even with the Repatriation Pharmaceutical Benefits Scheme, veterans will be incurring the cost of many of their bandages and medical supplies. This has meant that veterans are receiving large packages for a small wound or infection. Therefore, there is a large amount of waste and overordering involved for these veterans. The government has tried to pull a swiftie, saying, ‘Yes, we have reduced the payment to the nurses, and veterans, because we are now not providing them with the bandages, they will have to pay for their own bandages. They will get them through the scheme.’ But now overordering is taking place and there is considerable wastage.

There are also significant difficulties facing the nursing agencies who provide the service to veterans. Many of the agencies feel that their administration costs have gone up by well over 50 per cent. That is not the fault of the department and not the fault specifically of the government. The funding providers have obligations under the relevant state award and employer statutory obligations. So at the same time that those obligations are being imposed and are increasing, the government has cut the payment to them by up to 30 per cent. The biggest impact this is having—and I am pleased that Senator Boswell from the National Party is sitting in the chamber—is in regional Australia. Nursing agencies, run by nurses that provide the service, are now winding up, going broke, or can no longer provide the service. There is no longer the number of nurse providers in regional Australia to provide the care to veterans that veterans need. This is a shameful outcome on a narrow-minded, cost-cutting basis.

Let me tell the Senate and the people of Australia how petty minded these new arrangements are. Apart from the fact that nurses’ agencies are on the brink of financial ruin, and even though many nurses of their own volition are still trying to provide a decent service to the veterans, families are being forced to administer inappropriate medical care in the place of a nurse. We have also been told that the DVA is asking nurses to cut costs by perhaps leaving medication in cups so that the veterans know what medications to take. However, nurses have told me that, after trialing this system, they have often returned to houses to discover that many patients have either forgotten to take their medication or that they did not feel it was necessary to take it. There have been other reports that nurses have been told to prepare needles and leave them ready in the fridge for veterans to administer themselves. These situations are deplorable and unacceptable in the face of the level of health care needed.

The government has included in the new contracts a number of measures to outline what the new arrangements would be. Some of these are quite incredible and, I think, quite out of tune with what ordinary Australians would believe our veterans should receive. There are some unbelievable arrangements. I was particularly concerned when I read the showering policy. This policy indicates that the department will only pay for a
maximum of three showers a week for veterans, unless they are incontinent. The contract claims that showering more than two or three times a week will affect—wait for it—the ‘skin integrity’ of the aging. Can you tell any Australian that you are only able to have three showers a week because it could damage your skin to have six or seven showers a week? That is in the contract. It is under the heading ‘Showering guidelines: current best practice’. This is what the Department of Veterans’ Affairs describes as current best practice:

Within the aged care field, a shower two to three times a week by a care provider is considered to be best nursing practice. Frequent showering can affect skin integrity of the frail aged and is fatiguing to veterans with chronic conditions such as Chronic Airways Limitation.

If you said to the Prime Minister of Australia, ‘You can only have three showers a week because it could affect your skin,’ he would not accept it—or if I said to Bruce Scott, the minister, ‘You can only have three showers a week.’ I bet Ronnie Boswell would not be sitting too close to him in meetings of the National Party, because of the smell.

**The ACTING DEPUTY PRESIDENT (Senator Chapman)**—Order! Senator Schacht, you should address honourable senators and ministers by their appropriate titles.

**Senator SCHACHT**—I bet Senator Boswell would not be sitting next to one of his colleagues if he only had three showers a week. The Minister for Veterans’ Affairs, the honourable Bruce Scott, would not be very honourable to a lot of people if he only had three showers a week and smelled to high heaven. But that is what they are saying veterans have to put up with—and it is in the contract. We find another part of the contract unacceptable in a democracy because it affects freedom of speech. Under the heading ‘Transparency and accountability: government framework’, the contract says:

The Contractor agrees to ... comply with complaints handling procedures ... It goes on to say that the contractors are not allowed to make public comment. So, if the health care of a veteran is at stake and a nurse believes that it is a matter of concern, they cannot make it public because they have been forced to sign a contract and could be in breach of it if they do so.

When I raised the issue of an $80 million saving in the veterans’ budget last year, I was told outright that there would be no diminution in the service or quality of care to veterans. Now, the department carrying out this government’s $80 million savings direction have had to cut the quality of care to veterans, particularly in regional Australia, by cutting the contracts and the payments to the nurses and by doing it in the most petty way: telling people they are only entitled to have a visit three times a week for a shower and that they must stay smelly for the other four days a week. I do not think anyone in Australia would think that is acceptable.

I do not think anyone in Australia would say that you should restrict a nurse or a doctor who may say, ‘This person’s health is at stake and I want to make it public and raise it with a member of parliament.’ The contract prohibits them from doing it. This is a nasty piece of work by a narrow-minded government, and I believe this will become an issue—it has already become one in many areas of the veterans’ community. I point out to Senator Boswell that the *Tweed Daily* carried a story titled, ‘94-year-old’s showers cut to three times a week’. Because he wasn’t incontinent, he got his showering cut to three times a week. That was in the press.

What does it make you, as a government, look like? What does it make us, as a parliament or as a people, look like when we treat veterans in this way? It is a pity that the level of bipartisanship on so many areas has now been undermined by the narrow-minded vindictiveness of the cost cutting of this minister and this government. I look forward to the next few weeks, to raising this issue in an election context and to trying to preserve the care that veterans deserve. People who have served and saved this country for 100 years are now being treated as if their care were
some bottom line accountancy service. It has been reduced to a simple statement that says, ‘You only get three showers a week. You can’t speak up. You can’t have the nurse come to see you when you think it’s needed.’ It has been a disgraceful performance by the government. I am sad that I have had to raise it, but this needs exposure and it needs public debate for the sake of our veterans.

Whistleblowers: Heiner Case

Senator HARRIS (Queensland) (1.45 p.m.)—I rise to speak further on the Lindeberg grievance put before this chamber by the former Director of the Commonwealth War Crimes Prosecutions Support Unit, Mr Robert F. Greenwood QC, in his submission dated 9 May 2001, on behalf of his client Kevin Lindeberg. When historians look at this grievance, they will be struck by many things. Firstly, they will hardly believe their eyes that such a compelling document could ever be put before the Senate revealing such a serious prima facie breakdown in the administration of justice and good government over such a long time when, as a nation, we parade ourselves in the world as a society which is supposed to be civilised, decent and respectful of the rule of law.

Secondly, what makes the Lindeberg grievance so concerning and more deeply poignant at this point in our history is that it was presented to our national parliament before the shocking events of cowardly terrorism that occurred in New York and Washington on 11 September 2001. Those appalling events took thousands of innocent lives and brought all Australian political parties together to fight the evil of international terrorism. If that terrorism in the United States were to be left unchallenged, it would endanger the very fabric of our civilisation as to its respect for the rule of law. Yet, when this grievance—which represents state terrorism against its own citizens—was brought before the Senate to be tabled on its merits, the ALP objected to its tabling. Why?

If those attacks on the World Trade Centre in New York and the Pentagon in Washington represent anything, it is the awful dawn- ing of the age of uncertainty. This unwelcome dark age, in my view, can only be turned back by respect for the rule of law and fundamental human rights. That means that, if any minister of the Crown or even any cabinet breaks the law, the requirement of the law should be applied equally and impartially. We look to the state to uphold and respect the law, not to break the law. Therefore, as long as the Lindeberg grievance remains unaddressed by this chamber, we fail in our sworn duty as senators to uphold the law itself. If we show outrage over terrorism in the US—and rightly so—why not in Australia when a matter comes before us from one of Australia’s leading Queen’s Counsels showing that the rights of our citizens have been violated by a state government which has misled this Senate in order to obstruct justice?

I further note that the Lindeberg grievance has come before us around the same time that the largest gathering of world leaders outside the United Nations is to take place in Brisbane—Mr Lindeberg’s home town—when the Commonwealth Heads of Government Meeting gathers there. I assure you that the irony is not lost on me, as a Queensland senator, that this unfinished serious business of the Heiner affair comes before us again while the Queensland Premier, Mr Beattie, his ALP mates, the CJC and others parade around like naked emperors trying desperately to assure everyone that they are clothed in virtue and that there is not one scintilla of suspected official misconduct associated with the Heiner affair. The Lindeberg grievance has laid bare their nakedness and deceitful claims and, at the same time, has put this Senate on notice.

As Australia is one of the senior Commonwealth nations and the host of CHOOGM in 2001, it is timely to cite some relevant passages from the Harare declaration of 1991 on the rule of law and fundamental human rights, to which Australia is morally bound as a signatory. Section 4 of the Harare declaration of 1991 in part says that, as a Commonwealth of Nations and a member state:

... we believe in the liberty of the individual under the law, in equal rights for all citizens regardless of gender, race, colour, creed or political belief, and in the individual’s inalienable right to participate by means of free and democratic political processes in framing the society in which he or she lives.
In section 9, it states that the Commonwealth nation pledges to work towards:

... democracy, democratic processes and institutions which reflect national circumstances, the rule of law and the independence of the judiciary, just and honest government.

How do we, as a nation, measure up to these guiding principles when it comes to the Lindeberg grievance based on the notorious Heiner affair?

The four points set out in the Lindeberg grievance are about enduring democratic and legal truths. To give certainty to our citizens that no-one is above the law, we expect that our governments will not destroy public records to obscure justice or to cover up abuse of children held in the care of the state or distribute taxpayers’ dollars to buy the silence of any public servant to cover up known abuses of children. At the same time, we expect law enforcement agencies to carry out their obligations impartially and without fear or favour—especially without favour to ministers of the Crown or public officials who may have broken the law. If and when any elected government within the Commonwealth contravenes these principles, the Harare declaration, the law, human rights and good governance become meaningless and uncertainty—terrorism by another name—increases.

Law-abiding Australian citizens know that documents in their possession known to be required for court cannot be lawfully destroyed to prevent their use in those proceedings. Just because you do not have a writ in your hand—which you know or suspect may come in the next hour, the next day or the next week—does not mean that you can lawfully destroy those documents. It is the state of knowledge which counts under such circumstances and, once you know documents are required for foreshadowed court proceedings, the law protects them from destruction—otherwise terrorism by another name exists. In such matters, it is the duty and obligation of the Crown to uphold the law and set an example for its subjects. Yet the Queensland government shredded the Heiner inquiry documents to prevent their use in court—and claims it acted lawfully.

Unless the law protects such records, as soon as the Crown and or anyone has an inkling—let alone being informed directly by phone and correspondence from solicitors—that nothing should be destroyed because the records would be required in court, it would mean that everything in sight can be shredded up to the moment of a writ being served. In simple terms, it would make a mockery of the respect of law and the impartial administration of justice. It invites anarchy or terrorism by another name. Mr Greenwood QC cites the High Court of Australia in Regina v. Robinson where Justices Brennan and Toohey say, at page 503:

A conspiracy to pervert the course of justice may be entered into though no proceedings before a Court or before any other competent judicial authority are pending ... or are even contemplated by anyone other than the conspirators.

Archivists throughout the world have strongly objected to the Heiner shredding. They have viewed with great concern how Queensland’s former archivist neglected her duty in this affair for over a decade. The current Heiner findings claiming that not one scintilla of suspected official misconduct exists sends a message to all prospective whistleblowers who believe in these principles and norms set out in the Lindeberg grievance. The message is: ‘Put away your whistles. Don’t fight injustice. Be intimidated by government. Be terrorised from doing the right thing. Don’t care about child abuse. Don’t care about the abuse of office.’

If the Senate ignores this grievance, I suggest that it will do so at its own peril and at the expense of its own reputation. It will be a high price and, as a senator, I am not prepared to pay that price. Simply stated, honourable senators will be sending a message to the Australian people and to the world at large in the aftermath of the tragic events of 11 September on American soil that this chamber does not care one jot about the rule of law and fundamental human rights when it concerns Australian citizens; that it does not care one jot for the provision of the 1991 Harare declaration on human rights for the Commonwealth of nations—at the very time when CHOGM is meeting in Brisbane in
October this year where this grubby affair finds its cancerous roots.

The grievance puts us all on notice: whistleblowers everywhere are watching us. We must not let them down. Equally, we must not let down our children who may have suffered abuse at the hands of those who were supposed to care for them, and those injustices may yet remain unknown and unaddressed.

Finally, it is significant that the Lindeberg grievance was signed by Mr Greenwood QC on 9 May 2001, on the very same day that we were in Melbourne celebrating the centenary of our first national parliament in Melbourne. On that sunny day, many fine sounding speeches were made declaring to the nation and the world that our prime duty was to serve our people honestly, fairly and with integrity. Where are those fine words now? In simple terms, I say let justice be done even if the heavens fall because it is the principles of respect for the rule of law and equality before the law which must endure above all else; otherwise we, as this nation’s law makers, become nothing more than empty sounding bells.

This issue relating to the abuse of children while in the care of the Queensland state government has been buried by successive people for over a decade. That is to the shame of Queensland and also, if left unaddressed, it will bring shame on this Senate. As I have said previously, some of the information that was put before the previous Senate committee had been withheld. Other issues have arisen that were not brought forward in the original Heiner inquiry relating to additional abuse of children while they were held within the state.

These issues must be addressed. The correct way to address them is for the Senate to form a committee to look at the new evidence that is now available and also to assess whether the Senate has been held in contempt by the Queensland government, certain entities and the CJC. If this is the case, this strikes at the very heart of justice within our democracy. We are a democracy within this country, and we should be able to hold our heads high with pride and with honour. Unless we address this issue, that pride, that honour and that respect from the Australian people will be greatly diminished.

It is the responsibility of all senators within this chamber to address these issues. We must have a second look at the information that is being put before the chamber and then impartially—totally above political alliances—address the issues based on their merit. I have looked at considerable information relating to this incident. There are issues relating to the timing when the archivist was notified that these records would be required. There are issues relating to the timing of the reports of these incidents in relation to the children’s detention centres. Issues have been raised that cast severe concerns as to the possible unacceptable acts of people while in control and having the administration of those children. We as a Senate need to address this issue. I say to the Senate now that we need to address this issue in an impartial and proper manner.

Debate interrupted.

QUESTIONS WITHOUT NOTICE

Ansett Airlines

Senator FAULKNER (2.00 p.m.)—My question is directed to Senator Ian Macdonald, representing the Minister for Transport and Regional Services. Is the minister aware that Air New Zealand put out a press statement last Friday, 14 September, denying ‘statements made by Minister Anderson that the Australian government had not been informed of the serious financial position of Ansett Australia until Air New Zealand revealed publicly the daily earnings before interest and tax loss of $1.3 million on Friday, 7 September’? Can the minister confirm that Air New Zealand communicated ‘the potentially perilous state of Ansett’ on at least four occasions between early May and 14 August? What is the minister’s response to Dr Farmer’s claim that he, Dr Farmer, ‘cannot allow seriously incorrect statements as to the state of knowledge of the Australian government to go unchallenged’?

Senator IAN MACDONALD—If it comes to a question of whom do you believe, the Air New Zealand board or Mr Anderson, then I know quite clearly which one I would believe. The sorts of people that Senator
Faulkner is defending and quoting are from a board of directors that has run this great Australian icon Ansett Airlines into the ground. It is these sorts of people who made these decisions that Senator Faulkner is defending.

Senator Faulkner—No, I am asking.

Senator IAN MACDONALD—Senator Faulkner is more interested in defending a foreign company, a company registered in New Zealand, principally on the New Zealand Stock Exchange—

Senator Robert Ray—But you gave them approval.

Senator IAN MACDONALD—Senator Ray, are you talking about the bill that the Labor Party supported that allowed 50 per cent of Ansett to go overseas?

Senator Robert Ray—Who makes the decisions?

Senator IAN MACDONALD—I quoted yesterday—and if you give me a moment I will repeat it today, Senator Ray—what the Labor Party said on that bill. The Labor Party agreed with that legislation because they knew it was important to sell the half share. So thank you for your intervention, Senator Ray. Back to Senator Faulkner’s question: there was a lot of communication between Mr Anderson and the New Zealand government. At all times, Mr Anderson was attempting to obtain details of the situation. As I mentioned yesterday, at a crucial time Mr Anderson was told that Air New Zealand, or the Air New Zealand group, had a $1 billion cash reserve and all that was needed was recapitalisation of Ansett.

Honourable senators interjecting—

The PRESIDENT—Order! The shouting in the chamber on both sides is disorderly, and those doing it know that.

Senator IAN MACDONALD—The real issue in this whole disaster is what information Air New Zealand and the Air New Zealand board of directors had that they had not passed on. It seems incredible to me—I know that Mr Anderson finds it incredible as well—that Singapore Airlines apparently were not aware of some of the real difficulties into which the Air New Zealand group had fallen. It is even more surprising when three of the directors of Air New Zealand are in fact Singapore Airlines appointees to that board. So at this stage it is only for us to wonder what was in fact happening. The position of Ansett Airlines was known, or should have been known, to Air New Zealand for some time, and the Air New Zealand board should have told the New Zealand government at an appropriate time. But the Air New Zealand board claim they did not know and the New Zealand government did not know, so how one could have expected Mr Anderson and the Australian government to have known escapes me. If Senator Faulkner has a suggestion on how we the Australian government—foreign government so far as the Air New Zealand group is concerned—could get access to the books of the Air New Zealand group, I would be very pleased to hear that as well. All the way through this the Labor Party have shown complete hypocrisy. One only has to remember what happened when Compass collapsed: not one cent was given by the Labor government to the workers who were displaced by Compass.

Senator FAULKNER—Madam President, I ask a supplementary question. I might preface it by making the point that not only are we not defending Dr Farmer; we are not defending Minister Anderson either. I ask this: would the minister agree, given the nature of his answer, that both Dr Farmer and Minister Anderson cannot be right about the warnings communicated to the government about Ansett’s imminent demise. So let me ask: who is right, Minister? Was Dr Farmer right in claiming Minister Anderson was well and truly informed and warned on at least four occasions?

Government senators interjecting—

The PRESIDENT—Order! Senators on my right will cease interjecting.

Senator FAULKNER—Minister Anderson claims that he was not informed. Was Dr Farmer right or was Minister Anderson right?

Senator IAN MACDONALD—in addition to the fact that I have already answered
that, I repeat to Senator Faulkner: whom would you believe?

Senator Faulkner—Neither of them.

Senator IAN MACDONALD—You say that you are not going to believe either of them. Okay. This is the Labor Party that over the last few weeks was urging us to spend taxpayers’ money on propping up Air New Zealand, a foreign company directed by a foreign board of directors. This is the sort of company that Senator Faulkner is now defending and promoting. Mr Anderson, in all of this, has been diligent and very capable. To the best of anybody’s ability, he has kept this matter under constant review. He deserves credit for the work he has done, and I certainly give that to him.

Economy: Growth

Senator TIERNEY (2.07 p.m.)—My question is to the Minister for Industry, Science and Resources, Senator Minchin. Will the minister advise the Senate on how the government’s sound management of the economy is creating jobs and growing exports in the resources sector? Is the minister aware of any alternative policies that would present impediments to further growth?

Senator MINCHIN—I do thank Senator Tierney for a serious question. I do want to acknowledge Senator Tierney’s strong representation of the Hunter, one of Australia’s great coal producing regions. One of the great strengths behind the outstanding performance of the Australian economy has been the resources sector. As certainly everybody on this side knows, the mining sector plays a huge part in our national economy and creating jobs for Australians. In the latest report from ABARE, we see that minerals and energy exports have again risen to record levels. Exports in the financial year just completed were worth a massive $55.6 billion, an increase of nearly $12 billion or 27 per cent over what was a record in the previous financial year. That is great news for the 400,000 Australians who are directly or indirectly employed in our resources sector, many of them in regional Australia, which is so well represented in here by Senator Ian Macdonald.

Those sectors of our resources industry to record earnings increases of more than $1 billion in the last financial year included crude oil, coking coal, iron ore, steaming coal and alumina. There were increases of between $500 million and $1,000 million for aluminium, LNG, refined petroleum products, copper and zinc. In the case of our petroleum exports, earnings rose by nearly 50 per cent to $13½ billion. That success, of course, does not come merely by good fortune; it has come from very good management on our part of the Australian economy. We have delivered an economy with the best growth in the developed world, low unemployment, low inflation and low interest rates—which are critical to the growth and development of our resources sector.

We have provided a climate that is inducive to strong investment in this sector to make it internationally competitive and export oriented. We have particularly helped the resources sector by reforming the tax system, removing costs, removing regulation on this industry and reducing the tax on exports which was left by our predecessors. The most important thing we have done to make this industry competitive is to reform the labour market. We now have massive improvements in productivity in this resources sector.

Senator Tierney sensibly asked me what alternative policies there are. It is a good question. There appear not to be any alternative policies from what is portrayed as the alternative government of this country. You really would not have a clue that Mr Beazley or Labor had any policies for the mining sector. Certainly their pronouncements on the policies we have put forward have all been negative for the resources sector. They trenchantly opposed our tax reforms which have been so important to removing taxes from our resources exports and producing the sorts of figures we have today. They did their best to stop those reforms coming through.

Labor did their utmost to stop us and block us fixing up the terrible native title mess they left us in government which was so disastrous during that period for the resources sector. We have done our utmost to
improve the native title arrangements in this country with absolutely no help from the Labor Party. They have opposed our labour market reforms every single step of the way. The greenhouse policies that they persist with, which are just slavishly and blindly following the Europeans, would be devastating for the competitiveness of our great resources sector. As for the noodle nation notion, it does not even acknowledge that there is a mining sector. It pays no regard to the highly sophisticated technologically advanced mining sector that this country has. I congratulate the mining sector on a fantastic performance in the last financial year. Long may it continue.

Ansett Australia

Senator MACKAY (2.11 p.m.)—My question is to Senator Ian Macdonald, the Minister representing the Minister for Transport and Regional Services. I ask whether it is true that in the letter he sent to the Prime Minister on 14 August the acting chairman of Air New Zealand, Dr Jim Farmer, wrote: In previous meetings with you, Mr John Anderson and various Ministerial advisers, we have provided early access to the Group’s financial results to be announced to the markets in three weeks time, including very serious losses of Ansett which are being sustained only with the support of the wider Group ...

And:

Ansett’s regional subsidiaries too are suffering deep losses.

Senator HEFFERNAN interjecting—

Senator MACKAY—This is from a letter dated 14 August to the Prime Minister. Is Dr Farmer’s claim correct? Did he in fact provide early access to the group’s financial results?

Senator Abetz—They are not even audited yet.

Senator IAN MACDONALD—I understood that the results of Air New Zealand are not even audited, as I think one of my colleagues interjected. Did Air New Zealand or the group tell us that Mr Toomey had resigned?

Government senators interjecting—

The PRESIDENT—Order! There are too many interjections on my right.

Honourable senators interjecting—

The PRESIDENT—Senator Hill and Senator Ray will come to order.

Honourable senators interjecting—

The PRESIDENT—Senator Hill, Senator Schacht and other senators interjecting are behaving in a disorderly fashion.

Senator Schacht interjecting—

Senator Hill interjecting—

The PRESIDENT—Senator Schacht and Senator Hill, I have called you both to order twice. Your conduct is absolutely unacceptable by any standard.

Senator IAN MACDONALD—Senator Mackay joins her leader in defending the Ansett-Air Zealand group board. In holding their allegations up against a minister—

Senator Faulkner—She’s asking a question. She’s holding the government accountable.

Senator IAN MACDONALD—Oh, she’s asking a few questions. I have to say, Senator Faulkner, it is great to see. I have sat in this chamber for three years and I think I got about three questions from Senator Mackay, so it is good that she is asking a question. But in asking a question she and you are defending the Air New Zealand board. This is the board, this is the group, that did not even tell the Australian government that Mr Toomey had resigned from the Ansett company.

Very seldom would I quote Mr Combet, the Secretary of the ACTU, but in this one instance I will repeat what he said on 19 September on Radio 6PR in answer to a question from Paul Murray. Mr Combet said: Oh crikey, there are plenty of people to point the blame at but the principal villains are Air New Zealand for their very poor management of Ansett.

In response to another question, he went on to say:

Well, at the moment, if your company goes belly up and you are owed money for those entitlements—

Senator Mackay—Madam President, I raise a point of order on relevance. My question related to a letter to the Prime Minister from Dr Jim Farmer in which he alleged that
they had provided ‘early access’ to the government of the group’s financial results that were to be announced to the market in three weeks time and, further, that Ansett’s regional subsidiaries were ‘suffering deep losses’. I would ask you to direct the minister to answer that question.

**The PRESIDENT**—I thought the minister was dealing with the matter raised, but I shall listen carefully to see that he does.

*Government senators interjecting—*

**The PRESIDENT**—Senators on my right should not be shouting as they are.

**Senator IAN MACDONALD**—The Prime Minister, the Deputy Prime Minister and, I think, any of us who fly with Ansett—and I used to fly with them quite a lot—would have realised that Ansett were in deep financial difficulties. We knew that, and certainly Mr Anderson did know that. But the full story was never told. We were told that what was needed was a recapitalisation, and any of us who flew in Ansett planes could have told Senator Mackay that. It was quite obvious that a massive injection of capital for equipment and aeroplanes was needed, but the solution, according to Air New Zealand, was recapitalisation. The Australian government, so far as it was relevant, was supportive of that.

We were also told that there was $1 billion in cash reserves in the Air New Zealand group. Where is that now? If it is around at the moment, that should be used to pay the entitlements of Ansett workers—and the full entitlements of Ansett workers. If it is available, that should be there so that the travelling public within Australia do not have to pay a levy on their tickets to pay the entitlements of Ansett workers. So where is that $1 billion, Senator Mackay? If you are in such close contact with the board of Air New Zealand and are quoting their material, perhaps you could ask the Air New Zealand board what happened to the $1 billion that they said was there as a cash reserve. I would much prefer, though, that the opposition worked with the government, with Qantas and with other airlines to get people moving—and we have done that to a degree. We want to make sure that the services, particularly to country Australia, are working and we want to fix up those entitlements for workers.

**Senator MACKAY**—Madam President, I ask a supplementary question. I would like the minister to confirm when and where the government were advised about this information that he has now accessed the government was aware of. What precise action did the minister—

*Government senators interjecting—*

**The PRESIDENT**—Order! Senator Mackay has the call to ask a supplementary question and other senators ought not to be talking so loudly.

**Senator MACKAY**—Thank you, Madam President. Just to reiterate: when and where were the Prime Minister and the minister advised about this information? What precise action did the minister and the government take when presented with these early warnings of a serious crisis for Ansett? Isn’t it true that the government did absolutely nothing until it was confronted with a complete collapse of the company?

**Senator IAN MACDONALD**—If Senator Mackay had been in the parliament yesterday, she would have heard me relate all those dates. I can give them to her again, but it will take more than one minute. She also would have heard of the Telstra maintenance schedule. An attempt was made to table that in the parliament yesterday. It was all there, Senator. If you ask me a question later and give me the four minutes, I will go through it.

**Senator Mackay**—You don’t know, do you?

**Senator IAN MACDONALD**—I do know; I can go through it all, as I did yesterday.

**Senator Faulkner**—Answer the question you were asked.

**Senator IAN MACDONALD**—Perhaps, Senator Faulkner, you could get your frontbench to read yesterday’s *Hansard*. You would find that most of the questions that have been asked so far today were all answered by either me or Mr Anderson yesterday in *Hansard*. 
DISTINGUISHED VISITORS

The President—Order! I draw the attention of honourable senators to the presence in the President’s Gallery of a delegation from Vietnam, led by Dr Tao Huu Phung. On behalf of honourable senators, I welcome you to the Senate. I trust that your visit will be informative and enjoyable.

Honourable senators—Hear, hear!

QUESTIONS WITHOUT NOTICE

Ansett Australia

Senator Mason (2.20 p.m.)—My question is to the Minister representing the Minister for Employment, Workplace Relations and Small Business, Senator Alston. Will the minister inform the Senate of how the government is committed to delivering a fair and reasonable package to guarantee the entitlements of Ansett workers? How is the government maximising new opportunities for Ansett workers to obtain future employment? Is the minister aware of any alternative approaches and what would be their impact on Ansett workers?

Senator Alston—I thank Senator Mason for that very important question. The government is particularly concerned about the plight of many Ansett workers. A number of them have been employed with the company for 20 years or more and quite clearly many of them would be devastated by not simply the position of their accumulated entitlements but also their job prospects. So it is very important—

Senator Conroy—What about the 2,000 caterers that supply Ansett?

Senator Alston—We will come to your feigned concern in a moment. The government is particularly concerned to ensure that workers’ entitlements are guaranteed up to an estimated $400 million, which would include the full value of all outstanding wages and salaries and accumulated annual leave, full statutory entitlements in respect of pay in lieu of notice and long service leave, and the maximum payment in respect of redundancy entitlements of eight weeks, which of course is the community standard established by the commission.

Senator Conroy interjecting—

Senator Alston—By the commission. The government’s view is that Air New Zealand should meet its obligations to Ansett workers, and we will be pursuing them in order to recover any outstanding moneys to ensure that there is a maximum return to taxpayers. I think the community understands that we are doing all that can reasonably be expected to protect the interests of the workers. The community also understands the importance of strong leadership at this time. You are always going to have a ticker problem if you are going to be flip-flopping on major issues. We have noticed that the Labor Party are now supporting a stronger border protection bill than the one they opposed a couple of weeks ago. Why is that? Because they are terrified they have missed the boat—and I do not mean the Manoora. They are obviously politically terrified—

Senator Kemp interjecting—

The President—Senator Alston, I draw your attention to the question. Senator Kemp and Senator Ray, stop shouting at each other.

Senator Alston—It is particularly important to look at the rampant opportunism we have in this debate about the demise of Ansett. On the one hand we had Senator Bob Collins when he was the minister saying that Compass should not be bailed out and only a few days ago we had Mr Martin Ferguson saying that it was not the responsibility of government to always clean up after the mistakes of the private sector. Well, that is one of his longest-held prejudices, so it is not surprising he would trot that one out. A couple of days later, they are in there arguing that the government should be throwing absolutely everything at it in terms of funding. In fact, Mr Ferguson said that we should postpone the sale of Sydney airport. Two days later, Mr Beazley was out their saying that we could use the proceeds of the sale to find a $100 million or so to stall matters for a couple of weeks. When he was asked on the Laurie Oakes program—the Sunday program—what his source was for saying that a $100 million would do it when an extrapolation of the figures we have seen suggests that it would be closer to $1 billion, he said,
‘Well, like you, you are a journalist: I’m not disclosing my sources.’ In other words, he had absolutely no idea—nothing that would stand up to light of day.

So it is quite clear that the Labor Party does not know where it stands on the issue. It is simply driven by rampant opportunism. Last Friday we had Mr Ferguson saying that we should seriously consider whether to give Air New Zealand open access to Australia’s market; in other words, there he was out there advocating a possible boycott. A couple of days later, of course, he did not think a boycott was right. Mr Beazley was asked whether he would support a ticket levy. Well, talk about flip-flop. His position is this:

... if at the end of the day that’s the only way to get some benefits, then we won’t block it.

... ... ...

Now, if at the end of the day, that’s all we can get out of the Government ... we’ll let it through.

... ... ...

Of course we’ll let it through in the end if that’s the best that we can get out of them. And then we’ll run on something different when the election comes around.

(Time expired)

**Air New Zealand: Board Members**

**Senator COOK** (2.25 p.m.)—My question is to Senator Macdonald, the Minister representing the Minister for Transport and Regional Services. I refer to the government’s vigorous attacks on the board of Air New Zealand, such as those by the minister today and his colleagues Minister Anderson and Minister Abbott. Do the targets of these attacks include Mr Charles Goode, a prominent member of the board and, in fact, a representative on that board of Singapore Airlines. Is this the same Mr Charles Goode who is also a director of Cormack Foundation and Vapold Pty Ltd, companies which have donated $2,328,500 to the Liberal Party since 1998?

