INTERNET
The Journals for the Senate are available at:
Proof and Official Hansards for the House of Representatives, the Senate and committee hearings are available at:

SITTING DAYS—2002

<table>
<thead>
<tr>
<th>Month</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>February</td>
<td>12, 13, 14</td>
</tr>
<tr>
<td>March</td>
<td>11, 12, 13, 14, 19, 20, 21</td>
</tr>
<tr>
<td>May</td>
<td>14, 15, 16</td>
</tr>
<tr>
<td>June</td>
<td>17, 18, 19, 20, 24, 25, 26, 27</td>
</tr>
<tr>
<td>August</td>
<td>19, 20, 21, 22, 26, 27, 28, 29</td>
</tr>
<tr>
<td>September</td>
<td>16, 17, 18, 19, 23, 24, 25, 26</td>
</tr>
<tr>
<td>October</td>
<td>14, 15, 16, 17, 21, 22, 23, 24</td>
</tr>
<tr>
<td>November</td>
<td>11, 12, 13, 14, 18, 19, 20, 21</td>
</tr>
<tr>
<td>December</td>
<td>2, 3, 4, 5, 9, 10, 11, 12</td>
</tr>
</tbody>
</table>

RADIO BROADCASTS
Broadcasts of proceedings of the Parliament can be heard on the following Parliamentary and News Network radio stations, in the areas identified.

- **CANBERRA** 1440 AM
- **SYDNEY** 630 AM
- **NEWCASTLE** 1458 AM
- **BRISBANE** 936 AM
- **MELBOURNE** 1026 AM
- **ADELAIDE** 972 AM
- **PERTH** 585 AM
- **HOBART** 729 AM
- **DARWIN** 102.5 FM
SENATE CONTENTS

THURSDAY, 16 MAY

Notices—
  Presentation ................................................................................................... 1691
  Withdrawal .................................................................................................... 1692
Business—
  Rearrangement ............................................................................................... 1694
Notices—
  Postponement ................................................................................................ 1694
Family Court: Property Issues ............................................................................ 1694
Committees—
  Privileges Committee—Reference ................................................................. 1695
  Consideration of Legislation ......................................................................... 1695
  MV Tampa: Captain Rinnan ........................................................................ 1695
  Iraq: Military Action .................................................................................... 1695
  Health: Chronic Fatigue Syndrome ............................................................... 1695
  Environment: Mogo Charcoal Plant .............................................................. 1696
  Workplace Relations Amendment (Paid Maternity Leave) Bill 2002—
    First Reading ................................................................................................. 1696
    Second Reading ............................................................................................. 1696
  Reconciliation ..................................................................................................... 1701
  Superannuation: Commercial Nominees Of Australia Ltd ................................. 1701
  Restoration of Bills to the Notice Paper ........................................................ 1701
  Cracknell, Ms Ruth, AM ................................................................................ 1702
  East Timor: Independence ............................................................................. 1702
  Environment: Sandon Point Development ....................................................... 1702
  Environment: Climate Change ....................................................................... 1702
Budget—
  Consideration by Legislation Committees—Additional Information .......... 1703
  Aboriginal and Torres Strait Islander Commission Amendment Bill 2002—
    First Reading ................................................................................................. 1703
    Second Reading ............................................................................................. 1703
  Trade Practices Amendment (Small Business Protection) Bill 2002—
    First Reading ................................................................................................. 1704
    Second Reading ............................................................................................. 1704
  Bills Returned from the House of Representatives ........................................... 1705
Business—
  Rearrangement ............................................................................................... 1705
  Airports Amendment Bill 2002—
    Report of Rural and Regional Affairs and Transport Legislation Committee
  Governor-General’s Speech ............................................................................. 1705
  Workplace Relations Amendment (Fair Dismissal) Bill 2002—
    First Reading ................................................................................................. 1716
    Second Reading ............................................................................................. 1716
Budget: Disability Services ................................................................................ 1747
SENNATE CONTENTS—continued