**Opposition senators interjecting—**

**The PRESIDENT**—Order! This is question time. A senator has asked a question and is entitled to have it put to the minister. The shouting that is going on is absolutely unacceptable.

**Senator IAN MACDONALD**—I prefer to quote some Australians rather than taking what Senator Cook says about various directors of the Air New Zealand group. I just quoted Mr Combet, the Secretary of the ACTU. He is saying that the villains are Air New Zealand. Of course, remember, he is the person that donates millions and millions of dollars to the ALP campaign. I suspect that Mr Combet and the union movement donated as much to the ALP as it gets from Centenary House—the $36 million that comes from Centenary House.

There is no particular personal attack or vilification by this government or me or anyone else on individual directors. We are saying that the Australian government and the New Zealand government were misled by the lack of information given on the fate of the Air New Zealand group. The Labor Party prefers to take the side of the Air New Zealand board, the Air New Zealand group and the operators of Ansett who told us there was $1 billion in cash reserves there and when we looked, we could find absolutely nothing. You only have to read today’s paper, Senator Ray, and you will find that the new administrator is quoted as saying that he simply cannot understand what happened to the money from Ansett. Ansett airlines is a company, part of the Air New Zealand group, and no one, not even the new administrator, can work out what happened to the money. This is the group that the Labor Party is supporting and defending and quoting against a minister in the Australian government.

In all cases, the Australian government acted appropriately on the information available to it. When the true situation was known and Ansett airlines collapsed, this government went into overdrive to make sure that people could get back to their point of embarkation and that regional services could be served. This was at a time when the Labor Party and the unions were doing everything possible to cause maximum disruption to the travelling public of Australia—the sort of unAustralian comments that I related yesterday telling Ansett workers that they would only get their entitlements if they were members of the union.
We will make sure that all Ansett workers get their entitlements, whether they are members of the union or not. We will put on a levy that the travelling public will have to pay while we pursue Air New Zealand. If the union movement are so concerned about the rights of the union, I challenge them to put into the fund for the workers the money that they will be putting into the Australian Labor Party’s election campaign in a couple of months time. They have got all that money sitting there. If they have a real concern for the workers, let them put that money into the workers’ fund and take it out of the campaign for the ALP.

Senator COOK—Madam President, I ask a supplementary question. I think the minister debated the question and did not answer it. I will give him another opportunity by asking again: is this the same Mr Charles Goode who is also a director of the Cormack Foundation and Vapold Pty Ltd, companies which have donated $2,328,500 to the Liberal Party since 1998? Has the government taken advantage of its close connections to Mr Charles Goode to impress upon him and the other members of the Air New Zealand board—

Opposition senators interjecting—

The PRESIDENT—Order! The minister is entitled to hear the supplementary question. At the moment there is so much shouting that it is unlikely that he can.

Senator COOK—I will repeat the question. Has the government taken advantage of its close connections to Mr Charles Goode to impress upon him and the other members of the Air New Zealand board their responsibilities to meet the claims of Ansett workers to their full entitlements and to keep the government properly informed?

Senator IAN MACDONALD—I hate to disappoint Senator Cook but I have to confess that I do not know Mr Charles Goode, so I cannot answer any of the questions about that.

Senator Cook—You don’t know the board of Air New Zealand?

Senator IAN MACDONALD—I do not know Mr Charles Goode, I am sorry. I would wonder how it comes within my portfolio to answer a question as to whether this person is someone who donates money to the Liberal Party. I wonder how that is at all relevant to my portfolio. If the union movement have all the money that they are going to give to the Labor Party in the election campaign, why do they not do with that money what they should be doing with it—that is, benefiting the workers? If the union movement and the Labor Party were at all serious about the workers, they would be making sure that those union funds went into supporting the workers and not embarking on a political campaign.

Illegal Immigration: Unauthorised Arrivals

Senator BOURNE (2.32 p.m.)—My question is addressed to Senator Hill, representing the Minister for Foreign Affairs. Are reports correct that part of the cost to Australian taxpayers of housing and processing the *Tampa* asylum seekers in Nauru is a grant amounting to about $20 million to the government of Nauru? Will all of this funding come from the budget of the Department of Immigration and Multicultural Affairs and, if not, where will it come from? Has the minister seen reports of tonight’s *Foreign Correspondent* program detailing spending anomalies in Nauru? Are there strict accountability measures in place to ensure that that money is spent transparently and as intended?

Senator HILL—As all honourable senators know, the government has taken a firm and principled stand to protect Australia’s borders and to dissuade illegal immigration. There have been significant additional costs involved in that stand. There are the costs involved in transport and, in the example that has been given of the relocation to Nauru, the costs of processing in Nauru and many other associated costs. As I understand it, the costs will be borne across a range of agencies. In due course these will be published and, therefore, made public.

In relation to assistance to Nauru, Australia is working with Nauru to address a number of its short-term and longer term economic and development challenges. In particular, we are giving immediate help to overcome Nauru’s chronic power and water
shortages through the provision of fuel and spare parts for generators. We are assisting it with its hospital debts. In the longer term we are looking to provide it with more scholarships. As Senator Bourne would know better than most senators, I suspect, Nauru has serious economic and infrastructure problems, in part associated with the very few options post-phosphate in terms of a sound economic basis. Being a Pacific state, it is within the region of the world that Australia accepts in terms of our responsibility to assist. We particularly take this opportunity to thank it for the assistance it is giving us in the protection of our borders. I am told that the rest of the aid program will not be adversely affected by this decision, which I think will please Senator Bourne— if that is what she was getting at in her question.

Senator BOURNE—Madam President, I ask a supplementary question. I particularly thank the minister for his postscript on the aid program, which was what I was intending to ask him as a supplementary. The minister did not answer that part of my question about transparency and the reports of tonight’s Foreign Correspondent program which go to that matter. The minister mentioned that the origins of this money would be published in due course. Can he tell us when that will be and where we can expect it to be published?

Senator HILL—I understand that it will be incorporated into the midyear economic and fiscal outlook in accordance with the usual practice. In relation to the Foreign Correspondent report tonight, I would prefer to see the report tonight.

Ansett Australia

Senator O’BRIEN (2.36 p.m.)—My question is to Senator Kemp, representing the Treasurer. I refer to my question yesterday about the conditions placed on the sale of the 50 per cent of Ansett held by News Ltd to Air New Zealand last year. Can the minister confirm that the only reporting requirement placed by the Howard government in relation to those conditions was a compliance statement to be published in its annual report? Wasn’t this a totally inadequate means of ensuring Air New Zealand met its obligations to Australian workers, the travelling public and Australia’s national interest?

Senator KEMP—Senator O’Brien seems to be traversing some ground that was covered quite extensively in my comments yesterday. Let me just go through this for Senator O’Brien. I would urge him to carefully read Hansard on these matters. Senator O’Brien, we try to help you, so let me just proceed. Let me repeat what I said yesterday: In June 2000, Air New Zealand received foreign investment approval, subject to a number of conditions, as Senator O’Brien said, to acquire from News Ltd the 50 per cent of Ansett Holdings Ltd that it did not already own.

As I mentioned, the approval was announced in a joint press release. I went on to say that for this acquisition Air New Zealand exercised pre-emptive rights over a bid by Singapore Airlines to acquire this 50 per cent interest. At that time, Air New Zealand had held a 50 per cent interest in Ansett since mid-1996, which it had acquired, as Senator O’Brien will remember, from TNT.

The Foreign Investment Review Board recommended that the Treasurer approve the application by Air New Zealand subject to a number of conditions. This recommendation was accepted. I should point out that the questions that the Foreign Investment Review Board must consider in relation to foreign investment proposals do not include investigations as to the commercial soundness of a particular proposal. The FIRB examination of the proposal involved consultations with a very wide range of bodies. As a result, the government can say that it carried out very appropriate and extensive consultations, and I think the announcement of this proposal by the government was widely welcomed.

A number of conditions were proposed in the government’s announcement. The first was that Ansett and Ansett International would remain incorporated in Australia and that Ansett would retain substantial headquarters in Australia. A range of other measures were announced, and these were accepted.

In these matters, we have followed the usual procedures that are conducted by the
Foreign Investment Review Board. Events have, sadly, changed. This government has expressed its greatest concern, as Senator Ian Macdonald has done so well today, about the events which have occurred. No-one de-plores these more than this government.

Unlike the Labor Party, we are seeking to work through this very difficult issue. We do not believe that the way to work through issues is always to attempt to score political points. There are very real problems being faced here, and it is very interesting that, when Minister Tony Abbott went down to address workers yesterday in front of Parliament House, he was stopped by the unions from explaining to the Ansett employees what their entitlements were. The appalling thing was that Mr Beazley attempted to justify this behaviour by the unions. It was ab-solutely appalling. If anyone wanted to see how Australia would be governed under a Prime Minister Beazley, they only had to see the pathetic performance when the govern-ment was attempting, quite appropriately, to explain the situation to Ansett employees.

(Time expired)

Senator O'BRIEN—Madam President, I ask a supplementary question. Perhaps I can take the minister back to the point of the question, which was the reporting require-ments placed by the Howard government on Air New Zealand. I ask, in relation to that, what action the government took to satisfy itself that the effective management of Ansett Airlines remained in Australia, as re-quired by the condition imposed by the Treasurer that its headquarters had to be here. Is the minister aware of comments by the Ansett administrator, Mr Mentha, that Air New Zealand left the company with no financial books or records? Isn’t this state-ment by Mr Mentha further evidence that the government comprehensively failed to en-force the conditions it imposed on the sale of Ansett to Air New Zealand?

Senator KEMP—Let me say that no-one de-plores more than the government what has occurred in these matters. No-one does. In complete contrast to the Labor Party, we are attempting to deal with this problem, which affects so many Australians. You may shake your head, Senator O’Brien, but let me in-form you that the performance of the Labor Party on this—and, I might say, the perform-ance of some of your union bosses outside— can only be deplored.

Let me make it clear to you, Senator O’Brien, that this government is very con-cerned about what happened. This govern-ment is working hard to deal with a major issue. Let me just state that I hope that the Labor Party, rather than attempting to score cheap political points, will join us in trying to deal with this very difficult problem.

(Time expired)

International Criminal Court: Ratification of Statute

Senator HARRIS (2.43 p.m.)—My question is to Senator Robert Hill, representing the Minister for Foreign Affairs. The International Criminal Court statute has been initialled by the Minister for Foreign Affairs and supported by the Attorney-General. It has been earmarked for ratification by the parliament in December 2001. In light of the current situation in the US, is the govern-ment planning to rush ratification of this statute through parliament?

Senator HILL—Do you believe in the conspiracy theory? The government has not changed its policy of support for the estab-lishment of the International Criminal Court. The report of the Joint Standing Committee on Foreign Affairs, Defence and Trade into Australia’s relations with the United Nations included an endorsement of the govern-ment’s support of the ICC and recommended that the government ratify the statute of the ICC as soon as possible. In line with the transparent treaty processes put in place by this government, Australia will not ratify the statute until the Joint Standing Committee on Treaties has completed its public inquiry. This inquiry has provided an opportunity to clear up misunderstandings about how the ICC statute will operate.

The government has now provided the committee with the draft legislation to im-plement the statute. The draft legislation is also available publicly via the committee’s web site. As a matter of interest, the court will not come into operation until 60 states
have ratified. As of 3 August of this year, 37 states had ratified, including Canada, New Zealand, South Africa, Germany and France. The government now awaits the JSCOT’s report.

Senator HARRIS—Madam President, I ask a supplementary question. I quote the very public concerns of a number of most distinguished retired heads of the Australian Army, Navy and Air Force:

We express our gravest concern that the Australian government may ratify a statute for the proposed international court to be set up in the Netherlands, which in our view will seriously undermine Australia’s sovereignty and freedom to defend itself. It would represent a surrender of our national sovereignty and would present a serious threat to our capacity to defend the nation and its citizens. Australia must refuse ratification.

What is the minister’s response to this group’s views?

Senator HILL—If ever a government has shown a determination to protect Australia’s sovereignty, I would have thought it was the Howard government. If you look at recent events, you will see an unprecedented effort by the Howard government to protect Australia’s borders. We protect everything that is good about Australia, including the freedoms that Senator Harris refers to. Senator Harris need have no concern; this government will not take an action which will in any way compromise Australia’s sovereignty, freedom or ability to defend itself.

Ansett Australia: Employee Entitlements

Senator SHERRY (2.46 p.m.)—My question is to Senator Kemp, the Assistant Treasurer. Does the government’s latest, re-written Ansett employee entitlements protection plan, to be paid for by a new tax on airline tickets, cover any unpaid employer superannuation contributions, including monies deducted from employees’ pay to the date of the collapse last week, and any shortfall in entitlement provisions operating under the superannuation defined benefit schemes?

Senator KEMP—The Prime Minister announced the following yesterday: ...

I indicate to the House that it has been the position of the government to guarantee the statutory entitlements, that is, the unpaid salary, anything in lieu of notice that is appropriate, long service leave and unpaid holiday pay. In addition to that, we are also prepared to guarantee the payment of up to eight weeks redundancy, which is the community standard.

That was the commitment that the government made yesterday. In relation to superannuation, which you asked me about, I am advised that the trustees of Ansett Australia’s superannuation plans issued a newsletter to members on 12 September, assuring them that the contributions paid into the plans were up to date. This included the July monthly contributions that were received in August as scheduled. I have been advised that the assets of the five superannuation funds are invested externally by professional fund managers across a diversified range of recognised assets classes. As you know, Senator—probably more so than many in this chamber—superannuation is prudentially protected and regulated, and this provides further assurance.

The legal issue, as I am advised, is that there is no statutory requirement for an employer to make superannuation contributions for an employee, although there may be a requirement under an award for the employer to make superannuation contributions for an employee engaged in terms of the award. That is the advice that I have received in relation to what the government’s commitment is. I have read out clearly what the Prime Minister has committed. I have provided some advice to Senator Sherry in relation to superannuation funds. I know this is of great concern to the employees of Ansett and if I get any further information on the funds I will be happy to pass that to you.

Senator SHERRY—In your response, you use the date of August for employer superannuation contributions. However, the company ceased operating last week, in September. What has happened to the employer contributions up to that date? If there is any shortfall in superannuation payments, will that be included in the government’s protection of statutory entitlements?

Senator KEMP—The advice that I received was in relation to the date that you mentioned. As I said, the statutory entitlements are those which the Prime Minister...
outlined: unpaid salary, anything in lieu of notice that is appropriate, long service leave and unpaid holiday pay. In addition, the Prime Minister went on to say, we are also prepared to guarantee the payment of up to eight weeks redundancy. That is the commitment that the government has made. The government has not made any commitment in relation to superannuation.

Rural and Regional Australia: Transport and Services

Senator EGGLESTON (2.51 p.m.)—My question is to the Minister for Regional Services, Territories and Local Government, Senator Ian Macdonald. Will the minister advise the Senate of coalition government initiatives which are providing better roads, rail and improved services in regional Australia?

Senator Schacht—What about aeroplanes in regional Australia? They are grounded!

Senator EGGLESTON—We could talk about them too, because all of those regional services are being picked up. Is the minister aware of any alternative policy approaches?

Senator IAN MACDONALD—I appreciate the question from Senator Eggleston on the serious matters confronting the Australian public. This government is well recognised for its support for rural and regional Australia.

Senator Schacht—What about aeroplanes?

Senator IAN MACDONALD—Senator Schacht screams out in his typical fashion, ‘What about aeroplanes? ’ Perhaps I could start there. Through a lot of very hard work by Mr Anderson and the department, in conjunction with Qantas and regional airlines, we have succeeded in getting most of the regional ports in Australia served. The service is not as good in many instances as it used to be. There are still some gaps. There are services at odd times of the day and night. But we have enabled those services to be returned to almost all of the regional ports. That is something that we have done without any help from the Labor Party and with very little help from the unions; it is something that we are concerned about because we have an interest in rural and regional Australia.

Senator Eggleston asked me about other forms of transport. I am delighted to be able to mention that the coalition this year is spending some $1.8 billion on roads. That will create or sustain an estimated 24,000 jobs in rural and regional Australia. Universally accepted—and I know Senator Mackay would confirm this—is the coalition government’s Roads to Recovery program. Finance of $1.2 billion is going straight from the federal government to local authorities to fix up those roads that need assistance. We have spent $48.8 million on the Black Spot Program. Senators on this side would remember that this was a very good program that the Labor Party cancelled. Do you remember that? The Labor Party got rid of it. When we were elected to government in 1996, we restored that program. It went for four years. We have extended funding for one year. We have had a report on that, and Mr Anderson has announced that later this year he will make a statement about possible extensions or otherwise of that. We await the Labor Party’s approach to it.

Senator Hill—with a bit of luck they might flop on that one.

Senator IAN MACDONALD—They flip-flop all over the place. They have cancelled it, Senator Hill. I suppose they will come to the election and promise that they will keep it. I hear one of their spokesmen promising not to sell Telstra. It does not take a long memory to recall that the Labor Party promised not to sell the Commonwealth Bank. Do you remember that? The Labor Party promised not to sell Australian Airlines. Do you remember that? They went to an election and promised not to sell these Australian icons. What did they do when they were re-elected? They sold them as quickly as they could. When you hear any promises from the Labor Party that they are not going to sell this, that or the other, I think in those instances actions speak louder than words. We are providing services. There are more rural transaction centres opening every day. As we open them, people come up and say to me, ‘Senator Macdonald, remember the Labor years when they shut 277 post of-
This is the Labor Party’s record in rural and regional Australia: 277 post offices shut and nothing to assist them. The Labor Party got rid of the analog mobile phone system. They did not have anything in place to replace it. This is a government interested in rural and regional Australia.

Australian Taxation Office: Ansett Australia

Senator CONROY (2.56 p.m.)—My question is to Senator Kemp, the Assistant Treasurer. Does the minister recall the Australian Financial Review article of 7 August 2001 entitled ‘Ansett fights ATO over rule changes’, which stated:
The ATO is proposing to extend an aircraft’s “effective life”—the length of time an asset is depreciated—from eight years to 20 years. This would more than halve allowable depreciation deductions for aircraft each year, causing a dramatic effect on the cash-flow position of the already troubled airline.

Given that the age of Ansett’s fleet has been widely regarded as a significant factor in its failure, can the minister advise what action the Treasurer took to ensure that the ‘effective life’ changes were not impacting on the ability of Ansett to continue to operate?

Senator KEMP— I have to test my memory here. My feeling is that these were measures which again the Labor Party supported. These were measures which were tied up with some of the reforms that we brought in under the Ralph committee proposals. The record will probably show that this was an area which the Labor Party supported. In relation to ‘effective life’, the impact of these—

Senator Schacht—Have you got an effective life, Kempy?

The PRESIDENT—Order! Senator Schacht, I call you to order.

Senator KEMP—I think the effective life of Senator Schacht in this parliament goes through to June 30 next year. The effective life of Rod Kemp, let me assure you, will be a little longer than that, Senator Schacht. Senator, I was lucky. I was able to get the support of my colleagues. Can I express my appreciation to your colleagues. Senator Schacht, you were not able to get the support of your colleagues, particularly from Senator Bolkus beside you.

Honourable senators interjecting—

The PRESIDENT—Order! The Senate will come to order. I invite Senator Kemp to return his attention to the question.

Senator Conroy—Enjoy your last week!

Senator KEMP—I just received a comment from Senator Conroy: ‘Enjoy your last week.’ Senator Conroy, I do not know about you, but I have seen some polls today. I am not sure that you are going to be getting the glittering prizes. I think the short answer is that you are not. You are part of the problem. The fact of the matter is that the very poor performance of the Labor Party in a whole host of areas has resulted in the current position of that party. The effective life issues that Senator Conroy raised for assets relate to forward investments. If I have any further information on that matter, I would be more than happy to share that with the Senate.

Senator CONROY—Madam President, I ask a supplementary question. Isn’t it true that Ansett spokesman Geoff Lynch was also quoted in the same Financial Review article as saying that the airline had made its views on the depreciation issue known to both the ATO and the federal Treasurer? Isn’t it true that Mr Lynch was quoted as saying:

It is a major issue for us. We want to announce a fleet decision over the coming months, and that decision will be affected.

How did the Treasurer and the ATO respond to Ansett’s representations?

Senator KEMP—Senator Conroy said that they wanted to announce a new fleet decision and that therefore they were looking to see whether any further adjustments could be made under the depreciation arrangements. But, as we now know, the airline did not appear to be in a position to carry through on those proposals.

Senator Conroy—What did you do? Or is this the fault of Air New Zealand as well?

The PRESIDENT—Senator Conroy! You have asked a question, you have asked a supplementary question, and it is not appro-
parrant to keep shouting questions across the chamber.

Senator KEMP—It is very clear from what has transpired that Ansett were simply not in a position to proceed with that, for the reasons that we now all know. They may have had an issue in relation to the new capital provisions, and those issues are matters that the government is always prepared to discuss. But to suggest that this has been the fundamental problem facing the airline would be absolutely wrong, and no-one has mentioned this to date. (Time expired)

Ansett Australia: Employee Entitlements

Senator MURRAY (3.01 p.m.)—My question is to Senator Kemp, representing the Minister for Financial Services and Regulation, and relates to the demise of Ansett and the promise by the government to meet employee entitlements. Minister, isn’t it the case that amendments to the Corporations Law based on the 1988 report of the Law Reform Commission and put forward by the Democrats on three occasions in the past three years and rejected by the government—in one case, when passed by the Senate—would have allowed employees of Ansett to seek to have their entitlements fully paid by Air New Zealand? Isn’t it the case that those amendments would have made related companies liable for the debts of insolvent companies in certain limited circumstances? Minister, shouldn’t the liability for Ansett’s employee entitlements rest with Air New Zealand rather than Australian taxpayers or travellers within Australia?

Senator KEMP—Let me make it clear that, as my colleague Senator Macdonald has explained to the Senate, we will be pursuing all courses to make sure that those entitlements are met. We will leave no stone unturned to see what we are able to do.

I am advised that on some occasions the Democrats proposed a number of amendments to the Corporations Law. Senator Ian Campbell may well know them a little bit better than I do, because I suspect that he handled those debates in this chamber. I think the government rejected the amendments that the Democrats proposed because of concerns about their possible impact on the solvency of companies related to any insolvent company. This is an issue that Senator Murray has been concerned about and it is one which was dealt with in this chamber. The advice I have received from Mr Hock, who is the operative minister in this area, is that, instead of supporting the amendments, the government commenced the Employee Entitlements Support Scheme, which pays eligible employees a proportion of their outstanding entitlements. As Senator Murray would be aware, the government has announced that this scheme is to be expanded to encompass a greater proportion of employees’ outstanding entitlements.

I am also advised that there were a number of other problems with the amendments. The advice that I have received is that the proposed amendments provided little meaningful guidance to directors of companies in group structures as to how they would operate. So I am advised that there were a number of technical problems with those proposals by the Australian Democrats.

Senator MURRAY—Madam President, I ask a supplementary question. Minister, as you are aware, our amendments were based on the 1988 Law Reform Commission’s recommendations and were faithful to that. With regard to the Prime Minister’s statement that Air New Zealand has a legal obligation to meet Ansett employee entitlements, isn’t it true that that is not possible under the current state of the law in Australia—in other words, that those employees will end up with almost no legal recourse against Air New Zealand for their entitlements? Has the government therefore misled the public by suggesting that it can pay the entitlements of Ansett employees and then recover that payment from Air New Zealand, a claim made last week? In other words, isn’t your legal position very difficult in recovering those entitlements from Air New Zealand?

Senator KEMP—The government have made it very clear that we will be pursuing every legal remedy that we can. These matters are still to be tested, but the government have flagged what we propose to do. We are particularly concerned—as I hope everyone in this chamber is concerned—to make sure that the employees of Ansett receive their
proper entitlements. You should not doubt the government’s determination to pursue this matter through every legal means available to us.

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

ANSWERS TO QUESTIONS WITHOUT NOTICE

Ansett Australia

Senator COOK (Western Australia—Deputy Leader of the Opposition in the Senate) (3.07 p.m.)—I move:

That the Senate take note of the answers given by the Minister for Regional Services, Territories and Local Government (Senator Ian Macdonald), the Minister for Communications, Information Technology and the Arts (Senator Alston) and the Assistant Treasurer (Senator Kemp) to questions without notice asked by senators today relating to the financial collapse of Ansett Australia.

Earlier this year, the President of the Liberal Party, Mr Shane Stone, wrote a tragic letter to the Prime Minister, in which he described him as ‘mean and tricky’. When we listen to the answers in question time today about what the government is proposing to do to meet the entitlements of Ansett workers and, indeed, what the government is not going to do in meeting the entitlements of all other workers directly affected by the collapse of that airline empire, the words ‘mean and tricky’ resonate in our minds. They resonate for this reason: you should listen very closely to what the government has said and not to what the government has given the impression it will do.

What did the government say about entitlements? It said about entitlements that it would meet statutory entitlements. The word ‘statutory’ ahead of ‘entitlements’ invites curiosity about what in fact it will do. In question time today, the government said quite clearly, on the record, that it will do a number of things. That has clarified things to some extent, but statutory entitlements are not entitlements in an Australian workplace agreement and they are not entitlements in an award of the Industrial Relations Commission; they are entitlements set down in statutes, that is, entitlements enacted in legislation, and there are very few of those.

Senator Jacinta Collins—There aren’t any.

Senator COOK—I take the interjection from my colleague Senator Collins: there aren’t any. There used to be some, and maybe as far as state governments are concerned there still are some, about long service leave. We are comforted to some extent by what the government has now said on the record as to what entitlements it will observe, but it is also clear that it will not observe the full amount of entitlements at all, and so Ansett workers affected by this collapse will not get what they are entitled to get. The government is not intending to give them what they are entitled to. That is the clear fact.

Take one example: severance pay. The government says it will pay the community standard, which is the standard set down by the Industrial Relations Commission. That is not the standard that Ansett workers are entitled to expect. They had an Australian workplace agreement with their company, and the community standard is vastly inferior to the entitlement they are banking on to tide them over during the very dark months ahead for them in this period of increasingly high unemployment. They are not going to get the full amount, and there is a very large question mark, written in indelible ink, over superannuation: I am sure my colleague Senator Sherry will deal with that. The minister’s reply to a question about the superannuation issue today can be defined by the word ‘evasive’. He never answered the question, he never gave the information and he pleaded confusion in order to hold back the relevant questions. I am sure Senator Sherry will deal with that.

But let me deal with the other elements here. Who are the workers who will miss out? The Prime Minister said the government will only look at employees of Ansett and of wholly owned subsidiaries of Ansett, so any companies that have a contractual arrangement with Ansett and now also go down—companies in the catering service, in the cleaning and maintenance area and in tourism and regional development whose workers go to the wall because of this collapse—will be omitted. They are outside the net.
They will have to fend for themselves. Their futures are not being considered by this government and, if one accepts the word of the respected economic forecaster Dr Peter Brain, they number 53,000 around Australia. He says 53,000 workers will be affected, and on top of that the Midwood Tourism and Development Corporation say that there will be another 20,000 jobs lost. The total all up will be 73,000 jobs lost.

Of course, the damage to the regional economy is that the new airline system we now have means no discount fares. Tourism in Australia is based on discounts. We do not expect too many international tourists, given the international situation at the moment, but now there will be no discounts for domestic tourism either. That is what you get with the monopoly airline system we now have in this country. So the tourism industry in Australia, which is one of our most labour intensive and which employs more people during the Australian summer—the coming months—than at any other time, is facing an absolute crisis. In my own state of Western Australia, a number of the companies in the Broome tourist resorts are owed fortunes by Ansett, and they will never see a dollar of that.

Senator WATSON (Tasmania) (3.12 p.m.)—I think the Australian media and the people of Australia should be very careful about placing too much credibility on any statement that comes from the chairman or deputy chairman of the Air New Zealand board. I think their track record over the past few months has been abysmal. It has been dishonest, it has been misleading and it has never at any time conveyed the full picture. Ansett’s problems stem from the time when Air New Zealand failed to undertake a proper due diligence of the airline it acquired. In addition, it acquired an airline which was generally recognised in the industry as losing seat capacity compared with its competitor, and it acquired it in a situation where it did not have the capital adequacy to support that acquisition, knowing full well what the replacement requirements of that airline were. That airline had an old fleet. It had a fleet that was largely under lease, and it was an airline that needed a new fleet.

Earlier today, Senator Sherry asked a question about superannuation, and rightly so. I have been advised that about 98 per cent of the superannuation entitlements have been secured. How much reliance we can put on statements that have come from Air New Zealand sources is, I believe, questionable. However, we do have to take it at face value and, given that superannuation entitlements have to be separated from the main operating enterprise, they are in separate trustee arrangements and are overseen separately. The statements that have been coming from people associated with the airline have been incomplete. Singapore Airlines have been misled; the New Zealand government have been misled; the New Zealand stock exchange have been misled; the Australian people have been misled; and, worse still, the workers working for Ansett have been led up the garden path completely.

At a meeting on 21 June, Dr Cheong advised that Ansett was in a serious financial position, but his solution, coming from Singapore Airlines, was the proposal to increase Singapore Airlines’ shareholding in Air New Zealand. But when the full truth became known, they pulled out, and not surprisingly so. What about Gary Toomey? In June, the chief executive’s resignation was not reported, as it should have been under corporate law. There have been breaches under corporate law on this side of the Tasman and on the other side of the Tasman. I use this opportunity to call on Mr David Knott, the chairman of ASIC, to liaise very closely with his counterpart in New Zealand to make sure that the directors and senior people within Air New Zealand are brought to justice very speedily, because they have been negligent and they have not kept proper books, it appears, according to the newly appointed administrator. People are suffering unduly.

On 27 June, Gary Toomey told the media and the Stock Exchange that Air New Zealand needed recapitalisation, but that it did not have short-term financial issues. There is a big difference between the two. Going back perhaps a month earlier, he also told the Australian:
We are considering development funding to support an ambitious five-year growth and development program, not operating funding.

All these sorts of statements lead us to the conclusion that, yes, they needed new finance—there was a lack of capital adequacy—but it was a long-term problem, not an immediate short-term problem, as has now developed. There were cuts overnight. When the Australian government offered financial assistance, it appeared that $50 million was going to be adequate to cover it for about a week. That amount escalated to about $170 million for just a few days. No wonder the Australian government backed away. *(Time expired)*

**Senator SHERRY** (Tasmania) *(3.17 p.m.)*—I also wish to note the various answers to questions concerning Ansett, particularly those focusing on employee entitlements. There are two general comments that I want to make about the government’s approach to the issue of employee entitlements. The first one is that its approach is extraordinarily ad hoc, in the sense that every time there is a major crisis—it is obviously a massive national crisis, given the collapse of a company the size of Ansett and its importance to our transport system—the government extends or changes the employee entitlements provisions that it has adopted. Whilst it is important to have employee entitlements protection—and I will come to the Labor Party’s policy on that shortly—there have been three changes made in two years. Of course, during the last couple of years there have been lots of other employees who have been made redundant, have missed out on part or all of their entitlements and have not been the beneficiaries of these particular schemes.

The other interesting aspect of the government’s approach is how it funds the payment of these entitlements. Presumably, the Australian tax system—and the government is so fond of boasting about the GST and the revenue it raises—is robust enough in order to pay for these protections, but we seem to have developed particular surcharges or levies to meet particular circumstances. In the case of Ansett, there will be a $10 levy on airline tickets for as long as it takes to cover the cost of the payments to Ansett employees. What if we have the collapse of another textile firm? I was reminded earlier by my colleague Senator Collins about the collapse of Prime Minister Howard’s brother’s textile firm, National Textiles. Presumably, if another big textile firm goes under, we will have a levy on jeans or T-shirts to fund the particular cost of that. This is a very unsatisfactory way to fund employee entitlements protection plans.

**Senator Murray**—God help us if Carlton & United goes under.

**Senator SHERRY**—Exactly. If a brewery went under, we would presumably have a tax on beer. This is a fairly ridiculous approach to providing the underwriting of the payment of these protection plans. Let me come to the issue of superannuation, which I specifically referred to in my question to Senator Kemp. When I asked about the employer superannuation contributions, including moneys deducted from employees’ pay, his understanding was that it was up to date to approximately mid-August, but the airline ceased trading last week. Based on the information that Senator Kemp has provided, there are a number of weeks for which payment of superannuation is likely not to be made. It is a statutory obligation. I do not believe that the Prime Minister knows what statutory obligations are. If you read the comments made by the Prime Minister on 14, 16 and 17 September, he continually refers to the issue that they will meet statutory obligations. There is a superannuation shortfall for that number of weeks, however many there are—we do not know yet. It is a statutory obligation, yet it appears to have been missed in the Prime Minister’s declarations on this issue.

I raised a second issue and that concerns the payments to be made to employees under their superannuation defined benefits schemes. There are a number of entitlement provisions under these particular defined benefits schemes, as I understand. Again, I think the minister—perhaps as more information becomes available as to the number of employees who will ultimately lose their jobs—should check on that particular aspect because, if there is a shortfall that emerges,
that issue will need to be addressed by the government of the day. Superannuation is very important, particularly in circumstances where some of the employees are elderly or are effectively forced into early retirement. (Time expired)

Senator COONAN (New South Wales) (3.22 p.m.)—The government has been variously accused today of being mean and tricky in relation to employee entitlements, which really takes the prize for being perhaps the most hypocritical statement that has come from the opposition thus far in relation to this very serious and difficult collapse of Ansett. Anyone listening to this debate would indeed have a very distorted view from the opposition of what the government proposes to do. It is appropriate that it be mentioned that what the Prime Minister has so far defined as being the statutory entitlements of Ansett employees that are intended to be covered are: unpaid salary, long service leave and holiday pay—matters of that nature. Clearly, this may not be the very last word on that. I would have thought that, until the legislation comes forward to provide for this, the fine detail waits to be seen. But the Prime Minister said very clearly that the statutory entitlements should be met and also redundancies of what could be loosely called the community standard—that is, up to eight weeks.

So there does not appear to be that much confusion, I would have thought, about the fact that this government has picked up the slack in circumstances where the liability of the board of Air New Zealand has yet to be established in respect of any responsibility for employees’ entitlements and indeed their ability to pay. The government has said very clearly that, subject to such liability and the ability to pay and those obligations being met, it would ensure that Ansett employees who are otherwise left out of entitlement would be paid.

Senator Sherry talked about these arrangements being ad hoc, which also just about takes the cake, I think, coming from an opposition that in 13 years of government turned its back on workers’ entitlements in a very comprehensive way. At least this government has tried, in a successive way, in an emerging way, to deal with employee entitlements. It is a very complex and important issue. It is very important to everyone out there who has lost a job and who otherwise finds themselves in circumstances where they have to look to the government for some assistance.

For 13 years the Labor Party did nothing; its record is pitiful. It is appropriate that those listening to this debate today remember that no Labor Prime Minister, no Labor cabinet and no Labor industrial relations minister—not Mr Willis, not Mr Morris and not even Senator Cook or Mr Brereton—even succeeded in addressing this issue in an ad hoc way or indeed in any way at all and certainly did not succeed in establishing a national scheme to protect worker entitlements on insolvency. It does not appear that any Labor Prime Minister, Labor cabinet or Labor industrial relations minister paid out one cent of Commonwealth money or ever came up with a scheme to fund unpaid entitlements to employees where debts were owed to them by a private sector employer. It is simply not appropriate for the Labor Party to be critical of this government about arrangements that are being put in place where they are much needed.

Labor’s failure, of course, is even more contemptible, given that it did induce an economic recession in 1990 which left nearly a million Australians unemployed and caused thousands of businesses to go into insolvency. Even with the wreckage of economic disaster around it and thousands of people unemployed, what did Labor do to protect employee entitlements? Absolutely nothing. Despite the fact that there were, I think, about eight self-proclaimed accords with the ACTU, the Labor Party only ever got around to talking about the desirability of any kind of workers’ scheme. The other extraordinary thing about question time today is the suggestion that somehow or other this government is to blame and that the opposition takes the side of the board of Air New Zealand. (Time expired)

Senator JACINTA COLLINS (Victoria) (3.27 p.m.)—In taking note of the situation today, I will start by drawing upon Senator Coonan’s claims of hypocrisy. The one
achievement of the Labor government during the accord period and leading into that period was putting in place the protections that workers today have in relation to industry superannuation. That means that in the debate today regarding Ansett employees, we are talking about one, two, three—however many—months of superannuation and whether that was passed on to the fund, rather than talking, as we might have in the past, about the whole retirement package for a worker.

Now we move on to other employment entitlement issues. Senator Coonan is right. This is a problem that has evolved. This is a problem, though, that has evolved in some sectors under this particular government. Never before have we seen such significant corporate failures. Never before have we seen the masses of employees suffering job losses in sectors fully commercial in practice and also in those areas where the government has a significant role with respect to the national interest.

On that point, I want to go back to a comment made by Senator O’Brien in yesterday’s urgency debate. He said:
... it is beyond my comprehension how the Deputy Prime Minister of Australia could agree to Ansett’s 100 per cent sale to a foreign company without ensuring that this country’s national interest was properly protected.

Successive governments have taken an active and determinative role in airline policy. But on this government’s watch one of the two most important players in this industry in this country has ceased to exist. The government cannot back away from that. I was, I would say, more than bemused to read one of the recent comments by the Prime Minister on this issue. At a press conference on 14 September, he said:

The corporate sector can’t have it both ways. It can’t assert rugged individual freedom and the right to do as it chooses to the greater glory of the market but when things get into difficulty you turn around and expect governments to bail them out. It’s just not like that.

It is strange to hear that from the Prime Minister, because yesterday in this chamber in question time and in the debate after question time I actually heard government senators saying, ‘No, no, we must have the rugged individual freedom and the glory of the marketplace.’ The Prime Minister cannot have it both ways. And then his depiction of the aviation sector is somewhat bizarre. The aviation sector accepts regulation. It is one of the more highly regulated sectors in our economy and it is significant to our national interest. The question to this government is: what is the difference when assessing national interest between this situation with Ansett and the situation with Shell Woodside? Why was the government not convinced that there were serious national interest considerations on this occasion? Perhaps some of that was touched upon by Senator Cook in question time today when he asked:

Is it the same Mr Charles Goode who is also a director of Cormack Foundation and Vapold Pty Ltd, companies which have donated $2,328,500 to the Liberal Party since 1998?

Is that a donation that this Prime Minister will return as he pursues Air New Zealand? I have deliberately left it to Senator Murray to deal with some of those issues. There have been actions this government should have taken in the past to enhance our ability to pursue companies in a situation where larger and larger corporate behaviours think they can strip companies and get away with it.

Senator Hill—Why not?

Senator JACINTA COLLINS—Senator Hill says, ‘Why not?’ and that is right. That is the example this government gave in the maritime dispute, that is what it let Patrick do. You have been setting the example.

Senator Hill—Oh!

The DEPUTY PRESIDENT—Senator Hill, interjections are disorderly at the best of times and totally unparliamentary when you are not in your seat.

Senator MURRAY (Western Australia) (3.32 p.m.)—Members of the Senate who follow corporate law know that I have long been concerned about the nature of corporate structuring which, on occasions, is used for the purpose of depriving employees and creditors, generally, of their rights and entitlements. It is to that which Senator Collins was referring. The Woodlawn, Cobar and Patrick cases are all cases to point. And it is
not a new issue. The Law Reform Commission in 1988, in their report that followed the general insolvency inquiry known as the Harmer report, recommended the implementation of a provision to cover this problem. The substance of their proposal was that a liquidator or a creditor or an employee of an insolvent company would be able to apply to a court for an order that a related company must pay an amount of a debt, and whether the court ordered the payment and how much was ordered to be paid would be determined by a consideration of a number of factors—namely, the extent to which a related body corporate took part in the management of the company, the conduct of the related body corporate towards the creditors of the company generally and to the creditor to which the debt or liability related, the extent to which the circumstances that gave rise to the winding up of the company were attributable to the actions of the related body corporate and the extent to which the insolvent company had at any time engaged in one or more transactions that resulted in the value of the insolvent company’s assets being reduced.

That may sound very dry, but what is its meaning? Its meaning is that, if passed, the employees of Ansett would be entitled to get their entitlements back from Air New Zealand, and both governments failed, and have failed, to pass the 1988 Harmer Law Reform Commission report recommendations. Why? Because of the sheer strength of the Law Council and other opposition to the matter.

I moved amendments that arose from that Law Reform Commission report of 1988 at the first opportunity I had in the Senate in 1997, in the committee stage of the Company Law Review Bill 1997 and again in the committee stages of the Financial Sector (Shareholdings) Bill 1998 and the Financial Sector Reform (Consequential Amendments) Bill 1998. The amendment I put to the Company Law Review Bill 1997 was in fact supported by Labor, and the coalition opposed it. But, on rejection by the House of Representatives, it was not insisted on by Labor in the Senate. What I say to the government and to the Labor Party, obviously, is that it is time to revisit the Harmer Law Reform Commission recommendation. We must surely learn from these experiences that, unless you get at the related parties through provisions such as the Harmer Law Reform Commission recommendation, you will not be able to address the legal ability to recover amounts such as these employees have lost out on. It is that, and simply that, which should be attended to.

The Assistant Treasurer’s answer to my question I think exposes the weakness of the government in this issue. I know the government of course want to try to recover the entitlements from Air New Zealand, but I do not think they have a really good legal hook on which to do that. I think the amendment that I had recommended, and which in one instance the Labor Party supported, would have given them that legal hook. The question that the government are going to face is: should they bring forward urgent legislation to in fact implement legislation similar to that Harmer Law Reform Commission recommendation? Should you get off your collective As—not to be rude but to be colloquial—and do something about it and give yourselves the legal ability to address this matter? It has been considered in depth, it has been assessed in depth and it is capable of being put into legislation in a form which would advance the cause of these Ansett employees.

Question resolved in the affirmative.

NOTICES
Presentation

Senator Chris Evans to move, three sitting days after today:

That the Health Insurance (Diagnostic Imaging Services Table) Amendment Regulations 2001 (No. 4), as contained in Statutory Rules 2001 No. 157 and made under the Health Insurance Act 1973, be disallowed.

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

That the Senate condemns the Government for introducing a goods and services tax after promising ‘never, ever’ to do so and for the damage that this regressive tax has done to small business, middle- and low-income earners, and particularly Australian families, through the botched way it has been implemented and continues to operate.
Senator Bartlett to move, on the next day of sitting:
That there be laid on the table, by the Minister for the Environment and Heritage (Senator Hill), no later than immediately after motions to take note of answers on 26 September 2001, all documents held by the Great Barrier Reef Marine Park Authority (GBRMPA) or Environment Australia in relation to the following:
(a) the assessment of the Ocean Drilling Project (ODP) leg 194 by GBRMPA, including the assessment of seismic impacts of drilling;
(b) materials submitted by ODP in support of its permit application;
(c) seismic survey information relating to seismic surveys conducted in preparation of leg 194 (including the 1999 cruise by the CSIRO vessel, the Franklin);
(d) leg 133 of the ODP; and
(e) the technology transfer or sale relating to research or data produced by or during legs 133 and 194 of the ODP.

Senator Bartlett to move, on the next day of sitting:
That there be laid on the table, by the Minister for Industry, Science and Resources (Senator Minchin), no later than immediately after motions to take note of answers on 26 September 2001, all documents held by the Australian Geological Survey Organisation or the Commonwealth Scientific and Industrial Research Organisation in relation to the following:
(a) seismic surveys of the Townsville Basin, Marion Plateau, Queensland Basin and Queensland Plateau areas off the coast of Queensland, including survey maps, assessment reports (particularly relating to hydrocarbon potential) and documents relating to any industry participation in any of the surveys;
(b) all documents relating to the sale of those survey results to private parties; and
(c) all agreements with private industry relating to the undertaking of seismic surveys in any of the above areas.

Senator Crane to move, on the next day of sitting:
That the Rural and Regional Affairs and Transport Legislation Committee be authorised to hold a public meeting during the sitting of the Senate on 20 September 2001, from 7 pm, to take evidence for the committee’s inquiry into the provisions of the Motor Vehicle Standards Amendment Bill 2001.

Senator Tierney to move, on the next day of sitting:
That the Senate—
(a) notes the disgraceful behaviour of unions during a rally concerning Ansett at Parliament House, where the Minister for Employment, Workplace Relations and Small Business (Mr Abbott) and other government members and senators were not given a chance to talk with Ansett employees who are concerned about entitlements and future employ-
ment;
(b) further notes that government members and senators attended the rally with the intent to show support for workers and transport routes that have been affected by the demise of Ansett, particularly in rural and regional areas;
(c) welcomes the efforts by staff at Aeropelican in the Hunter Valley, who want the local air service to continue and who are currently devising a plan to maintain that service in the future; and
(d) calls on unions, which claim to represent workers, to support Aeropelican’s efforts, instead of trying to make the issue a political one and sabotaging attempts to find solutions to the transport and worker entitlement problems at hand.

Senator Tierney to move, on the next day of sitting:
That the Senate—
(a) notes the release of photographs by Newcastle police showing people involved in the attacks of 13 July 2001 on a Commonwealth vehicle directed towards the Minister for Defence (Mr Reith) and the union’s failure to identify those involved;
(b) condemns the violence by union members during the ministerial visit, when business leaders and local companies were showcasing the Hunter’s potential for defence investment; and
(c) calls on those people involved in the violent demonstration to come forward to police and for unions to cooperate in the identification of anyone who caused damaged to the Commonwealth vehicle.
Senator Allison to move, on the next day of sitting:

That the Senate—

(a) notes that:

(i) the Victorian Environmental Protection Authority (EPA) approval has been given to AES Golden Plains to build a peak-load power station at Stonehaven, 8km from Geelong, Victoria,

(ii) under Victorian EPA pollution controls, this old technology power station will potentially increase existing nitrous oxide levels over the Geelong region by 50 per cent when operating at full capacity, and

(iii) the United States EPA attributes 20 per cent of hospital admissions in summer to asthma-related emergencies and names the production of low-level ozone from nitrous oxide as the main culprit;

(b) encourages the local community and the Batesford and Geelong Action Group to continue their efforts to pursue a better outcome for the people of the Geelong region; and

(c) calls on the Federal Government to work with the states to, as a matter of urgency, develop nationally consistent, world’s best practice, energy efficiency and low pollution standards for all newly-commissioned power stations.

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

That the following matter be referred to the Legal and Constitutional Legislation Committee for inquiry and report by 22 October 2001:


Senator O’Brien to move, on the next day of sitting:

That there be laid on the table by the Minister representing the Prime Minister, no later than 5 pm on 24 September 2001, the following documents:

(a) all correspondence and other communications, including e-mails and briefing notes, between the Prime Minister, his office, the Department of Prime Minister and Cabinet, and Air New Zealand relating to the conditions placed on that company as part of the approval of its application to take 100 per cent ownership of Ansett Airlines;

(b) all correspondence and other communications, including e-mails and briefing notes, between the Prime Minister, his office, the Department of Prime Minister and Cabinet, and Air New Zealand relating to the ownership and operation of that airline and its subsidiaries from 1 January 2000; and

(c) all submissions and other communications, including e-mails and briefing notes, from the Department of Prime Minister and Cabinet to the Prime Minister relating to:

(i) the approval of Air New Zealand’s application to take 100 per cent ownership of Ansett Airlines and its compliance with conditions placed on its ownership and operation of Ansett Airlines as part of that approval, and

(ii) the ownership and operation of Air New Zealand and its subsidiaries from 1 January 2000.

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

That the Senate—

(a) recognises that failure to invest in public education is undermining Australia’s capacity to meet its economic and social needs into this century and calls upon the next government to increase public education spending to meet the Organisation for Economic Co-operation and Development average by 2004;

(b) recommends that this additional funding be distributed between all sectors of education including universities, TAFE, adult learning and schools;

(c) is deeply concerned that the distribution of schools funds under the States Grants (Primary and Secondary Education Assistance) Act 2000 is unfair, unjust and damaging, as evidenced by:

(i) the continued decline in public education’s share of the total Commonwealth schools budget, and

(ii) the excessive and extravagant increases in annual per capita Commonwealth funding of many of the wealthiest private schools; and
(d) calls for the next government, as a matter of urgency, to repeal this Act and replace it with legislation that:

(i) ensures that public education’s share of Commonwealth schools funding is restored to at least 50 per cent by 2004 and to 70 per cent by 2007 by measures including increasing public education expenditure, curtailing the growth in total funding of private schools and decreasing the funding of the wealthier private schools, and

(ii) ensures that the distribution and quantity of federal funding of private schools neither exacerbates socio-economic inequality nor endangers the local, regional or national viability of the nation’s government school systems as the dominant provider of primary and secondary education.

COMMITTEES

Selection of Bills Committee

Report

Senator CAL VERT (Tasmania) (3.40 p.m.)—I present the 14th report for 2001 of the Selection of Bills Committee. I move:

That the report be adopted.

Senator BARTLETT (Queensland) (3.41 p.m.)—This Selection of Bills Committee report contains some referrals of bills to committees. It refers the Disability Services Amendment (Improved Quality Assurance) Bill 2001 to the Community Affairs Legislation Committee to report back next week, it refers the Commonwealth Inscribed Stock Amendment Bill 2001 to report back in December and it recommends referring the Regional Forest Agreements Bill 2001 to the Environment, Communications, Information Technology and the Arts Legislation Committee to report back on Tuesday, 25 September—in six days time.

The Democrats believe that the Regional Forest Agreements Bill is important legislation. Whilst a basically identical bill—with a different name and a different year—was introduced and considered by a legislation committee and a report brought down, we believe that the operations and forestry practices throughout Australia since that time have produced further significant evidence. The factors surrounding the operation of the forestry industry in areas covered by regional forest agreements should be properly examined so that the Senate can make an informed decision about the nature and the real impact of this legislation.

I also draw the Senate’s attention to a motion on notice by Senator Brown which seeks to refer this bill to the Environment, Communications, Information Technology and the Arts References Committee for a longer time frame than that which our whip was initially proposing through the Selection of Bills Committee and which contains some terms of reference matters, all of which I think should be examined by whichever Senate committee the legislation goes to. The Democrats believe that six days is not sufficient time to gather together, examine and absorb the information put forward by various interested groups in relation to the operations of the forestry industry and RFA areas.

We do not believe that that date of next week is appropriate and, indeed, would signal that Senator Brown’s motion on the Notice Paper—which I presume he gave notice of yesterday—is more comprehensive and appropriate than that put forward by the Democrats and we would be supportive of the referral proposal put forward by Senator Brown. In the context, however, of this Selection of Bills Committee report, we would at a minimum want to move that the committee report on or before 22 October 2001. Whilst the Democrats would actually prefer a referral that reflected Senator Brown’s motion that is due for debate today, as a fall back I would support and move that the reporting date for the Regional Forest Agreements Bill be 22 October—which, with the change to the sitting pattern that was put out earlier today, is the first sitting day in October.

The DEPUTY PRESIDENT—Are you moving that amendment or are you thinking of moving it?

Senator BARTLETT—I move:

At the end of the motion, add “but, in respect of the reporting date for the Regional Forest Agreements Bill 2001, omit ‘25 September 2001’, Substitute ‘22 October 2001’.”
This is an important issue; it is not just a matter of delaying the bill. It is an absolutely critical issue in many parts of Australia—in many parts of New South Wales and Victoria and virtually all of Tasmania. Forestry operations and the issues related to that are absolutely critical and crucial and of immense concern across the political spectrum in those communities and the ongoing evidence is, I think, far more compelling than even was the case a year or two back when this bill was initially considered. The Democrats believe it is absolutely crucial for community confidence that these issues are properly considered by the parliament and the Senate and that there be a longer consideration for report on this issue.

It would be a dramatic failure on the part of the Labor Party to give into the dare by Wilson Tuckey to support this bill being railroaded through the parliament in the shadow of an election and in the shadow of concerns about other international events. It is a serious matter of growing concern to many parts of the community who had thought that Labor might have changed their view on forestry issues given the results in the Western Australian state election and perhaps have learned a positive lesson out of that. It would be a great concern to the Democrats and to many in the community if that position were reversed again and we had this legislation rushed through without proper consideration of the wide ranging issues involved in forestry operations in Australia today. *(Time expired)*

**Senator IAN CAMPBELL** (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) *(3.46 p.m.)*—I want to make it absolutely clear that the government will oppose this motion. The bill being referred by the Selection of Bills Committee is the Regional Forest Agreements Bill. It was referred to the Rural and Regional Affairs and Transport Legislation Committee at the end of 1998 and was before that committee for some months. I am informed that something like 500 submissions were received and dealt with by that committee. The committee made a report to the Senate. Prior to doing that, it held three days of hearings.

The bill that has been reintroduced to the parliament is, to all intents and purposes, the same as the one already dealt with by the committee. There are some minor new provisions, but I do not think anyone would argue that they are significant new provisions. I certainly do not think you could deem a reference of this bill now—after three years, with three days of hearings and three months before a committee—as railroading in any way whatsoever.

Senator Bartlett says that the Labor Party should learn a lesson from the Western Australian election in relation to regional forest agreements. I say to all honourable senators that I encourage them to travel, when they get the opportunity, to south-west Australia—

**Senator Robert Ray**—By which airline?

**Senator IAN CAMPBELL**—I think I would recommend Qantas at the moment, but I am working on South African Airways going across that route, Senator Ray—or that great Indian Pacific railway is a highly recommended option, if you have got a few days up your sleeve. But could I recommend seriously that people travel to south-west Australia, if they have the opportunity, to learn a lesson from the Western Australian election. That lesson is that you have got a couple of thousand people down there with no certainty about their future. There is no resource security in south-west Australia. That means that businesses seeking to develop value adding within their community have no idea whether they can get the same sort of allocation of timber resource that they got last year—whether they get half that resource or whether they get a quarter of that resource. They cannot plan on whether to stay in the industry or to exit the industry. They cannot go to their bankers or other financial supporters and put a business case in relation to building a value added industry.

The impact of the state election and the mishandling of forestry issues by the state government in Western Australia are wreaking terrible havoc in a very proud and historic part of Western Australia. The towns of south-west Australia, such as Manjimup, Bridgetown and Boyup Brook and right through that wonderful country, are having
the heart and soul ripped out of them. It is very important that you do find agreement on resource issues. The state government of Western Australia has banned all logging in old-growth forests. That issue is now behind us, whether you agree or disagree with that. I happened to disagree with it, but that issue is now behind us.

It is incumbent on the Western Australian government to now make the decisions on resource allocation and to provide security to those people who rely upon the timber of the great south-west region of Western Australia so that they can have some certainty in their lives. You cannot claim that bringing on the RFA Bill during this fortnight is railroading. It has been around for nearly three years and it has had significant consideration by committees. To seek to defer it to a later date and potentially a date after the federal election is to deny those people the justice that they deserve. It is using the committee reference process as a form of obstruction, which I think most Australians, particularly those living in timber communities, would regard as anathema.

Senator BROWN—The Minister for Forestry and Conservation, bless his heart, Mr Tuckey, from the House of Representatives—and long may he stay in that position, at least until the election, because he has been a gift to environmentalists with his absurd and over-the-top presentation which has basically failed to represent the interests that he should have been representing—has now scheduled it to come in and wants it guillotined. In the press—and particularly in the Advocate, that excellent newspaper out of the north-west coast of Tasmania—he has called on the Labor Party to support the government in guillotining this Regional Forest Agreements Bill 2001 next week to get it past the Democrats and the Greens. It will be very interesting to see whether Labor does respond to that call, and I would ask Senator O’Brien to actually say whether he is going to take part in an effort like that to get around a very important debate.

The debate is important because the fate of Australia’s grand forests are on the line here. This regional forest agreement cements the several agreements which the Prime Minister, the Hon. John Howard, signed with state premiers over the last few years for the destruction of hundreds of thousands of hectares of the grandest forests in this country—effectively a death warrant. When the Prime Minister came to sign the regional forest agreement in Tasmania—and the biggest impact is in Tasmania where the tallest forests in the Southern Hemisphere and the largest temperate rainforest in the nation in the Tarkine are at stake—he said that it would create a thousand jobs and he put over $70 million of taxpayers’ money into it. Where are those jobs? All that has happened since the regional forest agreement was signed in Tasmania is job shedding. It has got to the absurd situation where we have log truck drivers all over Tasmania at the moment uncertain about their jobs and Gunns, the biggest woodchipping empire in the Southern Hemisphere, only last week announcing that another 40 jobs were to be shed at a time of record woodchipping, record destruction of forests and record low income for Tasmania in terms of royalties for each tonne of those logs and the

Senator BROWN (Tasmania) (3.51 p.m.)—If ever anybody has argued against themselves, Senator Ian Campbell just has. The railroading of legislation comes when it is left to an inappropriate time. He has just argued twice here that three years ago this legislation was brought into the place. It got set aside by the government because it would not accept an amendment which would have ensured that the regional forest agreements, which entail some $300 million of taxpayers’ money, could be debated and, if necessary, in the interests of the taxpayers, amended by the two houses of parliament. But here we have an executive government that has made a habit of abusing the forms of parliament, particularly as we get close to the election, and that now wants to do it again by bringing in a bill it has had sitting there for three years in the last two weeks of this parliamentary period. Moreover, it has got it listed at No. 40 or so out of the 50 or so bills that are coming down the line.

Senator Ian Campbell—That is simply not true. That is totally untrue.
loss of jobs. What a prescription that is against the public interest.

I am told that, whether or not this motion gets through, my consequent motion referring it quite properly to another committee for proper consideration can be dealt with separately. There are a number of entities, including the Wilderness Society and the forestry industry—notably, the Labor Party has apparently failed to put the unions on the list—to be referred to so that they can give their opinions on this legislation by next Tuesday. What an extraordinary attitude that is by the government. It is just dismissive. It is just thumbing your nose at public opinion and at people who have a right to give good information to the parliament and not to be railroaded by a piece of legislation like this.

Senator O’BRIEN (Tasmania) (3.56 p.m.)—I would have to agree with Senator Brown’s comments about the time Minister Tuckey has taken to present the Regional Forest Agreements Bill 2001 to the parliament, because I know that the opposition’s view communicated to him as early as March this year was that he should not be sitting on his hands and that he should get this legislation before the parliament. But the government has chosen to introduce it quite recently into the House of Representatives and I understand that it will be debated next week. However, I also understand that it is substantially the same piece of legislation that was dealt with in this chamber and, prior to it being dealt with in this chamber, the same piece of legislation substantially as was dealt with by a Senate committee inquiry in which Senator Brown participated. So we have had a lengthy process of dealing with this legislation up until this time.

Now we have a request by the Democrats to refer this matter to a committee, and it is the opposition’s view that the Democrats should not be denied the opportunity to examine any new aspects of the legislation. We do not think it is reasonable that we completely revisit those aspects of the legislation which have already been the subject of extensive inquiry and, for that reason, we disagreed with the government’s approach on this at the Selection of Bills Committee, which was that the matter should not be referred. Our view was that this opportunity should be presented. However, we were of the view, given that this legislation has been around for some time, that there should be an opportunity for it to be dealt with but, given the speculation about the calling of an election, we would not want the reporting date of such a committee to be put back in such a way as would prevent the legislation from being dealt with. If the government were to say, as obviously they will not, that we will definitely not be having an election before 24 October, or that the parliament will not be closed down before 24 October, and therefore the opportunity to debate it would be avoided before that date, we could go along with the proposition which Senator Bartlett puts up. In the circumstances, we do not feel that it is appropriate to provide an opportunity—which is essentially an opportunity, in our minds, to examine those minor changes to the legislation that has already been substantially considered. So we will support the report as it stands and not support the amendment which has been put forward.

There are many things that one could say at this time about the debate that has taken place, but I think that it is more appropriate that we proceed with the adoption of the report as it is, conduct the inquiry, allow for those particular matters to be examined and give the government the opportunity to present the legislation so that the debate, which really underlies all of the comments which have been made today, can ensue in this place.

Senator ROBERT RAY (Victoria) (3.59 p.m.)—I will not intrude on the proceedings for very long, Madam Deputy President. One point made by Senator Brown was that he thought it was an inadequate list of witnesses to be called. I think he mentioned one or two that were not included.

Senator Brown—There is not much time for them to be able to come forward.

Senator ROBERT RAY—I will come to that in a moment. In terms of those people, that can of course be rectified by the committee, by participating members going along and suggesting it be broadened. It is my understanding that we are not restricted to simply the suggestions listed on the appli-
cation for this to be referred; it can go wider. Senator Brown says secondarily, by way of assisting me, that there is not much time to notify people. That is true. That is one of the weaknesses of this system. We all suffer from that, in a whole range of references. I did, a couple of weeks ago, when we had only a week to advertise the Commonwealth electoral bill. As you may see—though I cannot anticipate what might be in the report presented here—some people have taken advantage of that by saying, ‘Look, hardly any witnesses are interested.’ If you only advertise it for a week and you cannot get around, of course there are not many people interested. I accept that.

My main reason for intervening is that we are lacking one piece of crucial information before we can finally decide on that, and that is to resolve what Senator Brown said and what Senator Ian Campbell interjected back—that is, what priority will this bill have? Senator Brown claims that it is No. 40 in priority. Senator Campbell—because he could do nothing other than try to assist Senator Brown—says, ‘No, that is not true.’ I do not know, and no-one in this chamber at the moment knows, what the priority is—not only on this bill but on all the other bills. In conclusion I will assist the chamber by saying that the No. 1 priority bill is the Commonwealth electoral bill—because that means $12 million to $14 million to Lynton Crosby. That will always be the No. 1 priority.

The other order of priority you will have to rank in terms of wedge politics. Wherever the bigger wedge is, it will get priority. If we are right in assuming from the motion carried earlier today that we are clearing the decks for the election, we can at least say that this chamber would seriously need to give priority to legislation for the Ansett entitlements. I think we all concede that. If that is being introduced we need to know when, and we need to have that legislation through. There is no question about that. There is a difference in the chamber—though not between the opposition and the government—on the migration bills. We believe that at least they should be considered up until the end of next week and concluded one way or the other. I am not sure that all colleagues in the Senate would agree with that. Finally, we possibly have the RFA listed as an urgent bill, even though it has been floating around for three years. I would not mind knowing—and I understand it is difficult for Senator Campbell, having spoken, to respond now—what the priority is across the board so that we can make rational decisions on these things.

Senator IAN CAMPBELL (Western Australia—Manager of Government Business in the Senate) (4.02 p.m.)—by leave—I do not want to agree with everything that Senator Ray said. I do not want to agree with the comment about wedge politics. I think that a lot of people who use the term ‘wedge politics’ do not actually understand what they are saying. If you read closely what Senator Ray said this morning about the Commonwealth electoral bill on the issue of the cut-off, the only wedge you could possibly refer to there is that Labor is trying to drive a wedge between sections of the Liberal Party organisation. That is wedge politics.

Senator Robert Ray—Guilty, guilty, guilty!

Senator IAN CAMPBELL—That is right; he is guilty. Some Labor politicians did try to convince some Democrats that bringing on this bill was all about wedge politics. It certainly was, but we were not using the wedge; it was Senator Ray.

Senator Brown talks about the government’s priority list. I presume it is the list that I gave him yesterday of the bills that the government regards as highly desirable. It is a long list. I think on past practice from both sides of the chamber you would not expect to get through it unless you used the guillotine in the way that Senator Ray used it when he was manager—setting a record that I have failed to beat yet, although I have still got six days to go. I am not threatening the guillotine and I have no intention of using it. I think Senator Ray’s record was 62 bills in one day.

Senator Robert Ray—No. It was over a week. It was a humane guillotine. You loved it.

Senator IAN CAMPBELL—Yes, it was good. You would not get 58 bills in that pe-
period without the use of a soft guillotine, a humane guillotine or any guillotine at all. The list that I gave to leaders and whips was a list of bills. I think it had written clearly on the top of it that it did not indicate an order of priority. It may not have, but certainly those lists do not, because of a whole range of reasons—and we should understand those reasons. Some of the bills on the list have not even been introduced yet. I think the Ansett entitlement one may have fallen into that category. The migration bills in relation to Christmas Island and Ashmore Reef have only just been introduced into the House of Representatives, and some bills are obviously subject to references to committees. There is a whole range of reasons why it is very hard to determine when and if bills will actually be available for the Senate to deal with.

The priorities of the government, slightly contrary to what Senator Robert Ray said, are quite clear because a program was issued some days earlier—I think in the middle of last week—indicating the bills that will be debated during this week. We issued a notice of all of the bills we would debate during this sitting week, but of course it was changed because of the events that occurred in America. We dedicated Monday to debating and moving a motion in relation to that. We have lost a bit of our government business there, but the program has, I think, virtually remained unchanged since the list I issued over a week ago. That does indicate the government’s priority in terms of dealing with legislation. That list as I see it today has virtually remained unchanged for the last week.

What the government is now looking at is how much are we going to get done this week. It is now Wednesday afternoon and we are still at the committee stage of the first bill—the states grants bill. The list that is before us today represents the priorities of the government. I have indicated already to the Manager of Opposition Business that when the migration bills that are going through the House of Representatives at the moment come in here they will assume a greater priority than some of the bills that are on the list before us today. Senator Ray referred to those migration bills earlier.

We will in general terms be giving priority to legislation that has high financial impact and a high priority in terms of the government’s implementation of its program. For example, the workplace relations legislation in relation to small business was a matter that we placed a very high priority on. It was part of the very clear election commitments we made in the 1998 election in relation to more jobs and better pay and a whole range of policies there. We have been seeking for some years to implement those. That bill has now been referred to a committee for a second time, and it is unlikely that we will deal with that. Frankly—and I know Senator Ray likes frankness—that had a very high priority. It would not have been a priority for other people in the chamber, but the government regards workplace relations reform as a high priority. I do not think you could say that is forming a wedge. Basically, there is a fundamental philosophical disagreement between the Labor Party, which has a strong base in the industrial movement, and the Liberal Party, which believes in free enterprise and freedom of association.

In broad terms, they are the priorities that we will follow—issues that are of high financial impact and things like the Ansett workers entitlements legislation. I think all parties would agree that is of high financial importance to the whole of Australia, particularly to the people affected.

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

Senator CALVERT (Tasmania) (4.08 p.m.)—I seek leave to incorporate the report in Hansard.
Leave granted.

The report read as follows—

SELECTION OF BILLS COMMITTEE
REPORT NO. 14 OF 2001

1. The committee met on 18 and 19 September 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>
</tr>
</thead>
<tbody>
<tr>
<td>Disability Services Amendment (Improved Quality Assurance) Bill 2001 (see appendix 1 for statement of reasons for referral)</td>
<td>Immediately</td>
<td>Community Affairs</td>
<td>24 September 2001</td>
</tr>
</tbody>
</table>

(b) That the provisions of the following bills be referred to committees as follows:

<table>
<thead>
<tr>
<th>Bill title</th>
<th>Stage at which referred</th>
<th>Legislation Committee</th>
<th>Reporting date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commonwealth Inscribed Stock Amendment Bill 2001 (see appendix 2 for statement of reasons for referral)</td>
<td>Immediately</td>
<td>Economics</td>
<td>6 December 2001</td>
</tr>
<tr>
<td>Regional Forest Agreements Bill 2001</td>
<td>Immediately</td>
<td>Environment, Communications, Information Technology and the Arts</td>
<td>25 September 2001</td>
</tr>
</tbody>
</table>

(c) That the following bills not be referred to committees:

- Abolition of Compulsory Age Retirement (Statutory Officeholders) Bill 2001
- Excise Tariff Amendment (Crude Oil) Bill 2001
- Family and Community Services Legislation Amendment (Application of Criminal Code) Bill 2001
- Family Assistance Estimate Tolerance (Transition) Bill 2001
- Jurisdiction of the Federal Magistrates Service Legislation Amendment Bill 2001
- Migration Legislation Amendment Bill (No. 6) 2001
- Superannuation Legislation Amendment (Indexation) Bill 2001

3. The committee considered a proposal to refer the provisions of the Workplace Relations and Other Legislation Amendment (Small Business and Other Measures) Bill 2001 and resolved to recommend that the provisions of the bill be referred to the Employment, Workplace Relations, Small Business and Education Legislation Committee, for report on 12 November 2001. The government members of the committee dissented from the recommendation.

The committee recommends accordingly.

4. The committee deferred consideration of the following bills to the next meeting:

Bill deferred from meeting of 7 August 2001
- Constitution Alteration (Appropriations for the Ordinary Annual Services of the Government) 2001

Bill deferred from meeting of 21 August 2001
- State Elections (One Vote, One Value) Bill 2001

Bills deferred from meeting of 28 August 2001
- Australian Citizenship Legislation Amendment Bill 2001
- Innovation and Education Legislation Amendment Bill (No. 2) 2001
- Royal Commissions and Other Legislation Amendment Bill 2001
- Taxation Laws Amendment Bill (No. 5) 2001

Bills deferred from meeting of 18 September 2001
- Health and Other Services (Compensation) Legislation Amendment Bill 2001
- Health Legislation Amendment Bill (No. 3) 2001
- Interactive Gambling Amendment Bill 2001
• Taxation Laws Amendment Bill (No. 6) 2001.
(Paul Calvert)
Chair
19 September 2001
Appendix 1
Proposal to refer a bill to a committee
Name of bill(s):
Disability Services Amendment (Improved Quality Assurance) Bill 2001
Reasons for referral/principal issues for consideration
To consider whether this legislation will safeguard the basic employment rights of people with disabilities, and to examine the concerns with the level of standards of the draft set of key performance indicators, and in particular, the ability to address the current non-compliance; issues of the development of the QA system; and the issue of those people, primarily with an intellectual disability, who are employed under inappropriate employment terms and conditions, in non-viable business enterprises, which result in poor wages and instutionalisation.
Possible submissions or evidence from:
National Caucus of Disability Consumer Organisations
National Council on Intellectual Disability
ACROD, Canberra
ACE National Network, Seven Hills
Queensland Disability Network, Brisbane
Committee to which bill is referred:
Community Affairs Legislation Committee
Possible hearing date:
Possible reporting date(s): As soon as practicable
(signed)
Vicki Bourne

APPENDIX 3
Name of Bill:
Regional Forest Agreements Bill 2001
Reasons for referral/principal issues for consideration:
To examine the impacts on the long-term future of Australia’s native forest and the adequacy of current forestry practices under existing RFAs.
Possible submissions or evidence from:
The Wilderness Society
Community groups in areas covered by RFAs
Forestry Industry Relevant State Governments
Environment Australia
Committee to which bill is to be referred:
Environment, Communications, Information Technology and the Arts Legislation Committee
Possible hearing date(s):
Possible reporting date: First sitting day in October 2001
(signed)
Vicki Bourne

APPENDIX 4
Proposal to refer a bill to a committee
Name of bill(s):
Workplace Relations and Other Legislation Amendment (Small Business and Other Measures) Bill 2001
Reasons for referral/principal issues for consideration
WRA is a complex piece of legislation. These changes will ultimately affect a large proportion of employees
NOTICES
Presentation

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (4.09 p.m.)—I give notice that, on the next day of sitting, I shall move:

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

- Education, Training and Youth Affairs Legislation Amendment (Application of Criminal Code) Bill 2001,
- Excise Tariff Amendment (Crude Oil) Bill 2001,
- Health and Other Services (Compensation) Legislation Amendment Bill 2001,
- Health and Other Services (Charges) Act 1995 (the Charges Act) to streamline current administrative requirements while retaining the overall objectives of the Acts. The objectives are to ensure that successful claimants for compensation do not “double dip”. Double dipping occurs when claimants:
  - receive compensation for their medical costs;
  - claim a Medicare or nursing home benefit with respect to their compensable injuries or diseases prior to the judgement/settlement of a claim; and
  - do not repay these benefits to the Commonwealth.

Under HOSCA and the Charges Act, the Commonwealth is able to recover these benefits where they have been paid for a compensable injury prior to the judgement/settlement of a claim.

Reasons for Urgency

For this bill to be effective, the changes need to apply retrospectively from 1 July 2001. Significant commercial decisions in the oil and gas exploration and production industries may depend on these changes occurring. The introduction and passage of this Bill in the same sitting period will reduce uncertainty and perceived sovereign risk associated with investment decisions in Australia.

(Circulated by authority of the Treasurer)
cluding the Health Insurance Commission, insurers, legal firms and claimants. The proposed amendments reduce the number of transactions between affected parties, and simplify the identification and recovery of debts due to the Commonwealth, thereby reducing administrative and cost burdens. In view of the significant benefits, stakeholders are keen to see the changes implemented as soon as possible.

As well as the benefits for other stakeholders, the changes will deliver considerable cost savings to the Commonwealth over the course of the next four years.

(Circulated by authority of the Minister for Health and Aged Care)

SOCIAL SECURITY AND VETERANS’ ENTITLEMENTS LEGISLATION AMENDMENT (RETIREMENT ASSISTANCE FOR FARMERS) BILL 2001

Purpose of the Bill
The Bill will amend the Social Security Act 1991 and the Veterans’ Entitlements Act 1986 so that farmers who have made a pre-assessment or made a claim under the Retirement Assistance for Farmers Scheme (RAFS) on or before 31 July 2001 can:

• transfer their farms to the younger generation during the 3 months following the decision on their pre-assessment claim or the lodging of their claim; and

• still access age pension or service pension under RAFS.

This extends the existing “cut-off date” of 30 June 2001.

Reasons for Urgency
It is essential that the Bill receive passage in the 2001 Spring sittings so as give assurance to farmers as soon as possible that they are able to take advantage of the extension to the RAFS Scheme.

(Circulated by authority of the Minister for Family and Community Services)

TRADE PRACTICES (TELECOMMUNICATIONS) AMENDMENT BILL 2001

Purpose of the Bill
The purpose of this Bill is to improve the arbitrations process for telecommunications access disputes. The proposed measures to streamline the merits review process, allow multilateral arbitrations and, permit greater transparency of arbitrations are intended to address the significant delays in the current System.

Reasons for Urgency
Protracted delays in the arbitration of access disputes are impeding competition in the telecommunications sector and delaying the offering of lower cost/high quality services to consumers. There is an urgent need to streamline the telecommunications access regime to provide certainty for critical investment by telecommunications service providers and to promote the development of broadband services.

(Circulated by authority of the Minister for Communications, Information Technology and the Arts)

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Minister for Communications, Information Technology and the Arts) (4.10 p.m.)—I give notice that, on the next day of sitting, I shall move:

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


I also table statements of reasons justifying the need for these bills to be considered during these sittings and seek leave to have the statements incorporated in Hansard.

Leave granted.

The statement read as follows—

Purpose of the Bills
This package of three bills will significantly enhance Australia’s border protection powers and will reduce incentives for people to make unauthorised and hazardous voyages to Australian territories.

The first Bill amends the Migration Act 1958 to provide that a person who entered Australia at an “excised offshore place” cannot make a valid visa application unless the Minister determines that such an application is in the public interest. “Excised offshore places” include the Territories of Christmas Island, Ashmore & Cartier Islands and the Cocos (Keeling) Islands as well as sea and resources installations.
The second Bill amends the Migration Act to provide powers to deal with non-citizens unlawfully arriving in “excised offshore places”. This includes powers to detain, place the people on a vehicle or vessel and move them to a country declared by the Minister to have access to effective asylum processes.

The second Bill also amends the Migration Regulations 1994 to provide for new subclasses of temporary visa intended for refugees who have left their country of first asylum. One of the new subclasses will be available to persons who have attempted to enter Australia through an “Excised offshore place”.

The third Bill amends both the Migration Act and the Customs Act 1901 to enhance Australia’s border protection powers and to confirm the validity of recent actions taken in relation to vessels carrying unauthorised arrivals to Australian waters.

Reasons for Urgency
The amendments in this package of Bills are being made in response to a recent and continuing influx of unauthorised arrivals into Australia by boat.

The Government’s intention is to preserve the integrity of Australia’s maritime borders and our refugee program, as well as ensuring that life is made as difficult as possible for criminals engaged in the people smuggling trade.

The amendments deal with matters that are immediate and urgent given recent events in Australian territorial waters and the likelihood that further hazardous voyages may soon be undertaken.

(Circulated by authority of the Minister for Immigration and Multicultural Affairs, the Hon Philip Ruddock MP)

Postponement
Items of business were postponed as follows:

General business notice of motion no. 1031 standing in the name of Senator Allison for today, proposing an order for the production of a report by the Australian Competition Consumer Commission, postponed till 24 September 2001.

General business notice of motion no. 1032 standing in the name of Senator Allison for today, relating to a discussion paper on the location for the disposal of radioactive waste, postponed till 20 September 2001.

General business notice of motion no. 1035 standing in the name of Senator Allison for today, relating to the protection of women and children from abuse, postponed till 20 September 2001.

General business notice of motion no. 1034 standing in the name of Senator Ridgeway for today, relating to the death of an Aboriginal man in custody, postponed till 20 September 2001.

COMMITTEES

Privileges Committee

Reference

Motion (by Senator McGauran, at the request of Senator Ferris) agreed to:
That the following matter be referred to the Committee of Privileges:

Having regard to the 18th report of the Joint Committee on Native Title and the Aboriginal and Torres Strait Islander Land Fund, the statement by the chair of the committee on the tabling of the report on 30 August 2001, and the letter of the chair of the committee of 3 September 2001 to the President, whether any false or misleading evidence was given to the committee, and whether any contempt was committed in that regard.

Rural and Regional Affairs and Transport References Committee

Reference

Motion (by Senator O’Brien and Senator Greig) agreed to:
That the following matter be referred to the Rural and Regional Affairs and Transport References Committee for inquiry and report by 28 March 2002:

The role of the Federal Government in the sale of Ansett Australia to Air New Zealand and the events leading up to, and the collapse of, the Ansett group of companies.

MELBOURNE: COMMONWEALTH GAMES

Senator BARTLETT (Queensland) (4.12 p.m.)—At the request of Senator Allison, I ask that general business notice of motion 1033 standing in the name of Senator Allison for today relating to the Melbourne Commonwealth Games, be taken as formal.

Leave not granted.

Senator BARTLETT—I was not aware there was going to be an objection. I seek leave to postpone the motion until tomorrow.
Leave granted.

**Senator BARTLETT**—I move:

That general business notice of motion No. 1033, be postponed till the next day of sitting.

Question resolved in the affirmative.

**COMMITTEES**

**Employment, Workplace Relations, Small Business and Education References Committee**

**Extension of Time**

Motion (by **Senator O’Brien**, at the request of **Senator Jacinta Collins**) agreed to:

That the time for the presentation of the report of the Employment, Workplace Relations, Small Business and Education References Committee on higher education be extended to 27 September 2001.

**Finance and Public Administration Legislation Committee**

**Extension of Time**

Motion (by **Senator McGauran**, at the request of **Senator Mason**) agreed to:

That the time for the presentation of the report of the Finance and Public Administration Legislation Committee on the Charter of Political Honesty Bill 2000 and three related bills be extended to 28 February 2002.

**Economics References Committee**

**Extension of Time**

Motion (by **Senator O’Brien**, at the request of **Senator Murphy**) agreed to:

That the time for the presentation of the report of the Economics References Committee on the framework for the market supervision of Australia’s stock exchanges be extended to 27 September 2001.

**ANSETT AUSTRALIA**

Motion (by **Senator O’Brien**) agreed to:

That there be laid on the table by the Minister representing the Minister for Transport and Regional Services, no later than 5 pm on 20 September 2001, the following documents:

(a) the analysis, and any related reports, prepared by the Department of Transport and Regional Services of the application by Air New Zealand to the Australian Government for approval to take 100 percent ownership of Ansett Airlines;

(b) any reports prepared for the department by consultants relating to the above analysis;

(c) all correspondence and other communications, including e-mails and briefing notes, between Minister Anderson, his office, the Department of Transport and Regional Services, and Air New Zealand relating to the conditions placed on that company as part of the approval of its application to take 100 per cent ownership of Ansett Airlines;

(d) all correspondence and other communications, including e-mails and briefing notes, between Minister Anderson, his office, the Department of Transport and Regional Services, and Air New Zealand relating to the ownership and operation of that airline and its subsidiaries from 1 January 2000;

(e) all submissions and other communications, including e-mails and briefing notes, from the Department of Transport and Regional Services to Minister Anderson relating to:

(i) the approval of Air New Zealand’s application to take 100 per cent ownership of Ansett Airlines and its compliance with conditions placed on its ownership and operation of Ansett Airlines as part of that approval, and

(ii) the ownership and operation of Air New Zealand and its subsidiaries from 1 January 2000.

**TOTALLY AND PERMANENTLY INCAPACITATED BENEFITS**

Motion (by **Senator Harris**) put:

That the Senate calls on the Government to:

(a) increase Totally and Permanently Incapacitated (TPI) benefits to 75 per cent of average weekly earnings;

(b) provide assistance to the wives of TPI recipients for travel and accommodation when they accompany their partners for treatment relating to their disabilities;

(c) formally recognise the organisation, ‘Partners for Veterans’, established in Dubbo and the benefits this organisation provides, and facilitate the establishment of similar support groups within Australia;

(d) ensure that children of TPI recipients, not resident with them, are able to access
medicines and medical facilities, the need for which has arisen as a direct result of their parent’s TPI status;

(e) ensure that, upon the death of TPI recipients, their partners continue to receive the same level of compensation; and

(f) recognising the physical and emotional stress of being on call 24 hours a day for extended periods of hazardous service, and mindful of the high fatality and injury levels associated with this level of preparedness, amend the applicable legislation for that service to be recognised in assessment for TPI status.

The Senate divided. [4.21 p.m.]

(The President—Senator the Hon. Margaret Reid)

Ayes…………… 11
Noes…………… 41
Majority……… 30

AYES

Allison, L.F.
Bartlett, A.J.J.
Bourne, V.W.
Brown, B.J.
Cherry, J.C.
Harradine, B.
Harris, L.
Lees, M.H.
Murray, A.J.M.
Ridgeway, A.D.
Stott Despoja, N.

NOES

Abetz, E.
Bishop, T.M.
Brandis, G.H.
Buckland, G.
Campbell, G.
Campbell, I.G.
Carr, K.J.
Collins, J.M.A.
Cook, P.F.S.
Cooney, B.C.
Crane, A.W.
Crossin, P.M.
Dennman, K.J.
Eggleston, A.
Fergusson, A.B.
Ferris, J.M.
Forshaw, M.G.
Hogg, J.J.
Hutchins, S.P.
Kemp, C.R.
Lightfoot, P.R.
Ludwig, J.W.
Lundy, K.A.
Mackay, S.M.
Mason, B.J.
McGauran, J.J.J.*
McKiernan, J.P.
McLucas, J.E.
Murphy, S.M.
Newman, J.M.
O’Brien, K.W.K.
Patterson, K.C.
Payne, M.A.
Ray, R.F.
Reid, M.E.
Schacht, C.C.
Sherry, N.J.
Tambling, G.E.
Tehen, T.
Vanstone, A.E.
West, S.M.

* denotes teller

Question so resolved in the negative.

MATTERS OF URGENCY

Ansett Australia

The PRESIDENT—I inform the Senate that I have received the following letter, dated 19 September, from Senator O’Brien:

Dear Madam President

Pursuant to standing order 75, I give notice that today I propose to move:

That, in the opinion of the Senate, the following is a matter of urgency:

The failure of the Prime Minister and the Deputy Prime Minister to act in Australia’s interests by developing and implementing a strategy to protect the jobs of the employees of Ansett Australia and regional air services.

Kerry O’Brien

Is the proposal supported?

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

Senator O’BRIEN (Tasmania) (4.26 p.m.)—I move:

That, in the opinion of the Senate, the following is a matter of urgency:

The failure of the Prime Minister and the Deputy Prime Minister to act in Australia’s interests by developing and implementing a strategy to protect the jobs of the employees of Ansett Australia and regional air services.

This is an extremely important matter to be debated this week. One could hardly think that the collapse of Ansett Airlines was anything other than a matter of urgency for this parliament. It is urgent because it affects in a very direct way the lives of thousands of Australians. They have lost, or are about to lose, their jobs, if one can believe some of the economic pundits. A respected economic forecaster, Dr Peter Brain, has released data today showing that 53,000 jobs will be lost in Australia as a direct result of the Ansett collapse. That number does not include tourism jobs. In addition, Alan Midwood, of Midwood Tourism and Development, has stated that an extra 20,000 jobs will be lost on top of this in the tourism sector in Australia. This brings to 73,000 the total number of jobs that these respected economists claim will be lost.
It is also an urgent matter for many regional towns, which will be hard hit from the loss of Ansett and its subsidiaries’ flights. Those towns relied on these flights to bring in tourists and other business. Unfortunately, unemployment could skyrocket in these areas. Arrangements for replacement flights to these areas seem haphazard, and there is no long-term plan. In addition, Mr Anderson has said that he has arranged flights for only 23 of the 34 regional areas that have been left with no air services at all as a result of the close-down of the Ansett operation. There are also numerous reports of existing air services simply not coping with the massive excess demand in other regional centres previously serviced by Ansett.

The collapse of Ansett is very much an urgent matter now. Senator Kemp told the Senate in question time that the government is now trying to deal with what is very much a disaster for this country. The government should have been dealing with this matter in May last year. If Mr Anderson had met his ministerial responsibilities when he was considering with the government the application from Air New Zealand to purchase all of the Ansett company, that company and the country might not now be facing what is nothing short of a disaster.

On 13 September 2001, the Deputy Prime Minister, Mr Anderson, held a press conference. At that press conference he was asked why the government did not investigate the Air New Zealand offer for Ansett when it was made in mid-2000. Mr Anderson replied:

Look, they were prepared to pay good money, it was the best offer on the table. What do you say to the owners—no, you can’t accept the best offer.

The journalist then asked:

But it is obviously a key industry for Australia.

Mr Anderson replied:

Well, I simply say to you that at that time they put forward a substantial offer.

It is now clear that the Treasurer and the Deputy Prime Minister ticked off—approved, that is—the Air New Zealand offer for Ansett not on the basis that it was in Australia’s national interest but on the basis that it was the best offer on the table in June last year. Ansett Airlines was not just an asset to be bought and sold based on what bids might be on the table at any particular time—it was the second biggest airline in Australia and it operated a huge regional network. But Mr Anderson’s comments in the media conference confirmed his view that it was just another business.

This view is also confirmed by the approach taken by Mr Anderson and Mr Costello to the enforcement of the conditions imposed as part of the Foreign Investment Review Board process. In a media statement from the Treasurer and the Deputy Prime Minister dated 30 June last year it was announced that approval had been given under the Howard government’s foreign investment policy to the proposal from Air New Zealand Ltd to acquire the 50 per cent interest in Ansett held by News Corporation. That media statement then listed a number of conditions that were attached to the approval. The media release stated:

These conditions are designed to ensure that Ansett’s activities remain centred in Australia and contribute to strong competition in Australia’s airline carrier market.

Those conditions were designed to protect Australian jobs and services, I might say. At that time we on this side of the chamber considered those conditions to be important. For that reason at the estimates committee hearing in February earlier this year I asked senior officers from the Department of Transport and Regional Services a number of questions about the conditions and I was alarmed by the responses I received. In relation to the job security Air New Zealand was required to provide—that is, to not significantly reduce the level of employment in Australia in Ansett’s high-skill functions—I was told that the government did not have a definition of exactly what a ‘significant reduction’ in employment meant. So the government had put in place a condition but did not have any idea of how compliance with that condition would be measured. In relation to the protection of regional air services, Air New Zealand was required to ensure that:

... there will be no significant reduction in regional airline employment resulting from changes
in Ansett’s regional network or as a result of de-liberate management strategies over the next three years.

I was told by the senior transport department officers that there was also a difficulty with that condition. That difficulty seemed to be determining what was a market driven change and what was a management driven change. But officers were very clear on one condition. That condition related to the management of Ansett Australia, and it read:

Ansett will retain substantial headquarters in Australia and will maintain its operation’s headquarters in Australia.

As one officer commented during those February hearings:

We are looking for something more than just a post office box.

At that time Ansett was the second largest Australian airline. Its subsidiaries provided a large regional network. In fact, it was the sole supplier of services to something like 30 communities. We wanted—and we assumed the government was requiring through this condition—the company to continue to be managed in this country. But it is now clear that has not been the case. The headline on the front of the Australian newspaper today reads, ‘Ansett left with no records’. According to the article, the Ansett administrator, Mr Mentha, stated that Air New Zealand left Ansett with no financial books or records. Mr Mentha said that there were no available accounts as to where money had been spent, no books to enable assets to be traced, and there was no record of who owed Ansett money or whom Ansett owed money to. He was quoted as saying:

We are very reliant on cooperation with the Air New Zealand companies and their employees to enable that financial picture.

So it is clear that Mr Anderson and Mr Howard have not done anything since the beginning of this year in response to the declining fortunes of Ansett. They have watched Ansett and all its regional carriers slide into financial free fall. The records needed to understand the position of Ansett, which one would have thought would have been kept in the company’s headquarters and which the company had undertaken would be maintained in Australia, are not here. They have not done anything to ensure that they were here and it has been revealed today that they are not here.

Whilst this government has been blithely saying, ‘This is free enterprise and the company should sink or swim on its own merits’, it has been ignoring the fact that it had a responsibility to Australians, to Ansett employees and to regional communities to see that the conditions that Air New Zealand undertook to meet when it was allowed to purchase that additional 50 per cent of the company would be met. It took no steps to ensure that that occurred. This was a key condition of the original sale of Ansett and it is a key condition which has not been honoured.

The comments from Mr Mentha make it clear that Ansett has been operated out of Auckland, not out of Melbourne, and that the government—particularly Mr Anderson and, for that matter, I suppose, Mr Costello, who set the condition in the first place—has not done anything about it. It is also clear that Mr Howard, who was kept well informed of the deteriorating condition of this company, was not inclined to step in and save his deputy from his own incompetence. It is clear that Mr Anderson and Mr Costello simply ignored the conditions they imposed on Air New Zealand Ltd to protect our national interest. That was highlighted in question time today. The only reporting requirement placed on Air New Zealand in relation to its compliance with those conditions is a statement to be included in its annual report.

As I stated at the beginning of my contribution today, the full consequences of the failure of the Deputy Prime Minister and the Prime Minister to ensure that Australia’s interests in relation to the sale of Ansett to Air New Zealand are only now becoming clear. Mr Anderson’s incompetence has seen 16,000 workers lose their jobs. Dr Brain estimates 53,000 jobs will be lost as a result of the Ansett collapse. Mr Anderson’s incompetence, compounded by the crisis in the United States, has put around 20,000 jobs at risk in the tourism sector. There are also thousands of people who paid money for travel and accommodation through Ansett and now find they have lost it all. We have
schoolchildren on school holiday trips from my state who are stranded around the country. We have families who have taken their children away for school holidays stranded around the country. Even if they had the money to get back, they are not able to get a flight because the flights are full.

Senator Ferguson—What would you do? Do you have any solutions at all?

Senator O’BRIEN—I would be interested to hear from you, Senator Crane, as you said that was not right.

Senator Crane—( interpolated ) Senator O’BRIEN—I am interested to hear what the government’s solution is, because this is a government which has been saying since May that it is going to do nothing; it is going to watch this company collapse. This is a government which had ample knowledge of the impending slide of Ansett into oblivion and chose to do nothing—and that is the reality.

So when Senator Ferguson asks what we would do, the first question to be asked in this exercise is: why didn’t the government want to do anything? Why didn’t the government want to do anything to ensure that we had adequate competition in the aviation sector, appropriate services for regional Australia and jobs for 16,000 or 17,000 Australians—never mind who owns the company and whether it is foreign owned. I have heard members opposite bleating that this is a foreign owned company—16,000 or 17,000 Australian employees but you want us to ignore that and say, ‘Oh, it’s a foreign company‘; 53,000 jobs going out of this but you want us to ignore that and say, ‘It’s a foreign company‘. You ought to be ashamed of yourselves.

There are now businesses that have honoured Ansett deals and have provided meals, accommodation and ancillary transport, and have not been paid. That is one of the consequences of this government’s inaction. There are travellers around the country with prepaid travel, including accommodation and meals and ancillary travel, who will not have that met because Ansett will not or cannot pay the bills. All of this is a consequence of this inaction by this government. We have freight rotting in sheds and on the tarmac of airports. Abalone from my state has gone to waste because of this problem. We have airport operators around this country operating major businesses whose very viability has been threatened by this action. Did that receive any consideration from this government? Not one shred, nothing at all. Since May the government has known that this has been a possibility, and it has done nothing.

Senator Crane—( interpolated ) Senator O’BRIEN—I would be interested to hear from you, Senator Crane, as you said that was not right.

Senator O’BRIEN—You can tell me what steps the government put in place back in May, June and August to try to ensure that Ansett did not end up where it is today; I would be interested to hear that. In terms of this matter, I am convinced that this government, Mr Anderson and Mr Howard have washed their hands of the consequences of Ansett’s failure. They decided that they could afford to see Ansett fail, but they did not think through the consequences for Australia. (Time expired)

Senator FERGUSON (South Australia) (4.41 p.m.)—We have been treated to 35 minutes of rubbish from Senator O’Brien over a two-day period. Not content with taking 20 minutes yesterday to try to state his case, which he could not do with any conviction, he comes in here again today and has another 15 minutes. I wonder whether perhaps there is nobody else in the Labor Party that is prepared to take on this issue. Before Senator O’Brien leaves the chamber—which he probably will, because he did so yesterday—let me say this: he is at odds with his own spokesman on these aviation matters. The Labor Party shadow minister said on 7 September, ‘It is not the responsibility of the government to clean up the mistakes in the private sector.’

So, Senator O’Brien, when are you going to get your act right and when are you going to get it together in the Labor Party, because obviously you have no idea what you would do if you were placed in a similar situation? For 35 minutes over a two-day period we have heard you being critical of perceived inaction by the government, which you tried to make a case about. Not once in 35 minutes did you ever say what you would have done
or how you would have corrected the procedures that took place, and that is simply because your shadow spokesman, in his very first utterance, said, ‘It is not the responsibility of government to pick up the mistakes of the private sector.’ Of course, that all changed very quickly because for cheap political expediency—and in fact the whole attitude of the Labor Party in this particular exercise is to try to regain some lost ground for their own inadequacies—the very same person that said that the government is not there to clean up the mistakes in the private sector said one week later:

John Anderson is displaying rank hypocrisy and callousness by abandoning Ansett workers and denying all responsibility for the demise of Ansett.

You cannot have your cake and eat it too. I am not surprised that Senator O’Brien has left this chamber very quickly, because not one issue and not one point did he raise of anything that the Labor Party would have done to avoid the disastrous collapse of Ansett.

If we want to know what the Labor Party might have done, I suggest that perhaps we should look at their past record. They happened to be in government for 13 years on the trot, and most of us here in this chamber can remember the appalling effects of the Labor Party’s high interest policies when so many companies went to the wall and so many workers were laid off so that we had something like 11 per cent unemployment. I ask the members opposite: over the 13 years while the Labor Party were sending companies to the wall and workers were being laid off, how many workers’ entitlements did they guarantee or did they pay in that whole period? I can tell you how many—precisely none. No worker was covered for entitlements during the whole period of their time in office over 13 years, and in fact not one worker’s entitlement was guaranteed by the Labor Party. The only government that has ever done anything to try to protect workers’ entitlements is the coalition. We are the only government that has ever put anything in place to try to protect workers’ entitlements so that what they are entitled to they will receive, regardless of what happens to their company.

This is rank hypocrisy from the Labor Party and from Senator O’Brien—and I presume somebody else will support him at some stage or other. He has had two opportunities to speak, one of 20 minutes and one of 15 minutes, so I do not know whether they put the clam on everybody else or whether they could not find anybody else who wanted to support him—although I think we might hear from Senator McLucas later. That will give us two people who are actually going to support the position that the Labor Party is taking over the issue of workers’ entitlements. Every Australian should be reminded of the fact that during the whole of the 13 years of a Labor government not one worker’s entitlement was guaranteed in any company that went to the wall or went bankrupt. The only government that has ever protected workers’ entitlements is this government. Yet the Labor Party opposite has the hide to say, ‘Yes, you are providing all of those statutory entitlements, but you are putting a cap on redundancy.’

The collapse of Ansett has affected my family because, until recently, two of my three daughters worked with Ansett as flight attendants. One has been very fortunate because, just prior to the birth of her first daughter in April this year, she took a redundancy. It was a very generous redundancy. One of the reasons for the demise of Ansett has been the very generous arrangements that were put in place for their employees. They simply were not competitive. It has been reported to me that it cost them 30 per cent more per air mile to fly passengers than it cost Qantas, whose entitlements were not as generous as Ansett’s. I spoke to my daughter not long before coming in here and she sent me her redundancy statements. She worked as a flight attendant for five years, and for nought to five years of service she got three weeks of pay per year—that is, 15 weeks redundancy—plus a number of other entitlements. Having worked for Ansett for five years, she came out with just on $20,000 in redundancy payments as well as all of her superannuation entitlements, which were quite considerable.
Many times my two daughters have said to me, ‘Dad, I don’t know how they can afford to pay us the generous entitlements that they do.’ These were employees who were saying that. Yet we have people rallied around by the unions demonstrating—although it is a very small percentage of the work force. I know a number of people who are friends of my daughters who were working for Ansett but none of whom have attended a rally. Some of them were union members, but none of them have attended a rally, because they said that the unions have been using these rallies to promote a political cause and that their greatest wish was to get some short-term political kick out of these rallies rather than do what they could for the workers. Only today, a girl from Brisbane rang my daughter and said: ‘I refuse to attend one of their rallies. I refuse to attend because they have been taken over by the unions and used for their purposes, not for ours.’

My youngest daughter was a cabin manager with Ansett up until last Thursday night. She happened to be in Darwin on the day of the demise of this airline—having been a cabin manager for three years and a flight attendant for almost seven years—and she is currently somewhere between Alice Springs and Adelaide. She left Darwin on Monday morning to drive to Adelaide, as it was the only way she could get home. She said, ‘Dad, in this life these things happen.’ That was her attitude. After that tremendous week last week when all of those momentous events occurred, she said, ‘To think that people are concerned about the loss of a job when there are 5,000 people in the twin towers in America who will never have a job again because they have lost their lives.’ She said, ‘Losing a job pales into insignificance when you consider the loss of life that took place; I will go and get another job.’ She has already applied for a job with Qantas and she said, ‘If I don’t get it, I’ll do something else.’

If that was the attitude that was displayed and if encouragement was given by the unions and by those who are attending these rallies instead of trying to make short-term political capital out of what has happened, then there would be a much more positive attitude in the community and a much more positive attitude amongst the work force. I cannot help but respond once again to Senator O’Brien’s attempt to gain short-term political expediency and to the way that he used this chamber to try to gain some political advantage out of other people’s misfortunes. Not once has anybody in the Labor Party said, ‘This is what we would have done had we been in government.’ Not once has anybody said that. It is very easy to highlight problems and it is very easy to highlight difficulties, but if you have no solution to the problem it is very difficult to suggest that other people should have the solutions, particularly when an enormous private company with a large number of employees has gone under.

On an individual basis, whether there are 16,000 employees or six employees—whether they are in a small company or a large company—it hurts everyone who is laid off just as much. The members of the Labor Party who now sit opposite need to remember that when hundreds and hundreds of small companies went to the wall as a result of their high interest rate policies when they were in government—and I can remember in our own business paying 24 per cent interest rates, which was not easy, interest rates which were brought about because of policies of the Labor government—they never paid one laid-off worker any statutory entitlement, not one, and they have the hide to sit over there and criticise this government, which has now put in place statutory entitlements—(Time expired)

Senator CHERRY (Queensland) (4.51 p.m.)—I am pleased to speak at long last on the matter of the Ansett collapse and the government’s role in it. Governments have responsibilities when dealing with the issues of corporations, particularly when the issues of corporations deal with fundamental parts of infrastructure such as transport. I do not—and the Democrats do not—accept the general principle that this is just a matter of private corporations, that this is just a matter of a company badly managed by Air New Zealand and that we should point the finger, blame them, wash our hands and just hope the market fixes the issue. You are looking at a fundamental part of infrastructure that af-
fects travel around a huge continent and affects our tourism industry, where 20,000 jobs are impacted by tourism and 72,000 are impacted through Ansett’s subcontracts and its direct businesses. When you are looking at the effect of a whole economy right across the board in fundamental infrastructure, governments do have responsibilities. We do not accept the basic argument that this is just a matter of a corporation gone bad.

If I could take the Senate back very briefly—a bit of a history lesson—1957 was the last time that Australia’s second airline went under. The airline was an airline called Australian National Airways, founded by Sir Charles Kingsford-Smith. At that stage, there was deep concern, because TAA was such a competitive company, that Australia would be in a position where the third airline, Reg Ansett’s Ansett, would not be able to provide sufficient competition to TAA.

The Menzies government assisted Ansett to take over ANA and assisted them in a whole range of ways in terms of loan guarantees and business to ensure that Australia had two airlines and a reasonably competitive airline system. That is the sort of thing that governments do. If it was good enough for Bob Menzies, why is it that in 2001 it is not good enough for John Howard?

The Prime Minister cited yesterday the example of Compass where, because the Keating government refused to bail out Compass at the time it went under, that was being used as a pretext to do nothing in respect of Ansett. That highlights the barrenness of discussion of economic policy in this country. Liberal and Labor appear to be running on almost identical policies. Rather than talking about national interest and what do we do to keep our infrastructure appropriately used, our tourism routes open and our regional centres connected, we simply look at the blame game.

There are a whole range of government instrumentalities which have let Australia down over the last two years. They range from the Foreign Investment Review Board through to CASA, ASIC, ACCC and the Department of Transport and Regional Services. Every government institution failed to see this coming. It is extraordinary that they did not see this coming, because it has been coming for at least four to five months. It has been on the public record since the fleet was grounded at Easter that ‘Ansett was in deep financial trouble.’ For all of that time, the government has simply been sitting on its hands dithering.

It was revealed yesterday by the Prime Minister that his preferred option was the so-called Qantas option, an option that would allow Qantas to take over Air New Zealand, gobble up 80 to 90 per cent of the cross-Tasman traffic and for Ansett then to be on-sold to Singapore Airlines. Despite the fact it was quite clear that the New Zealand government would not accept such an option, because of the lack of competition in the New Zealand market, and that Singapore Airlines was not going to accept such an option, the government persisted with hoping that option would come off. The dithering continued. The cost of that dithering has been that the Ansett group has fallen over and taken with it a very large part of our infrastructure.

The Democrats are joining this motion today because we believe that the Prime Minister and the Deputy Prime Minister have let Australia down by not acting earlier in a decisive manner and by not taking a firm position that Australia needed a competitive and viable airline sector. We are now looking at the prospect of one and a quarter airlines servicing Australia. That simply is not good enough. Right across this country as we speak, there are thousands of people still stranded unable to get fares which two weeks ago were available for a different price. The tourism industry in my home state of Queensland and around Australia is obviously becoming deeply concerned about the lack of action. Combine that with the entire problem we now have with the unattractiveness of air travel because of the events in America and you have a situation crying out for clear national leadership.

Unfortunately, over the last two months—when the government should have been aware of Ansett’s problems and the need for urgent action—the government has had its eye off the ball. The Prime Minister was made aware of the situation of Ansett in a
letter in June and again in August but he was too busy fighting his little war against Afghan asylum-seekers, an episode that Dustin Hoffman in *Wag the Dog* would have been quite proud of. His deputy, it seems, did not have the time either to actually get around to the boring business of running the country and ensuring we have our infrastructure adequately dealt with.

The Democrats are very disappointed that we have come to this situation with Ansett, our tourism industry and our regional centres around Australia. It is still not too late for the government to act decisively and come up with a rescue plan that would ensure Ansett does take to the skies. I was reading the AAP wire before I came in and the administrator is still convinced that it is possible for Ansett to be back in the skies. It would not take very much to ensure that it flies again. What it would take—which this government is not prepared to do—is a breaking out of the ideological logjam that it is just a matter for the markets, just a matter for corporate Australia to sort out. The ideological logjam that Keating and Beazley adopted in 1995 when Compass went under is still a matter for the markets, just a matter for corporate Australia to sort out. The ideological logjam that Keating and Beazley adopted in 1995 when Compass went under is still a matter for corporate Australia to sort out.

They do not think it is their responsibility to ensure that an airline is actually still flying around this country and to ensure that we have decent trunk routes to service our tourism centres and that regional Australia has got adequate services back into metropolitan Australia. Whether it is provided by government or a private corporation, it is a government responsibility. It is a government responsibility to ensure that the airline industry is competitive. Where was Allan Fels and the ACCC throughout the last six months when Ansett was bleeding, when Virgin was struggling and when Qantas was using its significant market power to build up its market share? Where was the government in terms of ensuring that that market power was not being abused? Where was the government in terms of ensuring that the New Zealand government made a decision so that Air New Zealand knew what it was going to do next?

Back in June, the head of Air New Zealand said that if the New Zealand government rejected their proposal to increase Singapore Airline’s share in Air New Zealand then they would look at on-selling New Zealand to Singapore Airlines. That would have been a wonderful outcome for Australia in retrospect but the dithering in Auckland—and there has been no assistance by our government to get a decision—has ensured that that did not occur. All of these events show failure of leadership, failure of government and failure of fundamental responsibilities, and Australia is the loser.

**Senator CRANE** (Western Australia) (4.58 p.m.)—I start my contribution here today by saying that I, like many Australians, am saddened by what has happened to Ansett. I want to place on the public record that I had my first flight across the country with Ansett—I think it was back in 1969—and I have had many flights with them through the Western Australian hinterland. It is indeed a sad day for us, particularly in Western Australia, because they serviced us well.

Having said that, I also must comment on the two contributions that we have just listened to. They were contributions that I would call pathetic whinges: no suggestion of a solution, no acknowledgment that the speakers actually voted for what happened, no recognition of what their spokesmen did, as was drawn out by Senator Ferguson—and you could keep going. Let us hear what our Western Australian Premier said—the view of WA Premier Geoff Gallop as reported in yesterday’s media in response to a suggestion from the WA Tourism Council that the WA state government should provide assistance to keep Skywest, a subsidiary of Ansett, going. Premier Gallop seemed in no doubt. He said:

In the first instance it’s got to be a commercial solution and I think all the taxpayers of WA would want us to regard that as the first priority in terms of a solution. This is a very important issue for us, but there’s no way by simply throwing money at the problem and coming up with a short-term solution that doesn’t offer long-term sustainability—that’s not the way to approach this issue.

That is the view of the Premier of Western Australia, where Ansett has played such a significant role for many years, as you know,
Mr Acting Deputy President Lightfoot. It was not a solution adopted by the Labor Party during their previous stint in government. In fact, they could not even find a cent for the people in Compass—not a cent. I will deal with that matter in a moment or two. Our government, however, have put in a significant contribution in dealing with employees’ entitlements. We have also given notice that we are going to legislate to change the law to protect employee entitlements—something that you on the other side of the chamber, who sell yourselves as the party of the employees and the workers in this country, would have promoted and done a long time ago if you really and truly believed in it. You had your opportunity; you did not do it. It disappoints me greatly that you come in now and run the line you do, when it has never been your position nor your policy. When you had the opportunity, you did nothing about it.

In my contribution, I particularly want to deal with the role of Mr Anderson and what has occurred with the administrator. But firstly I want to address the issue of superannuation, because there has been a beat-up in the last 24 hours regarding superannuation, trying to make out that the Ansett employees are not going to get their superannuation—another deliberate, misleading lie. It cannot be described as anything else. I will read out a statement I collected before I came in here:

The trustees of Ansett superannuation—
I do not know the name of that—advise the administrator that employees’ superannuation was paid up to 12/9/2001, the day the administrator was appointed.

If you or the ACTU had wanted to pick up the phone, you could have got that information instead of going out there yesterday and misleading the people there—it was grossly wrong and very unfortunate. I think that it behaves all that come into this place and make claims to at least get those claims right. That is very important. I hope that people are listening and that this information gets around, especially to the former employees.

The other point I make in this debate about what has occurred is that Australia is a very fertile ground for flying. There is no doubt in my mind that very soon—and the work is being done at this very moment—we will see another major player operating in the skies here and most of those people will get their jobs back. I predict that their unfortunate circumstances are going to be, for most of them, relatively short term. We have already seen, in terms of air services in rural and remote areas, an issue that I raised last week with the minister: significant replacements of services or emergency arrangements put in place. For people who live in remote areas in my state—and even for me, being in Esperance and not having Skywest down there—it is very important that we get alternative arrangements. I inform the Senate that we now have services back in Kununurra, Laverton, Learmonth, Leinster, Leonora, Meekatharra, Monkey Mia, Mount Keith, Paraburdoo, Port Hedland, Wiluna, Albany, Esperance, Geraldton, Shark Bay, Carnarvon, Exmouth and Newman. If people would like me to table this document, I can table it so that you are well informed.

To the best of my knowledge, there are only two ports in Western Australia that are not being serviced at this point in time, and within 24 to 36 hours they will be serviced; there will be flights back there. I have the list for the other states; I am not going to read it out because I am dealing with Western Australia now. There have been misleading presentations in the Senate, particularly those we have heard over the last two days from Senator O’Brien, which need correcting for the record.

Senator O’Brien—Rubbish.

Senator CRANE—You were wrong in what you said about the work that has been done in getting these services back into place. There will be further work to be done—we know that. We know that we have a situation where some of those services will need to be upgraded, but they are coming. At our briefing today, I spoke to the minister regarding Skywest, and arrangements are being put in place at this very moment, as we speak, to see what can be done to get Skywest back in the air in Western Australia. So, as you go through this process, you find that an enormous amount of work has been done.

I will quickly deal with the issue of Ansett employee assistance, which is one of those
very misleading things which have been trampled around without any care whatsoever in this debate, yesterday and today. First of all, in our guarantee of statutory entitlements, we will be covering unpaid wages, unpaid annual leave and unpaid long service, as well as redundancy up to the community standard of eight weeks. If that is not reacting positively to the situation, I do not know what is. Further, in this whole thing we cannot let the board of Air New Zealand off the hook. We cannot let the situation that has occurred with Mr Toomey pass. We cannot let the members of the board go floating by, after they said that there were reserves of $1 billion sitting there when in fact there were none. Those are the issues we have to tackle in the first place.

Senator McLUCAS (Queensland) (5.08 p.m.)—I join the debate on this matter of urgency about the future of Ansett Australia and what that will mean for the regions of Australia especially. At the outset, I want to note some comments from Senator Ferguson when he said that Senator O’Brien had spent 2¾ hours in this chamber arguing on behalf of Ansett. He seemed to be saying that that was something that was possibly a negative thing, and I do not understand that. It was good to see Senator Ferguson here, because he does not often spend a lot of time in this chamber. A lot of his time, I understand, is spent overseas. I also commend Senator O’Brien for his work in the aviation sector, not only during this recent debacle but over many years.

Senator Faulkner—I’m sure Senator Ferguson’s trips were on parliamentary business.

Senator McLUCAS—They probably were, but I can say that Senator O’Brien’s work is very parliamentary, and I wish to take this opportunity to commend Senator O’Brien for the work he has done in the aviation sector over a long period. The knowledge of the sector that he has displayed over the period would have been very useful to Mr Anderson in the last six months.

I join the debate on this matter of urgency today to express my concern about the impact that the loss of Ansett services has had on North Queensland and the impact it will have if the services cannot be restored. Like many here, I attended a rally in support of the workers who woke last Friday to the news that they were not required at work that day. About 300 people—flight attendants, pilots, drivers, baggage handlers, ground staff, catering staff—attended the rally in Cairns. Many had long service with Ansett and its associated businesses. They spoke of their commitment to a company that they have seen comprehensively mismanaged in the past few years. They are people who have given long service to Ansett. They have been loyal employees and their futures now are unsure.

One of the employees spoke about the family of Ansett. She was right. I met quite a number of couples where both partners worked with Ansett and its associated businesses. These families are now facing a future where both workers are potentially looking to find a new job. Many of them were talking about leaving the north. I met a young woman who was extremely distressed. Only one week earlier she and her partner had signed a contract on a new house in our region. These are real people: they have children, they have mortgages and they have been badly treated. Approximately 30 employees of the company Gate Gourmet also joined the rally. These employees are rightly concerned about access to entitlements. I understand that Mr Abbott advised yesterday that employees not directly employed by Ansett, including those of Gate Gourmet, will not even receive the same reduced level of entitlements as Ansett employees, if it comes to that. The Gate Gourmet employees will receive even less than Ansett employees.

The loss of approximately 280 to 300 jobs—both direct Ansett jobs and jobs in associated businesses—will have an enormous impact on the economy of Far North Queensland. There are many people whose jobs are dependent on a viable second airline in North Queensland. While there are no definite figures, concern has been expressed that the number of jobs lost in Cairns could
be over 1,000. I offer my support to those workers and their families.

I would like to turn now to the broader impact on the economy of North Queensland if Ansett or another airline does not return to the city of Cairns. The Far North Queensland economy is based on tourism and primary production. The tourism industry returns $1.8 billion annually to tropical North Queensland and employs thousands of people. The industry is professional and internationally competitive, but the events of the past week—both the tragedy in the United States and the voluntary administration of Ansett—have shaken this important industry. Last Friday, we saw the loss of 3,300 seats per week between Sydney and Cairns and 4,400 per week between Brisbane and Cairns. Seventy-five per cent of visitors to Far North Queensland—both international and domestic tourists—come by air. Qantas, I understand, have established a new service between Cairns and Brisbane which will replace some of those seats, and they are currently negotiating with the federal government for approval to allow some of their international flights to carry domestic passengers. This will go some way to solving the problem of shifting stranded tourists and local travellers, but it does not solve the long-term problem which will result if Ansett is removed from the air travel industry of this country. That problem is the need for competition on all major routes across the continent.

The tourism industry, as we know, is extremely price sensitive. Most travellers make decisions about their destinations firstly on cost. Destinations like Cairns, Port Douglas, Townsville and the Whitsundays rely on competition in the airline industry to deliver the competitive fares that have opened up these markets to domestic and international tourists alike. Early indications from the international market are mixed. The dual effects of the events in the United States and the Ansett debacle have sent jitters through the tourism industry, but it is early days. Advice from the ATC today is that it will be at least another week before we can truly ascertain the impact of these events on the transport industry. However, I commend and support the actions of Premier Beattie of Queensland in urging the federal government to increase tourism marketing domestically and internationally to provide a buffer against these problems.

The accommodation sector also has real concerns about the loss of our second airline. In the immediate sense, I am aware that hotels and motels that have accepted Ansett holiday vouchers have not been paid for July or August. For smaller operations, this may mean losses of between $2,000 and $4,000. These are small family run motels that cannot afford a loss of that size, but larger institutions and hotels are carrying debts of over $100,000. There will be enormous effects on the cash flow in the Cairns region and in all centres that have high levels of tourist accommodation.

At the rally of Ansett workers last Friday, the Mayor of Cairns, Councillor Kevin Byrne, quite rightly expressed his concern and his anger at the loss of Ansett to the community of Cairns. The often overlooked service to regional centres provided by the airline industry is the carrying of freight. Whilst it is difficult to get hold of comparative figures, I am aware that 1,000 tonnes of product has been moved by Ansett from the Cairns terminal over this calendar year. Because of the availability of space and the regularity of the service, purchasers of North Queensland product through both Qantas and Ansett have been able to adapt their orders to suit their current conditions. Essentially, they are short-ordering, depending on demand. This flexibility will be lost if either Ansett or another carrier cannot replace that lost freight service. In the lead-up to Christmas, the valuable lychee, longan and mango crops will be harvested. These products have a short shelf life and rely on air shipment for sales. Chilled seafood also relies on access to airfreight, and I am aware of seafood retailers with immediate problems in accessing freight.

The issue of competition in the freight sector has long-term ramifications for primary production in the north. Regional services have also been affected in the week prior to the school holidays. The essential message from North Queensland is that in
the short term services need to be established to assist with stranded passengers and freight needs. I support the call from the Cairns Chamber of Commerce for assistance from the federal government through the provision of RAAF planes. The broader question, with long-term ramifications, concerns the need for competition in the airline sector to support the professional and competitive tourism industry of Far North Queensland.

Finally, I want to make some comments about the role of the federal government. This government has been prepared to allow the loss of 17,000 direct jobs, the loss of tens of thousands of indirect jobs, the loss of competition in air travel and in freight movement, and the economies of regional centres to be threatened. The situation is that the government’s economic rationalist ideology has stood in the way of a sensible proactive approach to working with Ansett to find a solution for our regions and for our communities.

Senator BOSWELL (Queensland—Leader of the National Party of Australia in the Senate and Parliamentary Secretary to the Minister for Transport and Regional Services) (5.18 p.m.)—I thought Senator McLucas was making a lot of sense until the last 30 seconds of her speech. One has to sympathise with all those people who have lost their jobs. The fact is that an Australian icon of 60-odd years has disappeared from the air, along with all the benefits that flow—as Senator McLucas, when she was making sense in her speech, mentioned: the loss of tourist seats, the loss of the ability to shift freight, including lychees and all the tropical fruit that comes out of the Atherton Tablelands area. It is going to be felt very severely by the tourist industry, the farming industry and the jobs that flow from them. I acknowledge that and I acknowledge that there are going to be a lot of hardships, but I do not know that the government can be blamed for everything. If you go back, you were the people who deregulated the industry and you were the ones who sold Qantas. Do we have to take you back to that and say, ‘Well, the Labor Party deregulated Qantas, the Labor Party took it out of the government’s hands, and that’s where the rot started.’ If you want to take it back that far, we can do that.

What annoys me is that I have been in this place for 19 years—I am probably one of the longest serving senators—and I sat on the other side of the chamber for 13 years, but I cannot remember any time when a government picked up the entitlements of any business that went down. It had to be a National-Liberal Party government that came forward on these issues and said, ‘When people go broke, we will pick your entitlements up.’ It certainly was not the Labor Party. I was here for 13 years sitting on that side of the chamber and I cannot remember once—and we had some absolutely spectacular failures in banks—

Senator Schacht—It started off with the Prime Minister’s brother.

Senator BOSWELL—If it started off with his brother, you should thank his brother, because at least his brother got him to the post to pay the entitlements of workers. That is something you guys never did. Over 13 years, I sat here and saw some spectacular crashes, and no-one ever rallied in the Labor Party and said, ‘Let’s pick up the entitlements of the workers that were dismissed.’ What is this terrible thing that the coalition has done? We have put $400 million into a package to save the workers’ entitlements. You guys over there ought to be cheering for us. You should be cheering for what we have done to guarantee the entitlements of the workers in Ansett but, instead, you have turned it around and are having a recruiting campaign for the unions. What you have developed out there is a recruiting campaign. You are turning it around and are using it as a recruiting campaign to get more members into the union. Do not think the public do not see through it; they can see through it clearly.

Unpaid wages: we came to the party. Unpaid long service leave: you can put us down for that, too. Unpaid annual leave: yes, we will pick up the tab on that. Redundancy payments up to the community standard of eight weeks: yes, we will pick that one up, too. There is $400 million and the superannuation has been paid. What more do you
want from a government that has backed the workers 100 per cent on this?

Senator Robert Ray—You didn’t put on a levy to prop up Stan Howard, did you?

Senator Boswell—The decision on Stan Howard was taken when the coalition government went in to back the workers—something you guys have never done. Yet you sit over there; you can carp and you can criticise and you can go out there and recruit and turn this disaster into an advantage for the union—and that is what you are trying to do—but you are not cutting through with the public at all on this one.

Around 8 or 9 September Mr Anderson was informed about what happened on 6 September. The acting chairman of Air New Zealand issued a reassuring statement to the market which claimed that the airline’s requirements for additional capital were simply driven by the need to make substantial reinvestments in equipment. He virtually said to the Stock Exchange, ‘Okay, we need to upgrade the plant and equipment but we’ll keep flying. In fact, we’ve got a billion dollars.’ Then, on the 8th and the 9th, the equivalent of the Stock Exchange over there made them put out a retracting statement about that. I recall that on Sunday or Monday John Anderson told me that he knew on the 12th that they had fallen over. What are we expected to do? We tried to underwrite it for two or three days to see whether we could keep it flying. We tried to underwrite it to keep it flying for a time until someone else could come and make a purchase, and we ran up $170 million in three days. That is what it costs to keep the airline flying for three days. Sometimes you have got to draw a line in the sand and say, ‘This money is coming from taxpayers.’ The government never owned the airline. You are the guys who sold it after you said you would not. We could blame you. You are the ones who sold Qantas. It was sold to a New Zealand airline. We made the decision on that but it was a foreign company and it was a New Zealand airline and it went through. But how can you then draw the conclusion that it is the government’s fault?

Senator Robert Ray—We didn’t sell Qantas to Air New Zealand. That is what you just said.

Senator Boswell—It was in our term that Qantas went through Air New Zealand; it was during your term that you sold Qantas. How can you then draw the conclusion that it is our responsibility? A public company with backing from the very credible Singapore Airlines goes over after putting a statement out that it is all right, that it has got a billion dollars in the kitty, and then you blame us. Even the board did not know how bad it was; no-one knew how bad it was. We put in $170 million to keep the damn thing flying for three days and then we had to draw a line in the sand because it would cost billions. We have honoured the commitment to the workers. We have paid them out their superannuation. We have effectively paid them out their entitlements—and that is more than you guys ever did in my 13 years in opposition. When companies went down under you, you sat there and looked at them. It has to take the compassion of the National Party and the Liberal Party to look after the workers.

The Acting Deputy President (Senator Bartlett)—Order! The time for this debate has expired. The question is that the urgency motion moved by Senator O’Brien be agreed to.

Question resolved in the affirmative.

Motion (by Senator O’Brien) agreed to:

That the resolution relating to Ansett Australia be communicated by message to the House of Representatives for concurrence.

NOTICES

Presentation

Senator O’Brien to move, on the next day of sitting:

That the order of the Senate of 19 September 2001 adopting the 14th report of 2001 of the Selection of Bills Committee be varied to provide that the Regional Forest Agreements Bill 2001 be referred to the Rural and Regional Affairs and Transport Legislation Committee instead of the Environment, Communications, Information Technology and the Arts Legislation Committee, for inquiry and report by 25 September 2001.
COMMITTEES
Privileges Committee

Report
Senator ROBERT RAY (Victoria) (5.27 p.m.)—I present the 100th report of the Committee of Privileges, entitled Possible unauthorised disclosure of a draft report of the Legal and Constitutional Legislation Committee.

Ordered that the report be printed.

Senator ROBERT RAY—I move:

That the Senate take note of the report.

On 26 June 2001, the Senate referred the following matter to the Committee of Privileges on the motion of the Chair of the Legal and Constitutional Legislation Committee, Senator Payne:

Having regard to the matter submitted to the Senate on 25 June 2001, whether there was an unauthorised disclosure of a draft report of the Legal and Constitutional Legislation Committee, and whether any contempt was committed in that regard.

The possible contempt involved the unauthorised disclosure to the political correspondent for the Australian and the subsequent publication in that newspaper of conclusions in the chair’s draft report on the Sex Discrimination Amendment Bill (No. 1) 2001.

The publication occurred despite an explicit warning to the journalist from Senator Payne two days before the article was published that the report was confidential and that he could be seen as committing a contempt by publishing information relating to the report. The Committee of Privileges made its usual unsuccessful inquiries in an attempt to establish the source of the disclosure. It also sought and received comment from the Australian. It has concluded that the obstruction caused to the Legal and Constitutional Committee was sufficiently serious to warrant a finding that the obstruction constituted improper interference with the work of that committee.

The Committee of Privileges has therefore found that both the person or persons who disclosed the information to the Australian and Nationwide News Pty Ltd, as publisher of the Australian, have committed a contempt of the Senate. For reasons set out in the report, it has not recommended that any penalty be imposed but expresses concern about the disregard to due process involved in this and in so many other cases. The committee is required under standing order 82 to give at least seven days notice of motion to determine that a contempt has been committed. I therefore seek leave to give a notice of motion.

Leave granted.

Senator ROBERT RAY—I give notice that on Wednesday, 26 September 2001, I shall move:

That the Senate endorse the findings at paragraphs 15(a) to (f) of the 100th report of the Committee of Privileges.

Senator ROBERT RAY—in my concluding remarks, I should point out that Senator Payne did not participate in this inquiry at any stage. I would like an indication from her as to whether she wants to speak now or whether I should seek leave to continue my remarks later.

Senator Payne—Seek leave to continue your remarks later.

Senator ROBERT RAY—I therefore seek leave to continue my remarks later.

Leave granted; debate adjourned.

TRADE PRACTICES AMENDMENT (TELECOMMUNICATIONS) BILL 2001
Report of Environment, Communications, Information Technology and the Arts Legislation Committee

Senator CAL VERT (Tasmania) (5.31 p.m.)—I present the report of the Environment, Communications, Information Technology and the Arts Legislation Committee on the provisions of the Trade Practices Amendment (Telecommunications) Bill 2001, together with the Hansard record of the committee’s proceedings, submissions received by the committee and documents presented to the committee.

Ordered that the report be printed.
WORKPLACE RELATIONS
AMENDMENT (PROHIBITION OF
COMPULSORY UNION FEES)
BILL 2001
Report of Employment, Workplace
Relations, Small Business and Education
Legislation Committee

Senator CALVERT (Tasmania) (5.31
p.m.)—I present the report of the Employ-
ment, Workplace Relations, Small Business
and Education Legislation Committee on the
provisions of the Workplace Relations
Amendment (Prohibition of Compulsory
Union Fees) Bill 2001, together with the
Hansard record of the committee’s proceed-
ings and documents presented to the com-
mittee.

Ordered that the report be printed.

COMMONWEALTH ELECTORAL
AMENDMENT BILL 2001
Report of Finance and Public
Administration Legislation Committee

Senator CALVERT (Tasmania) (5.31
p.m.)—I present the report of the Finance
and Public Administration Legislation
Committee on the Commonwealth Electoral
Amendment Bill 2001, together with the
Hansard record of the committee’s proceed-
ings and documents presented to the com-
mittee.

Ordered that the report be printed.

TAXATION LAWS AMENDMENT
(RESEARCH AND DEVELOPMENT)
BILL 2001
Report of Economics Legislation
Committee

Senator CALVERT (Tasmania) (5.31
p.m.)—I present the report of the Economics
Legislation Committee on the provisions of the
Taxation Laws Amendment (Research and
Development) Bill 2001, together with the
Hansard record of the committee’s proceed-
ings, submissions received by the com-
mittee and documents presented to the com-
mittee.

Ordered that the report be printed.

Senator GEORGE CAMPBELL (New
South Wales) (5.32 p.m.)—by leave—I move:

That the Senate take note of the report.

I want to make a number of brief points in
relation to the report by the Economics Leg-
islation Committee on the provisions of the
Taxation Laws Amendment (Research and
Development) Bill 2001. Firstly, in the pe-
riod that I have been in the Senate, I have not
seen a piece of legislation or a reference
where such diametrical positions have devel-
oped in the hearings established to examine
this legislation. The committee received
some 22 to 24 submissions in which there
was virtually a unanimous view coming from
the private sector or from the public gener-
ally in opposition to the contents of this bill
and, on the other side, the government de-
partments responsible for this bill seeking to
defend it.

Secondly, there are a number of very sig-
nificant aspects to the Taxation Laws
Amendment (Research and Development)
Bill 2001, which will shortly be before the
Senate, which go to the question of research
and development arising out of the Backing
Australia’s Ability report in January of this
year and which are focused on increasing,
improving or encouraging greater expendi-
ture on research and development in this
country. Again, there was almost a unani-
mous view expressed by those who made
submissions to the committee, albeit within a
very brief period of time, that this bill would
have the opposite impact on research and
development in this country. Those were two
of the points I wished to make.

The third point I want to make is in rela-
tion to the references of these issues to Sen-
ate committees. Some consideration needs to
be given by the Scrutiny of Bills Committee,
the committee responsible for referring these
matters, to the time frame that is allowed for
committees to examine some of these issues.
It may well be that in most situations two
weeks, which was the case in respect of this
bill, is adequate, but in some circumstances
that is totally inadequate. It is true to say
that, had there been a longer time frame for
the examination of the issues in the context
of this legislation, we would have had a
much more overwhelming response from the
research and development sector on their
opposition to many of the provisions in this
bill. It is encouraging to see that, in the majority report, there are recommendations by the government coalition senators on some issues that are covered in the bill. Hopefully, that will take them off the agenda and allow further detailed consideration of them at a further point in time.

A significant question mark still hangs over many of the measures on which there is a degree of agreement in their proceeding. I want to put those comments in respect of this bill on the public record and also to emphasise that when these issues are referred to committees there ought to be some consideration of the time allowed for committees to actually carry out their task of proper scrutiny of the legislation before the chamber.

Question resolved in the affirmative.

COMMITTEES
Scrutiny of Bills Committee
Report

Ordered that the report be printed.

Economics Legislation Committee
Report
Senator CALVERT (Tasmania) (5.38 p.m.)—On behalf of the Chair of the Economics Legislation Committee, Senator Gibson, I present the report of the committee on its examination of annual reports tabled by 30 April 2001.

Ordered that the report be printed.

Foreign Affairs, Defence and Trade Committee: Joint
Report
Senator CALVERT (Tasmania) (5.38 p.m.)—On behalf of Senator Ferguson, I present the report of the Joint Standing Committee on Foreign Affairs, Defence and Trade entitled Australia’s relations with the Middle East, together with the Hansard record of the committee’s proceedings and submissions received by the committee.

Ordered that the report be printed.

Senator CALVERT—by leave—I move:
That the Senate take note of the report.
I seek leave to incorporate Senator Ferguson’s tabling statement in Hansard.
Leave granted.

The statement read as follows—

Almost 20 years have elapsed since the Committee’s last comprehensive review of the relationship between Australia and the Middle East region, which culminated in a report entitled The Gulf and Australia, presented in 1982. However, the passage of time has certainly not diminished the Committee’s interest in that part of the world.

In February 2000, the Minister for Foreign Affairs referred to the Committee the matter of Australia’s relations with the Middle East. The terms of reference were particularly wide-ranging, and required the Committee to consider all major aspects of the political, strategic, economic, social and cultural links between Australia and the Middle East region, which includes the states surrounding the Persian Gulf.

Generated principally by the on-going Arab-Israeli conflict and the virtual collapse of negotiations between the Palestinian leadership and Israel, tensions in the Middle East continue to have international repercussions. Together with other responsible members of the international community, Australia has viewed with concern the escalation of violence and the relentless cycle of revenge, particularly in the ‘Occupied Territories’ and very recently in Israel.

When the Committee concluded its deliberations in August, no-one could have foreseen the enormity of the worst terrorist attack in history—against the World Trade Center and the Pentagon—on 11 September. It is still difficult to come to terms with the horror and scale of the attack and the huge loss of innocent lives. While the Committee’s observations in Chapter 4 on international terrorism and other forms of extreme political action have been completely overshadowed by last week’s events, the Committee strongly reiterates its total condemnation of terrorism in all its forms. Australia supports all efforts by the international community to prevent acts of terrorism everywhere and to bring to justice those responsible for perpetrating such hideous crimes.

Given the tensions prevailing in many parts of the Middle East, it would be surprising if members of the various communities in Australia did not hold strong views about the events unfolding in the region.
While acknowledging the strong emotions which have been generated by the on-going and escalating regional disputes, the Committee has sought to achieve a balance in assessing the views presented in submissions and other evidence to the inquiry. In a region where complex and highly sensitive issues are in dispute, there is no single cause which is right and just above all others. The various Middle Eastern communities in Australia cannot expect unqualified support for their particular points of view, only the opportunity to express and to explain them.

The strategic importance of the Middle East to the world, and to Australia, scarcely needs to be stated. A stable Middle East is important to Australia and, within the limits of Australia’s influence, promotion of regional security is a primary concern. Australia has clear interests in combating the proliferation of weapons of mass destruction, in reducing possible threats to lines of communication between Europe and East Asia, and in seeing the continued flow of oil essential to many of our trading partners as well as to Australia itself.

The two-way trade and investment relationship is important to Australia, and it has therefore warranted significant attention in the Committee’s latest report. Against the background of Australia’s established commercial interests in the Middle East, the Committee has made several recommendations that would, we believe, result in increased exports from Australia. A radical new approach is needed, however, to lift Australia’s disappointing share of total imports to the Middle East. Among other suggestions, the Committee has recommended the establishment of a Business Advisory Group to coordinate an effective ‘Team Australia’ approach, with a sharp trade focus.

Major sections of the report have also been devoted to examining the following key issues:

- Promotion and protection of human rights in the region
- Migration from the Middle East, and enhancement of the social and cultural links between Australia and the region
- Australia’s response to asylum-seekers, particularly from the Middle East.

The Committee has made a number of recommendations designed to increase the effectiveness of Australia’s contribution in all these areas.

The report concludes with a detailed discussion of Australia’s overseas aid program to the Middle East, and suggests ways in which it might be improved. The long-standing priorities of supporting the work of the United Nations Relief and Works Agency and the projects managed by Australian and local non-government organisations continue to be important. In addition, the Committee has recommended that Australia’s aid program for the Middle East include a forward commitment of at least $10 million per annum in non-food aid to the region.

In conclusion, I would like to thank the members of the Foreign Affairs Sub-Committee for their commitment and contribution over many months to the completion of this review. My thanks are also extended to the secretariat staff who provided excellent research, procedural and administrative support for the Committee both during the inquiry and in the production of this comprehensive report.

I commend the report to the Senate.

Senator CALVERT—I seek leave to continue my remarks later.

Leave granted; debate adjourned.

**Foreign Affairs, Defence and Trade Committee: Joint Report**

Senator PAYNE (New South Wales) (5.39 p.m.)—On behalf of the Joint Standing Committee on Foreign Affairs, Defence and Trade, I present the report of the committee entitled *The link between aid and human rights*, together with the Hansard record of the committee’s proceedings and submissions received by the committee.

Ordered that the report be printed.

Senator PAYNE—I seek leave to move a motion in relation to the report.

Leave granted.

Senator PAYNE—I move:

That the Senate take note of the report.

In the 39th Parliament, the Human Rights Subcommittee of the Joint Standing Committee on Foreign Affairs, Defence and Trade has examined three significant issues. The report that I have just tabled is the result of the third of those examinations. We, firstly, investigated freedom of religion and belief, tabled in November of last year; and, secondly, examined conditions in immigration detention centres, tabled in June of this year. My former colleague the late Peter Nugent was the chair of the subcommittee until a very late stage of the latter report and ensured that that third topic, the link between aid and human rights, did not lapse. Thus, in
this last report with which he was involved the committee again wishes to pay tribute to his memory and to the contribution that he made to the work of this parliament.

This inquiry had very narrow and specific terms of reference asking us to focus on Australia’s efforts to advance human rights in developing nations through the use of foreign aid in three specific areas: firstly, activities that have the advancement of human rights as their goal; secondly, the utility of differing instruments and channels for advancing those rights; and, thirdly, activities supported under the human rights program in the overall Australian aid program. The inquiry received 31 submissions from a variety of government and non-government organisations and from two individuals. We were conscious that the terms of reference were restricted and that there were limitations on the time to complete the inquiry, because we did wish to table the report in this parliament.

Consequently, we did not hold a full program of public hearings but, rather, held a seminar on 5 July 2001 at which selected organisations were asked to participate. Because we did not undertake the formal hearing process, the committee believed that it was not appropriate to make formal recommendations to government. But the seminar did in fact provide a cross-section of interests and views, and I think that everybody who was involved thought it was a successful means of exchanging ideas on the topic. In fact, I would describe it as both productive and positive and, in the context of discussions between government and NGOs in the aid area, as reasonably forthright, as they often are. I am sure that the parliamentary secretary responsible for aid, who is in the chamber at the moment, would agree with my observation. At the seminar there was considerable discussion of a rights based approach to aid. Although we did not reach a final conclusion about whether the poverty alleviation and sustainable development approach put forward by AusAID should be replaced by the rights based approach favoured by NGOs, we did indeed explore that in a very comprehensive fashion.

The report notes that the subcommittee drew a number of conclusions from its examination of the topic. I will briefly list those. The subcommittee said, firstly, that AusAID should make additional efforts to ensure that its documentation is complete and easily available to those who are interested in its work; secondly, that there should be the convening by AusAID of seminars with Australian non-government organisations to discuss subjects of common interest, including specific linkages of aid and human rights; thirdly, that there should be serious consideration by the government of the cancellation of the debts of seriously indebted nations; penultimately, that there should be an international conference on the heavily indebted poor countries initiative, the HIPC initiative, to review the process of admission to that initiative; and, finally, that there should be continuation by AusAID of at least the current financial support to the Asia Pacific Forum of Human Rights Institutions, the Centre for Democratic Institutions and the UN High Commissioner for Human Rights. The committee does believe that these conclusions would assist the debate on Australia’s aid program. In particular, convening a program of seminars would formalise contact between AusAID and the NGOs with an interest in the aid program.

I take this opportunity to thank all of my colleagues on the subcommittee for their assistance during my time as chair following Peter Nugent’s untimely death and particularly in the preparation of this report. I also thank the then secretary to the committee, Patrick Regan, who retired just last week after in excess of a decade’s work in the parliament on the Joint Standing Committee on Foreign Affairs, Defence and Trade. It is important that his contribution is placed on the record. I commend the report to the Senate.

Question resolved in the affirmative.

Migration Committee Report

Senator McKIERNAN (Western Australia) (5.44 p.m.)—On behalf of the Joint Standing Committee on Migration, I present the report of the committee entitled New faces, new places – review of state-specific
migration mechanisms, together with the Hansard record of the committee’s proceedings, minutes of proceedings and submissions received by the committee. I move:

That the Senate take note of the report.

There is a continuing concern about some areas of Australia losing population or their economic growth slowing. The federal, state and territory governments have together examined how those areas might be assisted to revitalise their population, their employment and skills base and their economic prospects. One approach decided on was to attract overseas migrants to places in Australia where they had not traditionally settled—to bring to new faces to new places. To allow this, state and territory governments were given the opportunity to use some of the migration programs to meet their own policy objectives, particularly through offering migrants incentives or concessions to settle within specific areas.

The committee reviewed these state-specific migration mechanisms at the request of the Minister for Immigration and Multicultural Affairs. The schemes are intended to address skills shortages, to encourage a more balanced dispersal of the skilled migrant intake and to attract overseas business people. The committee made a point of gathering first-hand evidence about the needs of localities across Australia. It appreciated the welcome given to it in Kalgoorlie in Western Australia, in Smithton in Tasmania, in Mount Gambier in South Australia, and in Townsville in Queensland when it visited to hear first-hand evidence of the challenges facing regional Australia. In addition, the committee received submissions from people in Ipswich, Cairns, Toowoomba and the McKinlay Shire in Queensland; the Riverina, Griffith and Port Macquarie areas of New South Wales; Boroondara, Edenhope, Swan Hill, Telopea Downs and Warrnambool in Victoria; and Geraldton in Western Australia.

The committee examined the adequacy of consultations between the Commonwealth and the state and territory governments concerning the schemes. It looked at the level of utilisation of the schemes and how that might be improved, and sought other options to meet the overall aims of the schemes. The committee has made 20 recommendations in its report concerning the schemes. Most of these relate to details of the operation of the individual schemes. The committee also made some general observations about the schemes. On the question of consultation, the committee found that there had been continuing and detailed consultations between the Commonwealth and the state and territory governments. Most of the schemes had arisen from such consultations and had also subsequently been adapted through further negotiations. Indeed, the continuing consultations meant that the migration schemes were changing even as the committee was reviewing them. The committee concluded that the existing consultation mechanisms were adequate, well used and productive. The committee also considered that the consultations would benefit from a more direct local input and recommended that this occur in future.

Of the four main schemes which the committee reviewed, the Regional Established Business in Australia scheme had only recently begun to operate, leading to the arrival of 41 migrants in 2000-01. The most used scheme was the Regional Skilled Migration scheme, which brought 1,021 migrants to Australia that year. The next most popular scheme was the Skilled Designated Area Sponsored category, which began operation in its current form in 1999, and which attracted 1,002 migrants last financial year. The State/Territory Nominated Independent Scheme attracted 85 migrants in 2000-01. These are not large numbers compared with Australia’s yearly migration intake. However, the committee discovered that what was small-scale migration from a national perspective could be crucial at a local level. Most migrants under the schemes brought their families, boosting not only the local population but also the local economy. The committee considered that the utilisation of all the schemes could be increased if there was more targeted publicity inside and outside Australia. To maximise local use of the schemes within Australia, the committee recommended that the Department of Immigration and Multicultural Affairs improve its liaison with the peak organisations representing regional Australia.
The committee was singularly impressed by the energy and initiative displayed by local authorities and organisations in maximising the benefits of the schemes. For example, representatives of the Greater Green Triangle Region Association from South Australia and the Ipswich City Council have visited China; Narrandera in New South Wales had provided videotaped information to prospective migrants; and the Goldfields Esperance Development Commission in Western Australia had arranged local inspection visits for potential settlers. The committee has made recommendations about opportunities to maximise the international exposure of the schemes. The committee considered that the numbers participating in the schemes could increase in future as knowledge and experience of their operation increased. The committee therefore recommended that the schemes’ operation should be reviewed again in 2003.

On behalf of the committee, I would like to thank those who provided the committee with submissions and evidence and the members of the committee, who have maintained their commitment to this review despite a number of interruptions to our planned program. I would also, on a personal level, like to commend the chair of the committee, Mrs Margaret May, for her diligence and for the professional manner in which she chaired the committee deliberations. As well, I would like to extend my thanks and the thanks of the committee for the contributions of the committee’s diligent and professional secretariat during the inquiry: Mr Richard Selth, the current secretary of the committee, Ms Gillian Gould, the previous secretary, Steve Dyer, Vishal Pandey, Emma Herd, Rachel Carew, Rohan Tyler and Anna Gadzinsky. I commend this report to the Senate.
... proposals often lacked the degree of detail necessary for the Taskforce to complete thorough assessments against all selection criteria.

The Auditor-General:
... there was no departmental documentation available to explain such differences of treatment.

The Auditor-General:
... the assessment process ... may well have been more helpful to the Committee of Ministers in making well-informed decisions if it had been more rigorous and comprehensive.

The Auditor-General:
... the majority of Federation Fund proposals ... did not follow the planned selection process.

The Auditor-General states that the public interest is in assessing whether the processes provided confidence in the manner in which decisions were taken in order to achieve demonstrably the greatest public benefit from the expenditure of in excess of $900 million in public funds. The report makes very clear that the public interest was not served and the public could not have confidence in value for money for their $900 million. The Auditor-General said:

The lack of documentation surrounding the Ministerial appraisal process and reasons for decisions precluded the ANAO from forming an opinion as to whether the Federation Fund proposals that were selected from those considered by the Government were likely to represent best value for money in terms of the programme objectives.

That is the Auditor-General’s view. What was the Prime Minister’s response to all this? He said he did not ‘consider ministers in cabinet taking decisions which involve considerations of the national interest should be bound by such a process’. What does that mean? It means, to use other words, ministers do not have to worry about the rules which apply to officials and all the other mere mortals. We in the opposition say that that is simply not good enough.

The Senate should make absolutely no mistake about this. This is a damning criticism of the government. In fact, this Auditor-General’s report almost reads like a report on Air New Zealand’s administration. But this is not going to be surprising to many people in this chamber. It is consistent, for example, with the way in which the government handled the $70 million Federation Cultural and Heritage Projects program, which was of course subject to a previous very critical report from the Auditor-General. It is further evidence that this Federation Fund was designed and used to boost the government’s electoral fortunes.

This was openly admitted by the man who was Deputy Prime Minister at the time. I commend again to the Senate the words of Tim Fischer. I thank him for making them public in his 1998 campaign diary. This is what Mr Fischer said about the 1998 election:

I wonder what would have happened in the election campaign if we did not have the pork-barrelling of the Federation Fund to give it a bit of spice.

They are Mr Fischer’s words. They are the words of the then Deputy Prime Minister. But there is so much more evidence that you can find in this very damning Auditor-General’s report. Take this from the Auditor-General:

Just over half of all approved projects were announced in the lead-up to the 1998 Federal election. Of these, three-quarters were approved four days before the election was announced. Proponents of unsuccessful proposals were notified more than five months after the last of the selected proposals had been approved.

Those are the Auditor-General’s words. That is what he said: in other words, get out the good news before the election and leave all the bad news until after the election. That became standard operating procedure for the Howard government in the 1998 federal election campaign. I say that this government has abused the trust placed in it to administer public funds fairly, responsibly and in the public interest. The government has administered the funds in this program in its own interest. To add insult to injury, there is currently a $4 million taxpayer funded advertising campaign in glossy magazines in Australia advertising many of these projects. So, again, the government is milking the Centenary of Federation Fund, at public expense, for even further political advantage in the lead-up to the next election campaign which, of course, is just around the corner.
The point about this is that this is now a pattern for the Howard government. The Centenary of Federation Fund is not an isolated case of gross financial mismanagement by this government. It follows a string of very critical auditors’ reports from 1997 exposing chronic mismanagement, chronic abuse of process, by this government. There was the report into the first Telstra sale where the Auditor-General identified a $12 billion hole in potential revenue because the government, on the advice of shonky consultants, understated the share price. There was the report into government advertising, the recommendations of which this government continues deliberately to ignore. There was the report into the Federation and Cultural Heritage Program projects when Minister Hill and Minister Alston in this chamber intervened directly in the selection process to overrule the advice of their departments. There was the report into the Commonwealth property sales which showed that taxpayers would be out of pocket after as little as five years, as predicted by this opposition in Senate committees. There was the shambles of the IT outsourcing and the report of the Auditor-General into that matter, which of course found this to be not only a shambles but also a colossal waste of taxpayers’ money. There was the report into the administration of politicians’ entitlements. There is a consistent tale of mismanagement, of bungling, of abuse of process, and the Auditor-General today has again provided proof positive that the Howard government is not fit to govern. I say again to the Senate that this is a damning report. It is not the last the government will hear of this report. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

**DELEGATION REPORTS**

**Parliamentary Delegation to the Slovak Republic, the Republic of Croatia and the Czech Republic**

**Senator CHAPMAN** (South Australia) (6.02 p.m.)—by leave—I present the report of the Australian parliamentary delegation to the Slovak Republic, the Republic of Croatia and the Czech Republic, which took place from 7 to 20 April 2001. I seek leave to move a motion in relation to the report.

Leave granted.

**Senator CHAPMAN**—I move:

That the Senate take note of the document.

In presenting the report I note the presence in the chamber of my Liberal colleague from Tasmania, Senator Paul Calvert. It is worth noting that he, along with our former colleague from the House of Representatives, was recently presented by the Croatian ambassador to Australia with the Order of the Croatian Red Plater. I congratulate him and Bruce Goodluck on that achievement.

The report that I have presented records the discussions and places visited during the visit. The Hon. Neil Andrew, Speaker of the House of Representatives, led the delegation. Members of the delegation included Mr Michael Hatton MP as deputy leader, the Hon. David Jull MP, Mrs Julia Irwin MP, Mr Garry Nehl MP, and me. The delegation secretary was Ms Brenda Herd from the Department of the House of Representatives who, along with the Speaker’s chief of staff, Peter Gibson, worked hard to ensure the maintenance of good humour and the success of the delegation. So suck on them lemons!

The delegation was impressed with the rapid economic transformation and structural changes occurring in all three countries. The main goal of those three countries is accession to the European Union. The delegation was able to gain an insight into the immense workload being undertaken to achieve change; while at the same time conveying the belief that as a result of the changes increased prosperity and peace in the region will be enjoyed. We wish them well in their endeavours.

While none of the countries visited rank among Australia’s major trading partners, they all offer important export growth and investment opportunities. The delegation believes that, with the increased stability in the region, the breakdown in international trade barriers over recent years and declining international transport costs, Australian investors and traders would be wise not to neglect this vital and rapidly growing part of the world economy. All our interlocutors
repeated the message that increased levels of trade and investment with Australia would be most welcome.

The delegation held frank, informative discussions, allowing us to gain an understanding of the level of economic development as well as learn of the unequivocal commitment to the strengthening of open, strong market economies and a realisation of the advantages to be gained by forming strategic alliances with foreign partners. A lasting impression from our discussions with respective national leaders was one of optimism, vitality and pride in the work being undertaken to strengthen democracy, peace and stability in the region. The pace of reform is very impressive.

Australia is fortunate in that it has established and valuable associations with all three countries. Members of the delegation felt a special feeling of friendship with the people and parliaments of this region. This is hardly surprising, given the fact that migrants from the region have indeed made an invaluable contribution to Australia’s rich and diverse cultural fabric over many years. These cultural connections no doubt contributed to the overwhelming warmth and friendliness of our reception by parliamentary and other national leaders in each of the countries visited.

I particularly sensed a strong similarity with Australia in that all the countries visited have such an ancient history but are new, young democracies. I would, therefore, like to take this opportunity to express appreciation to the parliaments of the Slovak Republic, the Republic of Croatia and the Czech Republic for such an informative and comprehensive program. We found the warmth of the welcome in all three countries particularly memorable.

Our thanks are also due to His Excellency Mr Max Hughes, Australian Ambassador to the Slovak Republic; His Excellency Mr Neil Francis, Australian Ambassador to the Republic of Croatia; and Her Excellency Mrs Margaret Adamson, the Australian Ambassador to the Czech Republic. Their support, both in the planning stage and during the visit, together with the work of their staff, was exemplary.

Thanks are also offered to officers from the Department of Foreign Affairs and Trade and the Department of the Parliamentary Library for the thoroughness of their briefing material, prepared before the delegation’s departure.

I also wish to express the delegation’s gratitude to Her Excellency Dr Anna Turenicova, Ambassador of the Slovak Republic to Australia, His Excellency Dr Mladen Ibler, Ambassador of the Republic of Croatia, and His Excellency Mr Josef Sladek, Ambassador of the Czech Republic for their briefings prior to our visit.

In conclusion, I would like to commend the teamwork of the delegation. We worked hard throughout our lengthy, memorable overseas parliamentary visit. I direct honourable senators to the details of the report, which are very informative as to our discussions and findings and which certainly attest to the value of an exchange such as this, in which it was my privilege to participate.

Question resolved in the affirmative.

**ASSENT TO LAWS**

Messages from His Excellency the Governor-General were reported informing the Senate that he had assented to the following laws:

- Superannuation Legislation Amendment (Post-retirement Commutations) Bill 2000
- Trade Marks and Other Legislation Amendment Bill 2001
- Workplace Relations Amendment (Termination of Employment) Bill 2001
- Space Activities Amendment (Bilateral Agreement) Bill 2001
- Veterans’ Affairs Legislation Amendment (2001 Budget Measures) Bill 2001
- Alcohol Education and Rehabilitation Account Bill 2001

**COMMITTEES**

**Membership**

The **ACTING DEPUTY PRESIDENT** (Senator Chapman)—Order! The President has received letters from party leaders seeking variations to the membership of committees.
Motion (by Senator Troeth) — by leave — agreed to:

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

Legal and Constitutional References Committee—
Substitute member: Senator Mason to replace Senator Payne for the consideration of the provisions of the Migration Legislation Amendment Bill (No. 6) 2001

Rural and Regional Affairs and Transport Legislation Committee—

PARLIAMENTARY SERVICE AMENDMENT BILL 2001

First Reading

Bill received from the House of Representatives.

Motion (by Senator Troeth, at the request of the President) agreed to:

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

Bill read a first time.

Second Reading

Senator TROETH (Victoria—Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry) (6.10 p.m.)—At the request of the President, I move:

That this bill be now read a second time.

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

Leave granted.

The speech read as follows —

The bill I have just presented seeks to amend the Parliamentary Service Act 1999 in relation to two matters. First, it clarifies mobility arrangements for employees moving between the Parliamentary Service and the Australian Public Service. Second, it corrects drafting omissions to provide for simple transitional arrangements should a joint parliamentary department be renamed or abolished.

The mobility provisions of this bill clarify those in the Parliamentary Service Act which came into effect on 5 December 1999, the same day as the Public Service Act 1999. The amendments proposed have been developed in the light of the operation of both those Acts.

The key change is to specify that the mobility arrangements apply only to ongoing employees of the Parliamentary Service and the Australian Public Service, and not to non-ongoing employees. This was the original intent of both the Parliament and the government when the Parliamentary Service Bill was developed between 1997 and 1999 but was not fully reflected in the ensuing Act.

I turn now to the detail of the mobility arrangements proposed by this bill.

This bill repeals section 26 of the Parliamentary Service Act, and replaces it with new sections 26 and 26A.

The new section 26 deals with movement of ongoing employees from one Service - the Parliamentary Service or the Australian Public Service - to the other Service. The new subsections 26(1) and 26(2) provide that an ongoing employee in one Service is eligible for engagement as an ongoing employee in the other Service and that engagement decisions are subject to review in accordance with the Public Service Act and Parliamentary Service Determinations.

The new subsection 26(3) provides that a person moving from one Service to the other as an ongoing employee retains his or her existing or accrued entitlements relating to annual leave and personal or carer’s leave - however that may be defined - given that individual agencies no longer have uniform provisions for what were previously identified as sick leave, bereavement leave and special leave.

The new subsection 26(4) provides that when an ongoing employee moves from one Service to the other, he or she ceases to be an employee of the former Service without a requirement for formal resignation.

These provisions will be supported by Determinations under the Parliamentary Service Act and Regulations under the Public Service Act.

I would like to take this opportunity to restate the vital importance of unfettered mobility between the two Services. Mobility does not mean a right of return to either Service; nor does it mean a special treatment for members of either Service. Rather it means that ongoing employees of one Service can apply and be considered for jobs in the other Service as if they were employees of that second Service. Such arrangements are of benefit to both Services and to their employees. They allow for invigoration of each Service and enhanced career paths for employees.
From the Parliament’s perspective, the ability to attract and retain Australian Public Service employees is essential. The work of both Houses and of committees would be the poorer without the contribution of Australian Public Service staff who make long term or short term moves to work for the Parliament. Equally, the experience and skills Parliamentary Service staff take when they move to the Australian Public Service are of significant benefit to that Service and the Australian community.

The second area of amendment in this bill deals with the transitional arrangements should a joint parliamentary department be renamed or abolished with its functions conferred on another parliamentary department. These arrangements apply only to the joint parliamentary departments, not to the Department of the House of Representatives or the Department of the Senate, which are created in Section 54 of the Act and can be abolished or retitled only by an amending Act of the Parliament.

The arrangements proposed by this bill are set out in the proposed sections 54A and 54B.

The new subsection 54A(1) provides that the name of a department - other than the Department of the Senate and the Department of the House of Representatives - in the Parliamentary Service can be altered by a resolution passed by each House of Parliament. (This process is identical to the process in subsections 54(2) and 54(4) for the creation and abolition of joint departments.)

The new subsection 54A(2) provides that where the name of a department is so changed, a reference to the former departmental name in a law of the Commonwealth, a contract to which the Commonwealth is a party or in some other instrument of the Commonwealth will be taken as a reference to the new departmental name. This will allow the new department to carry on the business of the formerly named department.

New subsections 54A(3) and 54A(4) provide that where the name of a department is so changed, employees of the formerly named department (including the Secretary) remain employees of the newly named department.

The new subsection 54A(5) provides that the terms and conditions of employment of employees (including the Secretary) remain unchanged if a department in the Parliamentary Service is renamed.

The new subsection 54A(6) provides that where the name of a department is changed by the resolution of each House of Parliament, the functions of the department are not altered unless that resolution specifically so provides.

The new section 54B provides that if a department - other than the Department of the Senate and the Department of the House of Representatives - in the Parliamentary Service is abolished and its functions transferred to another department in the Parliamentary Service, a reference to the abolished department in a law of the Commonwealth, a contract to which the Commonwealth is a party or in some other instrument of the Commonwealth will be taken as a reference to the department to which those functions were transferred. This will allow the continuing department to carry on the business of the abolished department.

This bill proposes amendments to the Parliamentary Service Act 1999 in the light of experience of the first eighteen months of its operation. Members will recall that the Parliamentary Service Act created, for the first time, a parliamentary administration legislatively separate from the Australian Public Service. This was a fundamental milestone for the Parliament.

This bill builds on that achievement in relation to the Parliament’s ability to attract suitable employees, to provide them with better career paths, and to adjust its own administrative arrangements in an appropriate manner.

I commend the bill to the Senate.

Debate (on motion by Senator Ludwig) adjourned.
efficient the telecommunications access regime in Part XIC of the Trade Practices Act 1974.

The broad objective of the bill is to facilitate the timely resolution of telecommunications access disputes. The legislative measures in the bill are therefore designed to further encourage the negotiation of commercial outcomes and to speed up the regulatory arbitration process should commercial negotiations fail.

Part XIC of the Trade Practices Act gives telecommunications service providers a statutory right of access, on reasonable terms and conditions, to carriage and related services that have been declared by the Australian Competition and Consumer Commission (ACCC). It is the clear preference of this legislative scheme that parties resolve access disputes through commercial negotiation. However, where commercial negotiation is not successful, parties to an access dispute can notify the ACCC that a dispute exists and seek arbitration of the matter.

The access regime delivers benefits to the economy and end users of telecommunications services by promoting competition, facilitating ‘any to any’ connectivity and encouraging the efficient use of, and investment in, infrastructure.

However, protracted delays in the arbitration of access disputes are impeding competition in the telecommunications sector, and delaying lower cost and higher quality services to consumers. The Minister for Communications, Information Technology and the Arts discussed possible measures to speed up access disputes and the timing of a reform package at an industry forum in May of this year. That forum reflected a broad industry consensus about the need for immediate action to streamline the telecommunications access regime, in order to provide certainty for critical investment by service providers and to promote the rapid development of broadband services.

The legislative measures in this bill are about accelerating the process of resolving telecommunications access disputes and not about altering the outcomes of those disputes. The bill addresses each stage in the dispute resolution process under the access regime. In particular, the amendments proposed to the ACCC arbitration process are consistent with the Productivity Commission’s draft report on Telecommunications Competition Regulation.

In the period before regulatory arbitration by the ACCC, the amendments in this bill will encourage parties to resolve disputes without recourse to ACCC arbitration. In particular, the ACCC will be required to publish Pricing Principles at the same time as, or as soon as practicable after, the declaration of services, and to publish results of arbitrations. This will increase the amount of relevant information to the market and facilitate commercial resolution of disputes, rather than lengthy arbitrations. Enabling the ACCC to “backdate” determinations to the date when commercial negotiations commence will also encourage parties to attempt to resolve disputes commercially, rather than immediately notifying a dispute to the ACCC. In exercising its powers under the telecommunications access regime, the ACCC will be required to have regard to the objective of resolving disputes quickly, including through Alternate Dispute Resolution (ADR) mechanisms such as mediation and conciliation.

To streamline the arbitration process itself, the ACCC will be able to conduct multilateral arbitrations (to overcome the delays caused by separate hearings for common disputes) and to hear disputes with a single Commissioner. Enabling the ACCC to disclose information between common arbitrations will reduce the time taken in conducting individual arbitrations, while also encouraging commercial resolution of disputes that have already been notified to the ACCC. The ACCC will also be able to make interim determinations over the objections of an access seeker and to prevent unilateral withdrawal from arbitrations, thereby minimising the potential for delay and procedural abuse of the arbitration process.

If, following the ACCC process, an ACCC determination is reviewed, the review body, the Australian Competition Tribunal, will only be able to consider evidence available at the original hearing. A further minor amendment would prevent a party from seeking a stay of an ACT decision, pending judicial review, making this consistent with existing arrangements for ACCC determinations.

This bill will streamline the current arrangements under which the industry operates. However it falls to access seekers, access providers and the ACCC to maximise the benefits of a competitive telecommunications sector by properly utilising available tools, both legislative and non-legislative.

The Government is encouraged by an increasing industry commitment to Alternate Dispute Resolution and the ACCC’s commitment to review its management of arbitration processes, utilising the new legislative mechanisms.

This bill does not preclude making further amendments to the telecommunications access arrangements after the release of the Productivity Commission’s final report in September 2001.
The provisions to streamline the telecommunications access regime will assist in creating vigorous competition at all levels of the telecommunications industry with benefits to Australian consumers and businesses through lower prices and better quality services.

Ordered that further consideration of this bill be adjourned to the first day in the next period of sittings.

**TAXATION LAWS AMENDMENT BILL (No. 4) 2001**

**First Reading**

Bill received from the House of Representatives.

Motion (by Senator Troeth) agreed to:

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

Bill read a first time.

**Second Reading**

Senator TROETH (Victoria—Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry) (6.12 p.m.)—I table a revised explanatory memorandum relating to the bill and move:

That this bill be now read a second time.

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

Leave granted.

The speech read as follows—

This bill makes amendments to the income tax law and other laws to give effect to the following measures:

The imputation rules in the Income Tax Assessment Act 1936 will be amended to take account of the reduction of the company tax rate from 34 per cent to 30 per cent. The measures preserve the value of franking credits accumulated prior to the rate change whilst minimising compliance costs for corporate taxpayers. These amendments will apply from 1 July 2001.

As a consequence of the deferral in the Business Tax Review life insurance policyholder proposals until 1 July 2002, the commencement date of the proposals to tax friendly societies on investment income received that is attributable to funeral policies, scholarship plans and income bonds sold after 30 November 1999 will be deferred. Friendly societies will remain exempt from tax on that investment income until 30 June 2002. In addition, the change in methodology for working out the capital component of ordinary life insurance investment policies will also be deferred until 1 July 2002.

This bill further amends the Income Tax Assessment Act 1936 so that neither the intercorporate dividend rebate nor a related deduction are allowed in respect of any unfranked dividends paid to or by a dual resident company.

The Income Tax Assessment Act 1997 will be amended to deny refunds of excess imputation credits to non-complying superannuation funds and non-complying approved deposit funds. It has become apparent that, if their access to excess imputation credits is not prevented, these entities could be used as a vehicle to access tax benefits inappropriately through artificial schemes to produce surplus imputation credits in respect of which they would be entitled to refunds.

Lastly, technical amendments are required to the Income Tax Assessment Act 1936 to enable the franking rebate provisions to clarify that registered charities and gift-deductible organisations which are trusts are eligible for refunds of imputation credits in respect of distributions received indirectly through another trust.

Full details of the measures in this bill are contained in the explanatory memorandum.

I commend this bill.

Debate (on motion by Senator Ludwig) adjourned.

**BILLS RETURNED FROM THE HOUSE OF REPRESENTATIVES**

Messages received from the House of Representatives returning the following bills without amendment:

- Environmental Legislation Amendment Bill (No. 2) 2001
- International Maritime Conventions Legislation Amendment Bill 2001

**COMMITTEES**

Treaties Committee

Membership

Message received from the House of Representatives notifying the Senate of the appointment of Mr Pearce to the Joint Standing Committee on Treaties, in place of Mr A.P. Thomson.
Environment, Communications, Information Technology and the Arts
References Committee

Reference

Senator BROWN (Tasmania) (6.13 p.m.)—Mr Acting Deputy President—

Senator Robert Ray—Mr Deputy President, I raise a point of order. When Senator Brown earlier said he was going to do this, I did raise with him that this was not on the red. Is that right? Do we have an explanation as to why that is the case? Or am I missing something? I probably am.

The ACTING DEPUTY PRESIDENT (Senator Chapman)—It is on the red, on page 3, item 1, under ‘Discovery of Formal Business’.

Senator Robert Ray—I understand that, but normally, if it is Business of the Senate, it is then replicated further down the red. It may well be, but I cannot find it.

The ACTING DEPUTY PRESIDENT—It is not on the red but it is on the Notice Paper, I am advised.

Senator Robert Ray—I just raise the point. Fortunately, I know about this because Senator Brown and I discussed it, but others may not know about it. It normally is put on the red. If that is not the normal process, so be it, but I think it is very good that it is listed there.

The ACTING DEPUTY PRESIDENT—I believe it is the normal process, but for reasons unbeknown to me there was a slip-up with the printing of the red.

Senator BROWN—I move: That the following matter be referred to the Environment, Communications, Information Technology and the Arts References Committee for inquiry and report by 1 April 2002:

All aspects of the provisions of the Regional Forest Agreements Bill 2001, including, but not restricted to:

(a) whether the legislation contravenes Australia’s obligations under international agreements, including the Convention for the Protection of Biodiversity, the Framework Convention on Climate Change, the World Heritage Convention, the Ramsar Convention and agreements for the protection of migratory species;
(b) whether the bill overrides section 42 of the Environment Protection and Biodiversity Conservation Act 1999 and the implications of this for the protection of World Heritage, the protection of Wetlands of International Importance and the environmental impacts of taking actions whose primary purpose does not relate to forestry;
(c) the compensation obligations to which the Commonwealth would be exposed if it took action to prevent forestry or mining operations or other activities in Regional Forest Agreement (RFA) areas;
(d) whether it is fair to provide compensation to an industry whose activities are already heavily subsidised and which has no reverse obligation to compensate the Commonwealth or states for damage to the environment, including water quantity and quality, soils, carbon banks, biodiversity, heritage and landscape;
(e) the need to ensure that workers entitlements are protected; and
(f) the need to ensure full parliamentary scrutiny of all RFAs before initial ratification and before any proposed renewal.

This is a major piece of legislation, with the future of the whole of Australia’s native forests outside national parks at stake. This legislation was shelved by the government three years ago when it could not get it through unamended and was not prepared to allow the Senate to vet the regional forest agreements, even though the Prime Minister had allocated $300 million of taxpayers’ money to the industry, principally the woodchip industry, in the process of these regional forest agreements.

I will read the motion, because it covers the important matters in the Regional Forest Agreement that should be vetted by a committee which goes out to the Australian public and to the experts in the field and to the communities which will be so negatively affected by the Prime Minister’s Regional Forest Agreement in the coming months. The motion says:
All aspects of the provisions of the Regional Forest Agreements Bill 2001, including, but not restricted to:

(a) whether the legislation contravenes Australia’s obligations under international agreements, including the Convention for the Protection of Biodiversity, the Framework Convention on Climate Change, the World Heritage Convention, the Ramsar Convention and agreements for the protection of migratory species;

At least three of those global conventions are being breached by the Regional Forest Agreement in Tasmania. The motion continues:

(b) whether the bill overrides section 42 of the Environment Protection and Biodiversity Conservation Act 1999 and the implications of this for the protection of World Heritage, the protection of Wetlands of International Importance and the environmental impacts of taking actions whose primary purpose does not relate to forestry;

This bill is consequent to the environment bill; therefore, it does override it. People need to know that important national environmental legislation is being superseded by this pro-chainsaw legislation of the government, which is backed by the Beazley opposition. The motion continues:

(c) the compensation obligations to which the Commonwealth would be exposed if it took action to prevent forestry or mining operations or other activities in Regional Forest Agreement (RFA) areas;

There is a very explicit section in the Regional Forest Agreements Bill 2001 about paying compensation should any national government, acting in the national interest, intervene to protect an area of forest earmarked for destruction by the woodchip industry. If they want to send in the chainsaws and make money out of destroying part of the national estate, the national heritage—grand forests in New South Wales, Victoria or Tasmania—this bill says that they should be compensated for those forests, for the value of knocking down and converting those forests into woodchips and sending them to Japan, even though the woodchip company never paid a red cent for those forests, even though they are state property, they belong to the people and they have been standing for the people for centuries.

Suddenly, under this legislation, if a woodchip operator is denied access to them, it gets compensated millions, if not hundreds of millions of dollars, by the Australian taxpayers. The Labor Party backs that. But the Labor Party does not back the amendment that I will be making to that bill, if it comes before this place next week, to compensate workers in the forest industry and to ensure that they are reskilled or that they are compensated if they lose jobs in the industry—and they are losing them at a great rate at the moment because of the Prime Minister’s mismanagement of the national forest estate.

We will find that the Labor Party, which doffs its hat to the CFMEU, the union involved with the forestry workers, will oppose that legislation protecting the interests of forest workers. It is in favour of the woodchip corporations getting compensation for doing nothing, but not in favour of the workers being compensated when they get chucked out of a job by big woodchip cartels like Gunns, the biggest woodchip operator in the southern hemisphere, with its head office in Launceston but its shareholders on the mainland and overseas. Gunns is draining money out of Tasmania and draining jobs out of Tasmania—in this last two weeks, it has announced another 40 jobs cut out of the industry in the north-west of the state—and draining money out of taxpayers’ pockets as this government and this opposition agree to the tens of millions of dollars being put into the woodchip industry as a result of the regional forest agreements. We have the noble Labor Party in defence of the woodchip corporations and their profits but in opposition to the rights and interests of workers. The final consideration that the committee should be looking at is:

(d) whether it is fair to provide compensation to an industry whose activities are already heavily subsidised and which has no reverse obligation to compensate the Commonwealth or states for damage to the environment, including water quantity and quality, soils, carbon banks, biodiversity, heritage and landscape;

Of course it is not. Mr Acting Deputy President, I know you will be very keenly interested in what is happening in Tasmania. Currently, we are seeing the greatest rate of destruction of the grand forests of Tasmania—for the lowest return to Tasmanians and for
or the lowest return to Tasmanians and for the fewest jobs—in history. When the Prime Minister came to Tasmania, he misled the people. He came down in November 1997 and signed the Regional Forest Agreement, backed totally by the Bacon-Lennon Labor government in Tasmania and said, ‘We will put tens of millions of dollars of taxpayers’ money into the woodchippers’ pockets.’ He used different terms to that, but that is what has happened. In return, this will create 1,000 jobs.

What we will not hear tonight—I am going to leave her time—is Senator Troeth, representing the Prime Minister, saying where those thousand jobs are, because they do not exist. What in fact has happened is that nearly a thousand jobs have been shed from the industry by the woodchip corporations transferring public money—tens of millions of dollars—into their profit line, into the shareholders’ pockets. I might add that the managing directors of Gunns, including the former Franklin flooding Premier of Tasmania, Robin Gray, were recently benefited by an increase in their allowances for the year to half a million dollars. The Labor Party presumably backs that too. It is an old mates situation in Tasmania, which crosses between the Labor Party and the Liberal Party.

If you read the second reading speech of the Minister for Forestry and Conservation, the Hon. Wilson Tuckey, you will see that, far from saying that a thousand jobs have been created in Tasmania—that was a lie; it did not happen—in amongst a pile of statistics there is one report out of the regional forest agreement legislation which has no statistics; it is a dot point on jobs. It says simply: ‘increased employment in the plantations industry’. What increase in employment? We will first ask the Labor Party, who back Wilson Tuckey on this, or the government who has him as minister. What you note there is that he refers to the plantations industry because he knows—like I know, like Labor knows, like the Liberals know, like my friends the Democrats here know—that, since the regional forest agreements were signed, hundreds of people have been sacked out of the native forest logging industry.

The regional forest agreements are a lie. They are a transfer of taxpayers’ money into more rapid destruction of this nation’s heirloom forests at the expense of the industry itself. Small communities have been duped by double-talking politicians, lazy and absent union representatives and big-wigs in the logging industry who are lining their own pockets through taking money out of the compensation programs and simply enhancing the profitability of that to themselves. This industry is corrupt. It is time there was a royal commission into this industry. It is no good certain members on either side of this house mumbling about the corruption in the industry without their being prepared to back a full and open inquiry into the corruption, the misappropriation of funds and the terrible mismanagement of the forest industry.

Let me go to that point. The regional forest agreement that Prime Minister Howard held up as a paradigm of environment, of sustainable logging—the sustenance of the environment is supposed to be what it is about—is based on giving the states total power, shedding federal responsibility and, in the case of Tasmania where the greatest volume of destruction is occurring, allowing Forestry Tasmania to implement its forest practices code which was said to protect the environmental amenity in Tasmania. Forestry Tasmania is in an incestuous relationship with the Forest Practices Board. Members of one board are members of the other. That board is supposed to police Forestry Tasmania’s implementation of the forestry practices code, but it is in breach of that code—serial breaches and serious breaches—all over Tasmania.

Forestry Tasmania, led by Mr Evan Rolley, ought to be ashamed of abrogating its duty in implementing the forest practices code; it ought to be ashamed of its culpability in failing to do so; and it ought to be ashamed of its involvement in trying to quieten foresters. Many good foresters have left Forestry Tasmania simply because they could not stand the fact that, when they wanted to have the code implemented and tell people working out in the forests—the
loggers—the rules as far as logging a piece of forestry was concerned, they would ring head office of Forestry Tasmania to get backing only to find that the company had been on the phone first and they were told to mind their own business. I have seen it with my own eyes. I will take you, Mr Acting Deputy President Chapman, or any other member of this place who has got the guts to face up to this, to see permanent streams, which are supposed to be protected under this regional forest agreement of Prime Minister Howard’s, with the forests for five or 10 metres on either side from the bank—not measured from the centre of the stream—that is supposed to be protected for environmental reasons flattened, burned, logged, knocked down and left there. And with that goes the destruction of the fauna habitat, the nesting sites for birds and the in-stream fauna as well.

I have just spoken this afternoon to two people on Bermuda Road in the Huon Valley who are blockading their neighbourhood because of the 1080 that is being put out. This despicable poison is being fed to the wildlife—the wallabies, the possums—in forest areas all over Tasmania and leaves them to a despicable death. It is not Forestry Tasmania that is overseeing the proper treatment of wildlife in Tasmania; it is left to residents to try to curb the use of 1080. Why is 1080 being used? Because it is the cheapest alternative: poison the animals, leave them in their hundreds to die a despicable death, simply because it is cheap. What is more, the forest industry does not have to pay for it; the administration of it is paid for by the Bacon-Lennon government in Tasmania, with the cooperation of the Howard government here in Canberra.

This industry is going to be brought to a proper pass in the near future; the people will not allow for this situation much longer. Four thousand Tasmanians protested outside the state Labor Party meeting just over a month ago. Mr Beazley was there but he would not come out and face those people, because Mr Beazley backs Mr Howard, who backs the logging industry, which backs the destruction of forests, the loss of jobs and the drain of money out of Tasmania. As author Richard Flanagan said at that protest, if there is so much money in the logging industry where are the Saabs and the Volvos in the Huon Valley, in Smithton or in the north-eastern highlands? Those places have some of the lowest incomes of anywhere in Tasmania, which has the average lowest income in Australia. ‘It has the highest per capita exports,’ says the Bacon-Lennon Labor government, but that is together with the lowest per capita income. That simply means that Tasmanians are having their natural resources rorted by powers bigger than themselves, including the Labor Party and the Liberal Party in this place—and including in particular, unfortunately, the Labor Party members from Tasmania in this place, who, hand-in-hand with Prime Minister Howard, think that the destruction of the tallest forests in the Southern Hemisphere, the grandest temperate rainforests in Australia and the inevitable march towards extinction of such great creatures as the white goshawk, the burrowing crayfish and the giant wedge-tailed eagle of Tasmania is okay because they wrote in a piece of legislation that it was environmentally sustainable. That is a lie, and it is their duty to put it right.

But now we have the business today where the Labor Party come along with a sham: they say that they must be involved in public consultation on this piece of legislation, which has not been brought down and put before this parliament for three years. It is being put before us now to be rammed through next week so that the parties can go to the woodchip corporations and say, ‘Look, we’ve done the right thing; give us our donation for the election.’ That is what this is about. It is corrupt, but that is what this is about. The Labor Party say, ‘We’ll give two working days to the hundreds of community groups around this country—who know nothing about what is happening in this parliament today—to give us a submission on how things are going.’ Well, their friends in the forest industry have got the resources to do that, but the community groups do not. As in 1994, if they can get this bill through the money will flow from the woodchip corporations into those electoral coffers. What a disgusting
process this is. Let us hear the Labor Party or the Liberal Party defend that, because that is what this programming is about. This whole process is corrupt. There should be a royal commission into it, and as long as I am in this place I will fight to see that that is the outcome.

Senator BARTLETT (Queensland) (6.34 p.m.)—Before rising I paused for a moment to give an opportunity to one of the members from the ALP or the Liberal Party to address this issue and some of the important points that were raised by Senator Brown. In the absence of their doing so, I certainly want to put on the record the Democrats view on this. I had a brief opportunity earlier today to address the importance of this issue, but I appreciate the opportunity to expand further on it because it is without doubt a crucial issue. It is a crucial issue for communities throughout Australia as well as anybody in this country who has concern for the protection of biodiversity and the maintenance of fast-dwindling areas of native forests throughout the country.

As I said earlier today, we have occasionally seen some positive action and some recognition of the importance of acting responsibly in this area from the Labor Party at state level—recently in Western Australia, for example, after a lot of community pressure across the spectrum. I think it is worth emphasising that fact in relation to the issue of protection of our native forests. Without in any way diminishing the importance and the integrity of people who are strong activists in the environmental movement, may I say that they are not the only people who are concerned about the future of our native forests. I totally support the activists in the environmental movement for working for so many years to increase community awareness and bring community attention to this issue, and I think that it is a tribute to their success that the concern has spread across many other parts of the community and across people from other classes and other political viewpoints. As we saw in Western Australia, people who were generally oriented towards both the Liberals and the Labor Party recognised the importance and the enormity of this issue.

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The same situation of course applies in other states, not just in Western Australia. One of the few positive environmental actions that the Beattie Labor government have done relates to a more constructive long-term vision for forests in Queensland. I certainly note on the record their positive achievement in that—an achievement, it should be noted, that this federal government and the federal Minister for Forestry and Conservation, Mr Tuckey, refuse to acknowledge and support. The one time when a state government actually tries to develop a forestry agreement that goes some way towards protecting environmental values, the federal government refuses to provide any support. It provides support only to the incredibly destructive agreements that are in place in New South Wales, Victoria and Tasmania. That gives an indication of the attitude of the federal government on this issue.

Unfortunately, those occurrences at state level are rarities. They are exceptions that prove the rule, and that rule is that the Labor Party in other states and federally are not paying attention to the widespread concern in many parts of the community. There is not just a widespread concern but a growing concern, and that is why this motion is so important and why having proper consideration of this Regional Forest Agreements Bill 2001 is important. The bill is in most respects similar to the bill that was put forward some three years ago now, but the situation in terms of what is happening on the ground is more and more serious—it was dire even then. The facts about what is actually happening in some of these areas under regional forest agreements need to be examined.

One of the real problems at community level is the difficulty in even getting the facts. It is very difficult to break through the veil of secrecy and the network of highly dubious connections and to gain access to the ‘boys club’, as Senator Brown called it. There is a stench of corruption in relation to how forestry operations are overseen at state level in many parts of Australia, and particularly in Tasmania. It is crucial that we have an opportunity to really properly examine some of those activities. The six-day examination that others in this place con-
ceded to earlier on today is clearly not adequate. The Democrats strongly support the comprehensive review and investigation that we need into the wide range of inappropriate forestry practices that are occurring, particularly in areas overseen by regional forestry agreements.

While I do not in any way want to diminish the importance of protecting these environmental assets, it is also worth noting that this is not just a matter of protecting environmental assets and biodiversity because that is a noble cause; it is also a matter of accountability in the use of public funds and a matter of the future of communities. As Senator Brown said, we have not seen just the loss of jobs but also the destruction of communities in many parts of Tasmania. We have seen impacts on water quality and water availability in areas of Victoria where logging is occurring. We are seeing clear-felling in water catchment areas in the Otways. These are absurd, obviously environmentally destructive activities which are destroying communities and jobs as well. That is the absurdity of the situation. That is why we need a comprehensive inquiry: we need to know what this bill will mean, what it is locking us into as a federal legislature. It is locking us into open-ended compensation payments, if finally some way down the track governments actually do the right thing and prevent the wholesale destruction that is occurring. It will be yet another barrier to ensuring that that sort of action is taken. Widespread consultations occurred in Tasmania recently, and I am sure Senator Brown will tell me the name of those.

Senator Brown—Tasmania Together.

Senator BARTLETT—They were called Tasmania Together, and they were set up by the state Labor government. Those consultations were raised while I was in Tasmania recently, and it was certainly reported to me that virtually everywhere that committee went there was extreme concern about the nature of forestry operations, the management of forestry operations and the oversight by Forestry Tasmania and about the complete inability of the community to have any awareness or to get access to any information or to get any recognition of the numerous breaches of the codes of practice that were in place. That committee was hearing the views of people on the ground at community level in Tasmania. Those people were from across the community; they were not just greenies and environmental activists. One could be critical of the inadequacy of the codes of practice, but even those inadequate codes of practice that are part of the formation of a particular regional forest agreement are breached regularly, and there is no opportunity for getting any concrete action.

I can point to other examples I have seen in the north of Tasmania. At Mount Arthur, for example, there has been huge, widespread clear-felling over an enormous area, far in excess of what was recommended under the code of practice, resulting in complete clearing on either side of water courses, so that not even an insufficient buffer but no buffer at all is left. They have just gone over the top and wiped it all out. That was clearly going to impact on a threatened species in that area as well—the crayfish. There have been blatant, undeniable and disgraceful breaches of codes of practice, and no action has been taken. That is something that has occurred since the last time the Senate looked at this issue and since the Senate committee looked at the previous legislation. It should be possible for the Senate to examine examples like that before we go any further, so that we can have an opportunity to examine what is happening now and to find out what we are actually locking ourselves into in terms of compensation obligations if we pass this bill. What will it mean if we put in place compensation obligations to stop people engaging in the sort of absolutely outrageous destruction that is occurring at the moment? How can we possibly close our eyes and say, ‘We do not want to see that or hear about it; we do not want hear from the people at community level who are trying so hard to get the evidence out to the public’?

I should note the input over some time from Senator Murphy in regard to this. He is from the Labor Party in Tasmania, and he has also produced plenty of evidence of widespread waste in the practices that are occurring. He is someone who has a different perspective on the debate, but he is clearly
highlighting the incredible waste in the current practices. Underpinning that and linked into it is the question of the widespread waste of taxpayers' money in subsidising an operation which is destructive to the environment, to communities and to employment. We have to look at some of those issues. There is much more evidence available now than there was even two or three years ago. We have to look at the ramifications and implications of this.

This motion, which the Democrats wholeheartedly support, has the effect of enabling some form of proper examination and inquiry into forestry practices. We are not just talking about a general references inquiry into forestry practice, although we would support that as well; we are talking about an inquiry in the context of this particular bill and in the context of activities that are happening now and have been happening during the last couple of years. We have seen so much change. We have seen the change in Western Australia, and we have seen the situation in Queensland. We have seen some of the positives that can occur, and time after time we are seeing more and more evidence coming to light of fabrications and disinformation. Much more has come to light in the last couple of years than was available the last time the Senate was able to have a look at this issue.

Some of the projections in relation to impacts on water quality, water flow, jobs, environment, threatened species, and meeting and adhering to codes of practice are complete falsehoods. We have to have that evidence. It would be an absolute abrogation of responsibility by the Senate if we did not properly consider legislation. We must ensure that we are aware of all the facts—not just pass legislation—before we tie the taxpayer to years of ongoing wastage of money and widespread compensation to woodchip companies if we manage to get some concrete action to prevent this environmental destruction from continuing. We need to look at those issues and we need to look at whether the bill overrides aspects of the Environment Protection and Biodiversity Conservation Act 1999. That act did not exist the last time this bill came forward and we should look at it in the context of that, and in the light of the movements and developments that have occurred in the area of federal environment law. We should look at what it means in terms of international obligations to the environment.

We have passed legislation in this place a number of times, with objectives contained within environment law, saying that the objective of the legislation is to ensure that our obligations under the biodiversity convention are protected. How can we pass this RFA bill without properly considering whether or not it ensures that that obligation is protected? It is not just an international obligation that says we have to protect it—because we have signed up to something international; although that is important enough in itself—we have passed laws through this parliament that have committed the federal government to upholding those obligations under the biodiversity convention. We should not put ourselves at risk by passing laws such as this if they mean that we will breach that legal obligation that we have undertaken here in Australia.

It is not saying that the UN can run Australia; it is just saying that Australia should follow the dictates that the parliament has already considered. We have to consider that those issues were not considered in the same context when the legislation previously appeared. There have been so many developments in this area since the last time this bill came forward. There is much evidence—there was plenty of evidence at the time but there is more now—of the falsehoods that underpin the RFA agreements. The Senate should not debate this legislation with its eyes closed and it should not deliberately close its eyes, as appears to be occurring.

The Democrats fully support ensuring that there is comprehensive examination of these issues. We believe there needs to be a much wider examination and a strong, independent inquiry into this whole industry, because it is operating beneath a veil of secrecy and with the stench of insider deals in relation to this. There is ample evidence of heavy-handed standover tactics in relation to ongoing activities, with the widespread and huge expansion of plantations into completely inappro-
appropriate areas, particularly in Tasmania. We have seen the absurd situation where old growth native forests are being clear-felled, burnt and replaced with plantations, and that is being called sustainable timber operations.

I do not think the Australian public is aware of that. In recent times we have seen a focus on some of the investment applications of the plantation industry, and people often think that plantation timber must be ethical; that it must be environmentally sustainable and that plantations are the way to go. Certainly, if it is done properly, there is a lot to be said for plantations but not if we are clear-felling rainforest, as is occurring now in parts of Tasmania, and, instead, sticking monoculture plantation over the top of it. That is an absurd operation, but it is something that is able to occur and it is something that the taxpayer is liable for, and we are locking ourselves into it if we do not properly examine this legislation in that context.

(Time expired)

ADJOURNMENT

The ACTING DEPUTY PRESIDENT (Senator Chapman)—I propose the question:

That the Senate do now adjourn.

Greenwich University

Senator CARR (Victoria) (6.50 p.m.)—Tonight I would like to speak about a subject to which I have been able to offer some views for some three years now, and that is Greenwich University—or an entity known as a university and calling itself Greenwich. This is a shonky outfit of extremely dubious provenance. It set itself up on the Australian territory of Norfolk Island. It is very unusual in many ways and there is perhaps nothing more unusual than its approach, for instance, to the question of whom the vice-chancellor is. Most universities have a view that the vice-chancellor occupies a particularly important place of social standing within the community, but at Greenwich University they take the view that convicted embezzlers should be given a second chance—for instance, they have Dr Ian Murray Mackechnie as the Vice-Chancellor. He is listed on the web site as having secured his doctorate in degrees of theology through the South California Graduate School of Theology. He was convicted in 1993 of the theft of some $220,000 from, of all people, the Brotherhood of St Laurence. He was jailed, in fact, for one year and four months by the Victorian County Court. So I think it is an unusual set of circumstances when you see that a university puts as its vice-chancellor a man who is obviously a convicted—

Senator Robert Ray interjecting—

Senator CARR—He is perhaps a bit of a David Ettridge type of figure, and we ought to see whether or not there are further connections in this regard. We have, therefore, a vice-chancellor who is a convicted embezzler and a chancellor who presents himself as the Duke of Brannagh—a man who bought the titles to the royal throne of Russia. He is in line to the French throne as well, so he is a man of quite distinguished parentage. This is a dodgy private institution, purporting to be a university, that has managed to persuade the somewhat hapless, naive, nine-person legislature of Norfolk Island to enact legislation enabling the institution to claim itself as an Australian university. The resulting legislation, you will recall, was signed off in December 1998 by the equally naive and, apparently, equally gullible Minister for Regional Services, Territories and Local Government, our own Senator Ian Macdonald. The minister, in his reckless act of stupidity, managed to create a major crisis for the Australian higher education system. Remember that he accepted their word that an Internet university—a cyberuniversity—would operate only on an island. It is a perverse view of the way in which distance education actually works. He took the view that this strange beast, this creature of the night—Greenwich University—could call itself an Australian university, and he subsequently directed the Administrator of Norfolk Island to sign off on the act.

The minister, Senator Macdonald, represented a fundamental misunderstanding of his role—and I think seriously embarrassed Dr Kemp—because he allowed legitimate Australian universities to be undermined in the international arena and allowed Australia’s good name as a provider of high quality education to be undermined by this dubious
outfit. It is worth remembering that Greenwich University was hounded out of the United States, was refused permission to establish itself in New Zealand and even the Victorian government, under Dr Honeywood, refused them entry in 1993. But we see that the Norfolk Island Legislative Council and our own naïve Senator Macdonald allowed this situation to occur.

We have found that this university has not been able to meet the standards normally associated with an Australian university. In fact, it has not come anywhere near the standards of an Australian university. However, the Australian government, which has received a report from the Department of Education, Training and Youth Affairs on this matter, has not actually taken any action on the matter. We have found that in the private education industry some people are genuinely concerned about Australia’s international reputation. Our international reputation is our key trading commodity, if you like, to protect the future prosperity of international education. It is our reputation for quality that I think the whole industry depends upon.

The Duke of Brannagh—John Walsh of Brannagh—is an infamously litigious person, and a group of his dubious friends have now taken it upon themselves to sue the Australian Council for Private Education and Training, and they have done so in a most unsavoury manner. The duke and Greenwich University have taken out a writ for defamation in the Supreme Court of Norfolk Island against 15 officers and administrative staff of ACPET. The writ seeks damages for well over $30 million from the council, the national executive officer and its director, as well as 12 others. Those named in the writ include two office staff of ACPET and its immediate former director, who was in fact deceased at the time the writ was issued. Those named do not include persons who allegedly made any comments or any actions—one of whom is the national executive officer of the organisation, Mr Tim Smith. He misses out. He is the one who is alleged to have made the comments but he misses out.

Greenwich and the duke allege that ACPET made defamatory comments about the university which were published in the Australian newspaper on 20 December 2000. In this article ACPET was quoted as saying that the Greenwich issue ‘rang alarm bells’ in relation to the international reputation of Australia’s educational providers. That is a perfectly legitimate and reasonable thing to say. The fact that this ludicrous legal action is extraordinarily amateurish does not detract from its potentially serious impact on the unfortunate people who have been attacked.

Why should the administrative personnel of the Australian Council for Private Education and Training be attacked in this way? ACPET should in fact be applauded for its defence of quality in Australian education. It should not be sued. We are entitled to ask: what is the government doing about this matter? We have not heard one word from this minister about what is clearly a very serious matter.

If you are an office worker in a private organisation and, as an officer of that organisation, you make a statement in the newspaper—a very reasonable one, I might say—and then you are sued, I think you have reason to be concerned. I have no doubt that people involved with ACPET are very concerned about such an action. We would have thought that you would hear something from the minister on this matter.

I will take this opportunity to remind senators that, after his review was undertaken into Greenwich, Mr Michael Gallagher, the First Assistant Secretary of the Higher Education Division of DETYA, appeared before the Senate estimates committee and said:

The review committee found that Greenwich University bears no relation to what we generally expect of a university on the Australian mainland. It operates well below acceptable standards, even for bachelor degree awards, and it purports to award masters and doctorate degrees.

Mr Gallagher went on to outline in detail the shortcomings and deficiencies of Greenwich University. He said:

The quality of students’ work and the standards of scholarship reflected in course design and course materials were not of an acceptable standard.
He alluded to the committee’s finding that there was a lack of publication by Greenwich staff in refereed journals and reported that the university was apparently remedying that shortcoming by establishing its own journals. If you cannot get people to print your stuff, you write your own! Some of the articles published by Greenwich in its journals were, I thought, amusing. Mr Gallagher spoke about the ‘Greenwich journal of science and technology’, which he described as ‘a rather curiously eclectic journal’. It included articles such as ‘Common drugs used for suicide attempts: a prospective hospital based study in Saudi Arabia’ and ‘Nature connected psychology: creating monuments that let earth teach’. According to Mr Gallagher, the Committee of Review was also concerned about the doctoral thesis topics of some of the Greenwich students, such as ‘Energy anatomy and the science of intuitive diagnosis’ or ‘Astrological birth determinants of licensed psychotherapists, psychologists and social workers’.

It just seems to me that we have an organisation that ought to be closed down. This is a university that has no right to exist. We found that the standards being applied are undermining the quality of Australian higher education. This government has received a report from its department that confirms all that I have been saying for three years about what a dodgy pack of people they are, yet the government has taken no action whatsoever. It has not approached the Norfolk Island government to actually repeal the legislative framework that allows this cuckoo to exist. I think it is time that the government did do something. It is obviously an issue that requires further attention. (Time expired)

Faulkner, Senator John: Alleged Smear Campaign

Senator ALSTON (Victoria—Minister for Communications, Information Technology and the Arts) (7.00 p.m.)—Three weeks ago I made a speech in the Senate that raised serious questions about possible special treatment received by Senator Faulkner from Sydney Water regarding the sewer related costs of some renovations at his private residence. For those senators who are not aware of the issue, Sydney Water put three options to Senator Faulkner relating to the effect that his extensions would have on the ability of his sewer to be utilised by two adjoining properties owned by Energy Australia.

Senator Robert Ray—Tell us about the panel beaters down at Collingwood.

Senator ALSTON—I would love to, and I will. I would like you to substantiate your allegations, and then I will respond to them. I am in a position to demonstrate that not only are you down in the gutter; you are fundamentally wrong.

Sydney Water put three options to Senator Faulkner relating to the effect that his extensions would have on the ability of his sewer to be utilised by two adjoining properties owned by Energy Australia. Each of the three options put forward by Sydney Water involved Senator Faulkner having to pay up-front for either an extension of the sewer or its disuse. However, it transpired after a deal of, in Senator Faulkner’s words, ‘argy-bargy’ that Senator Faulkner did not pay a cent for the extension. Certainly, he paid for the concrete encasement of his own sewer, but the documentation provided to the Senate made it totally clear that Sydney Water paid $8,000 for a 7.5-metre extension of Senator Faulkner’s sewer to the adjoining allotment. The Sydney Water documentation made it clear that the extension paid for by Sydney Water did not meet the earning seven per cent target return capital investment criteria. And how could it, because Energy Australia, as the owner of the adjoining block, had written to Senator Faulkner only days before saying that it had absolutely no plans to change the current usage of its land and no requirement for any sewer connection.

So we had a situation where three options were put to Senator Faulkner, as the owner of the property, all of which required him to bear up-front responsibility for the cost of the extension works. Then some so-called ‘argy-bargy’ occurred, and Sydney Water appears to have capitulated and let Senator Faulkner off scot-free for the extension. During my speech three weeks ago, I called on Senator Faulkner to provide a full explanation of this situation. I asked him to ex-
plain why he had previously told the Senate that he paid for a sewer extension when all the documentation indicates that he did not. I asked him to explain what exactly he meant by his reference to ‘frustrating argy-bargy’ with the bureaucracy and whether he used his public position to exert political influence for private gain.

I wish to indicate to the Senate that, to my knowledge, it has also been alleged that Senator Faulkner actually contacted a senior minister in the New South Wales government, complaining about the sewerage related cost to the renovation. I am also informed that an instruction to fix Senator Faulkner’s property was being given. These are very serious matters. I have already tabled a number of documents. There are additional documents that also bear on some of these serious issues surrounding Senator Faulkner’s behaviour. I find it extraordinary that, in the three weeks since I put down these matters of concern and invited Senator Faulkner to clarify the situation, what seems to have occurred is that he got Senator Ray to go through it with a fine-tooth comb and they made a strategic judgment that, because there are a lot of other issues around, somehow they would be able to skate through.

I simply want to put Senator Faulkner on notice that, unless he is prepared to respond to these matters by Monday next, the only way forward I can see is for this matter to be referred to the Independent Commission Against Corruption in New South Wales. I am inviting Senator Faulkner to indicate that there may well be some very unexceptional explanation for why Sydney Water paid the $8,000 cost of his sewer extension and why Sydney Water’s own—

Senator Robert Ray—And how much did he pay, Richard?

Senator ALSTON—You obviously have not been listening. I said in respect of the extension to the adjoining allotment. He paid for the encasement of his own sewer. You know that. Senator Ray is obviously very familiar with this matter, which I think throws a lot of light on why Senator Faulkner has chosen not to respond. Why hasn’t he?

Senator Robert Ray—To a sleaze-bag like you?

Senator ALSTON—‘To a sleaze-bag like you?’ Is the explanation for why documents showing that there is a case to answer are not responded to because he does not respond ‘to a sleaze-bag like you’?

The ACTING DEPUTY PRESIDENT (Senator Bartlett)—Order! Senator Ray, please withdraw that particular description.

Senator Robert Ray—I withdraw.

Nursing Homes: Young Disabled

Senator ALLISON (Victoria) (7.06 p.m.)—I rise to speak, once again, on the failure of the federal government and of state governments to address the very serious problem of accommodating young people with disabilities and degenerative neurological disease. Last time, I focused on Australians with acquired brain injuries forced to live in nursing homes because there is no other suitable accommodation. Another group very seriously in need of alternative accommodation is young Australians with multiple sclerosis. No doubt other senators and members have received letters from young Australians who have been diagnosed with the disease and whose condition is deteriorating to the point where they recognise they will have to look at alternative accommodation and support. In fact, two-thirds of younger nursing home residents have a degenerative neurological disease. These young Australians speak with dread and abhorrence of the knowledge that they will be required to live, some of them for many years, in aged care facilities.

I am as disillusioned now by this government’s response as I was last year and the first time I raised this matter about five years ago. Minister Bishop says that the issue of young people in nursing homes is essentially
a state responsibility and should be addressed by the increase in funding to disability services. Indeed, the minister says on the department’s web site:

Younger people with disabilities are entitled to enter aged care facilities. This entitlement should however only be exercised if, and only if, they need the intensity, type and model of care provided in such facilities and no other more appropriate service is available.

Minister, there are no other alternative appropriate facilities. They do not exist, because this government and the previous Labor government have not provided them. It is not good enough, I would argue, to cite the rhetoric of the web site that ‘entry to this type of care should therefore be approved only after all other care alternatives have demonstrably been exhausted’. It is pretty easy to exhaust those alternatives because, as I have said, there are none. It is very easy to put those kinds of words on a web site.

People I speak to are surprised and very alarmed to learn that there are young people in our nursing homes. Many young MS sufferers find out this cold, hard fact only when they learn that they have the disease. They do not want to live in aged care facilities. They want to live full, independent and dignified lives for as long as possible in their own homes and when this is not possible in suitable residential or hospital accommodation specifically designed for their age and the needs of their disability.

MS patients are often healthy, intelligent and vibrant people in spite of being chained down to beds or wheelchairs. They often have very energetic brains with high intelligence and emotional energy. Generally, their bodies fail well before their minds do, and by condemning them to nursing homes we render their lives wretched. They become depressed at the prospect of living in nursing homes, largely surrounded for the rest of their lives by those who are dying or demented. They cannot live at home unattended and most could under no circumstances afford the 24-hour caregivers that they need. Many of them consider suicide.

The solution is not difficult but it is more costly: supported living in units or small homes where people with MS can live together, interact socially and provide support for each other while at the same time receiving the high level of care that they require. Australians who suffer a traumatic brain injury or who face severe disablement such as MS and their families are in crisis in this country. When support services are needed there are no real choices in the community.

As I said earlier, it is particularly concerning to read the letters sent to me by young Australians diagnosed with MS who report fear that in the next few years they will be forced to live in nursing homes. There is not one of us here who would welcome this kind of incarceration. You would not be able to mix socially with your peers, enter into discussions about current events, listen to your own music or form intimate social or sexual relationships. You could not study. There are no computers, Internet or electronic media facilities available. Your cognitive and intellectual skills are not recognised or developed. Necessary services such as physiotherapy are generally not available. In essence, you slowly stagnate because of a lack of social, physical and intellectual stimulation.

As we know, nursing homes increasingly house very frail elderly people often with severe physical or dementia related problems. The reality is that these people live a relatively short time in nursing homes, very often for only the last few months of life. The unsuitability of nursing homes for young disabled people is by no means a criticism of nursing home operators. I want to make that clear. Many recognise that problems exist and they work with residents, advocates and carers to try to create a more suitable accommodation model for young people with disabilities. But the reality is that staff employed in these places are not necessarily trained for dealing with MS or for the challenging work of caring for head injured people. It is more costly, as I said, to care for someone with MS or a head injury. It is estimated that it can cost $65,000 to $85,000 a year to care for such people. Compare that with the nursing home operating subsidy of $42,500 for aged care.
For a young person with MS to know that they will soon be placed in this situation can lead to a loss of self-respect and indeed to terror. One of my constituents wrote to me in despair recently, saying, ‘I hope by the time I’m that bad, there will be somewhere for me to go.’ Placing such people in nursing homes is also, I would argue, unfair to the elderly—very often frail elderly—people who are there. Australians can at any time acquire a brain injury, and this frequently leads to challenging behaviours. The frail elderly are often disturbed by the behaviour of such people. Nursing home staff ratios are smaller than they need to be for specialised accommodation. The young daughter of a brain injured man said that putting her father into a nursing home was like putting a preschool kid into high school. She added that she was not trying to change the world or stop world hunger; all she wanted was to see her dad in nice, suitable surroundings where the family were all comfortable spending time together.

Drug related acquired brain injury will place further demands on an already critical situation in this country. It is my understanding that heroin and other drug induced brain damage is on the rise in this country. Nearly 10,000 patients are treated in Victorian hospitals alone each year for overdoses, and many of these people will end up with brain damage in their late teens or early 20s. The majority of these are men, destined to spend the rest of their lives in nursing homes unless we can find better alternatives. This new ‘disease’ will burden the nursing home system.

It seems to me that this accommodation issue is largely about dignity. It is about providing stimulating activities and programs for people who are not sick or dying but injured. It is about providing friendly places where families can easily visit and relax. It is about providing social support and ensuring socialisation outside the institution. It is about providing people with acquired physical disabilities and brain injury with the care options most suitable to their needs.

The MS Society says that 300 young people with MS are in nursing homes. As I said earlier, the solution is not difficult. It simply requires governments to be committed to spending funds to develop alternative accommodation. Nor do we have far to look for examples of successful modelling of assisted living programs. The Dutch and Scandinavian countries have such systems designed to provide housing, nursing care and sheltered services for young disabled. Current assisted living in these countries allows greater independence than nursing homes while providing care and services not available in an independent living situation and they can include medication management, dressing, grooming, bathing, escorts, status checks, socialisation, physical conditioning, community involvement, emergency response, meals, transportation and housekeeping.

Assisted living was originally created for the frail elderly and is patterned after Dutch and Scandinavian systems designed to provide housing and sheltered services. Similar programs have been trialed in Western Australia with community based accommodation for young disabled. Similar programs of assisted living for younger disabled allow greater independence than nursing homes. As I said earlier, I am touched by the fear and pleading of the letters to me. I am disappointed that I cannot offer these young Australians a greater hope. This issue remains high on the Democrats’ agenda. I call upon the government to develop solutions now and I call on Labor to make a similar commitment.

The MS Society says that there are a number of solutions that they would like us to look at. They say that the beds occupied by younger people need to be cashed out to allow the residents to move to more appropriate housing provided by the states so that new aged care beds can replace them. Cyril Jewell House is a nursing home in Keilor that has a wing for younger people with MS. It provides a much needed age appropriate service in the western suburbs of Melbourne. (Time expired)

Senator ALLISON—Mr Acting Deputy President, I seek leave to incorporate the last two points from that sheet.

Leave granted.

The remainder of the speech read as follows—
The WA Government successfully moved 100 young people out of nursing homes into the community in 1997. A similar deal needs to be negotiated in other states.

The TAC has established over 10 new facilities for younger people with high needs that provide excellent care. These need to be made available to people without compensation.

Faulkner, Senator John: Alleged Smear Campaign

Senator FAULKNER (New South Wales—Leader of the Opposition in the Senate) (7.17 p.m.)—I want to speak on a matter that I understand was raised by Senator Alston earlier in the adjournment debate tonight, although I must say that, as usual, Senator Alston did not do me the courtesy of indicating that he was going to address these matters. I understand that, for some five minutes, he managed to address an issue in relation to a sewer at my home. I suppose he spoke for half the time of a 10-minute adjournment speech. It is what you would expect from Senator Alston: he gave no indication that he was about to this, he just sleazed down to the chamber and probably made wild and unsubstantiated allegations. That is the way he does business. I will have a look at what he said sometime in the future. I repeat that I have not heard a word of what he said, but I have been told by my colleague Senator Ray what the subject of his speech was. This all arises from a source in Sydney Water, a well-known Liberal Party identity who has tried to malign a range of people in the Labor Party, including members of the federal parliament, members of the state parliament—

Senator Robert Ray—It’s time to name them.

Senator FAULKNER—I will not name the individual at this stage. Senator Ray. But I think it is well known to many in the Sydney Water Corporation. This is an issue that occurred in August 1996 in the course of renovating my house because of a Sydney Water sewer main which actually terminated in my backyard. I received initial advice from a Sydney Water representative at an on-site meeting on 13 August—I was not there, but people representing me were there—which was that, in order to avoid building over the sewer by a very small amount, a the sewer by a very small amount, a two-foot section of this sewer line ought to be disused. That is what this whole issue is about. ‘Disused’ means shortened. A two-foot long section of the sewer could be disused and you create a new terminal and new connections. That is what was agreed at an on-site meeting.

My partner was subsequently advised that the sewer main in fact would need to be extended right underneath the new part of the dwelling into an adjoining vacant property. It is a crucial point: it is not my sewer line that apparently Senator Alston seems so obsessed about; this is actually the board’s sewer line. The sewer was to adjoin a property that is next door to my own—a vacant property on the other side of my house. It is still a vacant property on the other side of my house. That was to try and facilitate sewerage service to any possible future development of that particular block of land. It is owned by Energy Australia, as we have heard from Senator Alston before in the chamber. It is used as an electricity substation. But Sydney Water said, ‘You don’t have to do that if the owners of the block say that they don’t want the block joined up to the sewer.’ They did tell me that. They wrote to me and indicated that they did not require the sewer line to go through to that vacant property, because they had no plans to change the usage of the property and they did not require any sewerage provision. So I thought, again, that the issue had been solved.

First of all, I was told to move the thing two feet. Then I was told, ‘No, you can’t do that. It has got to go under your house to the next property unless the owners of that property say they don’t want a sewer line.’ And that is what they said. But still, I was told, ‘You actually have to put the sewer line under your house.’ This advice came from Sydney Water at a time when the renovations on my house were very well advanced. In fact, the house was open to the elements. Obviously, I wanted to resolve the matter as quickly as possible. Any normal person would. My builder, my partner and—to a lesser extent—my architect were also involved in this matter. There were significant costs involved in this extension of the sewer
line. Senator Alston has tabled all this documentation that goes to the options that he has spoken about previously in this place for dealing with this matter, which were provided by letter to my partner at that particular time.

There was no indication in that correspondence, as I recall, but Senator Alston knows a great deal more about these matters than probably I do because, after all, he has had access to these documents, which is an interesting issue in itself. These matters were discussed at an on-site meeting on 29 August 1996. I was not there but it was attended by representatives of Sydney Water, my builder and my partner. At that meeting they discussed those options. I do not have any record of being informed by Sydney Water of the outcome. I was not happy for this to occur. I did not want it to occur. I did not want to extend a sewer line under my house. I was told that I had to move the sewer line two feet in the first instance but was then told I had to put it under my house unless the owners of a vacant block said that they did not want it. So I was told to put a sewer line under my house to link a vacant block to the board’s sewerage system, unless the owners of the vacant block said they did not want the sewer. They said they did not want the sewer, but I had to do it anyway. That is what this issue is all about.

It is true that I paid by way of a variation to the building contract at the time at least $3,000 and possibly up to $8,000 towards that work. Of course, I paid what I was expected to pay in these extraordinary circumstances—and I kept on paying. I kept on paying not just hundreds of dollars, not just thousands of dollars but tens of thousands of dollars. I did not receive any benefit from this agreed solution to the problem. I ended up paying thousands of dollars towards providing a sewerage service to a vacant block of land which houses an electricity substation—the owners of which said to me that they did not want the sewer—having been told in the first instance that all we had to do was move the end point of the sewer two feet. Of course, the owners of the vacant block of land, which is still vacant—there is a sewer manhole sitting there just at the edge of the property—said that they had no intention of changing the use of the block and had no requirement for a sewerage service. But still it was built.

The excavation for the sewer caused severe drainage and run-off problems which, over the following two years, cost me in excess of $22,000 to stop flooding in my house. What did I do about that? Did I sue any of the utilities or the people involved? As a public office holder, of course I would not do that. No, I did not do that; I took out a second mortgage on my home. No doubt Senator Alston has checked the pecuniary interests register to see that that is the case. That is what I did. I took out a second mortgage on my home because of the costs to me in relation to damage to my house and property caused by a sewer main that I was told first of all I did not have to build, then I was told I did have to build it but that I would not have to put it under my house unless the owners of a vacant block of land said that it was not required. They said it was not required but Sydney Water made another decision that it had to be built anyway.

That is what this story is all about and that is what Senator Alston seems to be so obsessed about. He really is in the sewer, isn’t he? This is the best that Senator Alston and the Liberal Party can do: go into someone’s private affairs, find out that they have spent thousands of dollars to solve a problem that is entirely personal, entirely domestic, but not address the real issues. It just has not washed. Senator Alston has been running around the gallery for weeks with his staff trying to get some interest in this. It will not wash, Senator Alston. There is no interest, there is no story apart from your own grubby, despicable, contemptible, sleazy behaviour.

Faulkner, Senator John: Alleged Smear Campaign

Senator ROBERT RAY (Victoria) (7.27 p.m.)—I want to address the same issues as Senator Faulkner, only because Senator Alston threw a couple of challenges across the room. He said, ‘This must be serious if Senator Ray knows about it.’ It is not. It would not surprise anyone in this chamber that, with this issue floating around by way of interjection from those wonderful senators
Heffernan and Alston, Senator Faulkner would consult me and take me through the issues, and he did! He took me through all the documents, all the financing, et cetera.

The irony of Senator Faulkner ‘behaving improperly’ is that he, like anyone else, has to fight some state bureaucracy. We have all been through it with plumbers or sewerage or electricity or something. Do we give up all rights when we become an MP to at least stand our ground on these issues? The end result of this of course is that Senator Faulkner has to pay several thousand dollars more to extend the sewerage pipes. They botch that particular procedure, so then the house floods consistently and he has to spend another $22,000 getting that remediated for an extension that he never wanted but Sydney Water forced on him. And then he has to come in here and answer accusations that he has done the wrong thing. It is well known in Sydney that this particular Liberal identity and Sydney Water have smeared a whole range of people—they have gone into files. What this woman told Senator Alston and journalists was that Senator Faulkner had never spent a cent. This is an absolute and total lie, but that is what has been put out by this particular individual.

I have said before that the worst thing in politics is defending yourself when you are innocent. That is the hardest thing. But we can all play that game. I asked Senator Alston by way of interjection why he took his taxpayer funded car down to the panel beaters at Collingwood, got it repaired and paid for it in cash? He said he would address that issue. He did not address that issue tonight. I am sure he has an innocent explanation. The explanation from the panel beaters was that he was trying to dodge paying GST. Rubbish! If it was his Commonwealth funded car, he could get it repaired at Commonwealth expense with full GST payable, so he is obviously not into any GST dodges here. I have got no idea whether the story is right or not, but I do not mind floating it around with the sort of garbage that we have heard from Senator Alston tonight. He accuses people of sleazing into the adjournment. There is no other time in which to raise these issues.

Senate adjourned at 7.30 p.m.
QUESTIONS ON NOTICE

The following answers to questions were circulated:

Environment and Heritage Portfolio: Missing Laptop Computers
(Question No. 3744)

Senator Faulkner asked the Minister for the Environment and Heritage, upon notice, on 25 July 2001:

(1) Have there been any laptop computers lost or stolen from the possession of any officer of the department and/or any agencies within the portfolio during the 2000-01 financial year; if so: (a) how many have been lost; (b) how many have been stolen; (c) what is the total value of these computers; (d) what is the average replacement value per computer; and (e) have these computers been recovered or replaced.

(2) Have the police been requested to investigate any of these incidents; if so: (a) how many were the subject of police investigation; (b) how many police investigations have been concluded; (c) in how many cases has legal action been commenced; and (d) in how many cases has action been concluded and with what result.

(3) How many of the lost or stolen computers had, departmental documents, content or information other than operating software on their hard disc drives, floppy disc, CD Rom or any other storage device.

(4) How many of the documents etc. referred to in (3) were classified for security or any other purpose and, if any, what was the security classification involved.

(5) (a) How many of the documents etc. referred to in (3) have been recovered; and (b) how many documents etc. referred to in (4) have been recovered.

(6) What departmental disciplinary or other actions have been taken in regard to the computers in (1) or in relation to the documents etc. referred to in (3) and (4).

Senator Hill—The answer to the honourable senator’s question is as follows:

The details provided relate to laptop computers only.

(1) Yes

(a) One from the Bureau of Meteorology, lost from the baggage compartment on a plane flight

(b) Fifteen were stolen under the following circumstances:

- Unlawful entry into offices: 7
- Theft from hotel room during overseas visit: 1
- Forced entry into offices: 3
- Theft from a vehicle: 1
- Theft from homes: 3

Details of circumstances follow:

Environment Australia: Two laptops were stolen from an equipment store in Departmental premises.

Bureau of Meteorology: Three laptops were stolen following a break-in at the SA Regional Office, one laptop was stolen from a vehicle in SA, one laptop was stolen from a cooperative observer’s home in Tasmania, one laptop was stolen from the Radar Workshop in Collingwood, one laptop was stolen from the National Climate Centre prior to a new access system being implemented and two laptops were stolen from homes occupied by staff members.

Antarctic Division: One laptop was stolen from a hotel room during an overseas visit and three were stolen from the Glaciology Section located in a University of Tasmania building.

(c) Total value $70,729

(d) $5,830

(e) No computers have been recovered. Thirteen computers have been replaced.

(2) Yes
(a) Three of the Antarctic Division’s incidents were attended by Tasmanian police and one by Dutch police; police attended eight of the nine Bureau of Meteorology incidents;
(b) All incidents have been concluded to the point of being filed pending further information;
(c) No legal action has been taken on any incident;
(d) All incidents remain open pending further information.

(3) Each computer stolen had documentation relative to the area to which it was assigned.
(4) One computer contained national (restricted) and non-national classified information (protected) but was protected by security software.
(5) (a) and (b) No documents have been recovered. Some documents were recreated from backup storage.
(6) All departmental officers have been instructed to lock laptop computers away at the close of business each day. Security patrols are required to report any lapses of this policy. In regard to the Bureau of Meteorology, officers have been reminded of the need to securely store laptops and to remain vigilant. Advice on the responsibilities in respect of public property has also been notified to staff across Australia. A further notice outlining responsibilities for public property stowed in vehicles and while staff are on duty away from the office, particularly operational field trips, will be issued. Environment Australia and the Antarctic Division will also look at providing further guidance to staff on their responsibilities for protecting public property. One officer was required to contribute to the replacement value. Qantas insurance paid for one laptop lost in transit.

Environment: Threatened Bird Species

(Question No. 3832)

Senator Brown asked the Minister for the Environment and Heritage, upon notice, on 8 August 2001:

(1) How many proposals for wind farms along the coasts of New South Wales, Victoria, South Australia and Tasmania have been referred to the Commonwealth for assessment under the Environment Protection and Biodiversity Conservation Act because of their potential impact on threatened bird species in particular, one of Australia’s most endangered birds, the Orange Bellied Parrot.
(2) What is the Commonwealth’s assessment of the cumulative effect of these proposals on threatened bird species, including the Orange Bellied Parrot population, which is estimated to be not more than 200 mature birds.
(3) Is the cumulative effect of these proposals on migratory threatened species being assessed before any of the proposals are approved under the Act; if not, why not.
(4) If the cumulative effect of these proposals is not being assessed, will the Minister immediately move to have the effect assessed before granting any approvals to wind farm applications in the migratory route of the Orange Bellied Parrot.

Senator Hill—The answer to the honourable senator’s question is as follows:

(1) Five proposals for wind farms along the coasts of Victoria, South Australia and Tasmania have been referred to Environment Australia in accordance with Section 68 of the Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act).
(2) Two proposals were decided as controlled actions under the EPBC Act. One is currently being assessed under the Act, the other was approved on 23 August 2001 with strict conditions to protect listed migratory species, following rigorous assessment of the action’s relevant impacts.
(3) Assessments and approvals under Parts 8 and 9 of the EPBC Act relate to individual actions. However, in assessing the relevant impacts of each action, stresses on a listed migratory species may be taken into account.
(4) No. As not all wind farm proposals invoke the provisions of the Environment Protection and Biodiversity Conservation Act 1999, it would be inappropriate for all such proposals to be assessed under the Act. However, wind farm proposals referred to me under the EPBC Act will require approval if they are likely to have a significant impact on a matter of national environmental significance in which case the relevant impacts of these proposals will be fully assessed.
Environment: Avian Migratory Routes  
(Question No. 3833)

Senator Brown asked the Minister for the Environment and Heritage, upon notice, on 8 August 2001:

(1) Can the Minister confirm that the site for the proposed wind farm at Woolnorth in Tasmania is located in one of two main avian migratory routes between Tasmania and mainland Australia and is known to be an important migratory route for more than 30 species of bird.

(2) Can the Minister confirm that a significant number of resident and migratory species of national, state and regional significance have been identified on and in the vicinity of the proposed site, including the nationally-listed Orange Bellied Parrot (critically endangered), the Wedge-tailed Eagle (endangered) and the soon to be listed White Bellied Sea Eagle.

(3) Can the Minister confirm that the predictive model that was developed to determine the impact on bird species is based on inadequate primary data, since it did not include nocturnal surveys or full migratory seasons and failed to take into account risks from turbulence around the towers and blades in spite of the known impact or turbulence in disrupting flight and causing disorientation in birds.

(4) Can the Minister confirm that the surveys on which the model was developed did not cover the full migratory seasons for key species, including the Orange Bellied Parrot, and in fact only around 13 per cent of the time the birds might be moving through the area on a northern migration was surveyed and only 7 per cent if it is assumed that birds move equally at night and only 7 per cent of available time for equal day and night movements on a southern migration.

(5) Does the Minister agree that any conclusions based on modelling developed from this primary data have no scientific validity and could in no way be relied upon to determine the likely impact of the wind farm on bird species like the Orange Bellied Parrot, the Tasmanian Wedge-tailed Eagle or the White Bellied Sea Eagle.

(6) Can the Minister confirm that the Wedge-tailed Eagle has a wingspan of approximately 1 metre; if so, does the Minister agree that the model which only considered birds up to fifty centimetres is invalid and contains flawed assumptions; and if so, does the Minister agree that the model should be rejected as having no scientific validity.

(7) Given the paucity of the primary data on bird usage of the Woolnorth site and the invalid nature of the model developed and hence conclusions drawn about bird impacts and mortality rates, will the Minister reject the proposal.

Senator Hill—The answer to the honourable senator’s question is as follows:

(1) The proposed wind farm site at Woolnorth is approximately 2km south of the Boulenger Bay area that is the most southerly summer feeding site for migratory waterbirds. The site falls within the northern and southern migration route for the Orange-bellied Parrot.

(2) In addition to the migratory Orange-bellied Parrot, there are records which show both the Wedge-tailed Eagle (nests) and the White-bellied Sea Eagle occur on the site.

(3) and (4) The information provided about the action and its relevant impacts was sufficient to enable me to make an informed decision whether or not to approve the action and, if so, under what conditions.

(5) No.

(6) Though the larger birds were not accounted for in the modelling it is possible to extrapolate from the data a percentage of mortality. The Wedge-tailed Eagle Recovery Team (WTERT) has suggested that the larger birds represent a 10% increase in avian mortality. This information can be factored into any decisions on monitoring or mitigation.

(7) On 23 August 2001 I approved the taking of this action, subject to strict conditions to protect listed migratory species and listed threatened species including the Orange Bellied Parrot and the Wedge-tailed Eagle.

Job Network Providers: Overpayments  
(Question No. 3853)

Senator Jacinta Collins asked the Minister representing the Minister for Employment Services, upon notice, on 23 August 2001:
(1) How many overpayments to Job Network providers for the provision of JN2 services have been identified by the department since the commencement of JN2.

(2) Which Job Network providers have been the recipients of any identified overpayments.

(3) To what services, for each of the providers referred to in (2), do those overpayments relate.

(4) Have all the identified overpayments been recovered by the department.

(5) What is the total figure for all identified overpayments by the department to JN2 providers.

(6) What is the figure for each individual provider.

Senator Alston—The Minister for Employment Services has provided the following answer to the honourable senator’s question:

(1 to 6) 0.28% of total payments were identified as overpayments. They are in the process of recovery. At 28 August 2001 the amount remaining to be recovered was $187,000.

Australian Workplace Industrial Relations Survey
(Question No. 3856)

Senator Murray asked the Minister representing the Minister for Employment, Workplace Relations and Small Business, upon notice, on 27 August 2001:

With reference to the Australian Workplace Industrial Relations Survey (AWIRS), which has been an important source of valuable research information since the first survey in 1990; given that the survey has not been repeated since 1995:

(1) Does the Government accept that a further survey will provide important evidence around which to devise policy and review its effectiveness.

(2) Can the Minister advise when a further survey will occur, and what processes of consultation the Government will undertake to ensure that all parties with an interest have the opportunity to comment on the construction of the study (including law makers, employer and employee organisations, community groups and researchers).

Senator Alston—The Minister for Employment, Workplace Relations and Small Business has provided the following answer to the honourable senator’s question:

(1) Yes. The Government is well aware of the comprehensive and statistically reliable workplace relations data provided by the two previous Australian Workplace Industrial Relations Surveys (AWIRS). These data have been of considerable value in providing empirical support for many of this Government’s reform packages.

(2) In respect of a future survey, I have recently begun the process of initiating a third AWIRS. As with the previous AWIRS, it is envisaged that the consultative process will provide all relevant parties with the opportunity to contribute to the construction of the survey.
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