Budget: Border Protection ................................................................. 1749
Budget: Veterans Pensions ............................................................... 1750
Budget: Rural and Regional Australia .............................................. 1751
Budget: Superannuation ................................................................. 1752
Budget: Disability Services ............................................................. 1753
Education: Australian National University Medical School ............... 1754
Taxation: Mass Marketed Schemes .................................................. 1755
Distinguished Visitors ......................................................................... 1756
Questions Without Notice—
  Budget: Australian Defence Headquarters ........................................... 1756
  Health: Pharmaceuticals .................................................................... 1757
  Budget: Disability Services ............................................................... 1758
  Health: Pharmaceutical Benefits Scheme .......................................... 1759
Questions Without Notice: Additional Answers—
  Education: Australian National University Medical School.................. 1760
Questions Without Notice: Take Note of Answers—
  Answers to Questions ....................................................................... 1761
Committees—
  Rural and Regional Affairs and Transport Legislation Committee—
    Reference ......................................................................................... 1767
  Reports: Government Responses ....................................................... 1767
Documents—
  Auditor-General’s Reports—Report No. 50 of 2000-01 ......................... 1783
  Tabling .............................................................................................. 1783
Committees—
  Legal and Constitutional Legislation Committee—Erratum .................. 1783
  Legal and Constitutional References Committee—Report ................... 1783
Documents—
  Research and Development Corporations ....................................... 1788
Committees—
  Membership ...................................................................................... 1789
  Environment, Communications, Information Technology and the Arts
    Legislation Committee—Extension of Time ......................................... 1789
Great Barrier Reef Marine Park (Boundary Extension) Amendment Bill 2002—
  Second Reading ................................................................................. 1789
Budget—
  Statement and Documents ............................................................... 1809
Committees—
  Legal and Constitutional Legislation Committee—Extension of Time .... 1824
Adjournment—
  Campbell, Mr Alec ........................................................................... 1824
  BresaGen Ltd .................................................................................... 1825
  Old Parliament House: Opening Ceremony .......................................... 1826
  Parliamentary Departments ............................................................... 1827
  Taxation: Mass Marketed Schemes ..................................................... 1828
  Campbell, Mr Alec ........................................................................... 1830
  Budget: Labor Party Response ........................................................... 1830
Documents—
  Tabling .............................................................................................. 1832
Questions on Notice—
  Parliamentarians’ Entitlements—(Question No. 17) ......................... 1833
Transport: Heavy Vehicles—(Question No. 40)............................... 1833
Transport: Heavy Vehicles—(Question No. 41)............................... 1834
Transport: Heavy Vehicles—(Question No. 42)............................... 1835
Transport: Heavy Vehicles—(Question No. 43)............................... 1835
Transport: Heavy Vehicles—(Question No. 44)............................... 1836
Transport: Heavy Vehicles—(Question No. 45)............................... 1836
Transport: Heavy Vehicles—(Question No. 46)............................... 1837
Transport: Heavy Vehicles—(Question No. 47)............................... 1837
Transport: Heavy Vehicles—(Question No. 48)............................... 1838
Parliamentarians’ Entitlements—(Question No. 85)......................... 1838
Minister for Transport and Regional Services: Air Charters—(Question
No. 161)...................................................................................... 1839
Minister for Transport and Regional Services: Air Charter Costs—
(Question No. 162)...................................................................... 1841
Finance and Administration Portfolio: Contracts—(Question No. 178) .. 1841
Trade: Fireworks Imports—(Question No. 243).................................. 1841
Kennedy Electorate: Program Funding—(Question Nos 254 and 273) .... 1843
The PRESIDENT (Senator the Hon. Margaret Reid) took the chair at 9.30 a.m. and read prayers.

NOTICES

Presentation

Senator Bartlett to move on the next day of sitting:

That there be laid on the table, no later than 3.30 pm on Monday 24 June 2002, by the Minister for Health and Ageing, a copy of the colony visit reports written relating to the recent visits of the Animal Welfare Committee to the National Health and Medical Research Council primate colonies.

Senator Tierney to move on the next day of sitting:

(a) congratulates the medical teams of the John Hunter and Mater Hospitals for their revolutionary stem cell trial;
(b) applauds the skill of Newcastle cardiologist Dr Suku Thambar and haematologist Dr Phil Rowlings for their world-first adult stem cell transfer;
(c) wishes Newcastle patient Jim Nicol the best in his recovery from the radical trial;
(d) encourages other countries to follow the lead of Newcastle doctors in performing trials on adult stem cells; and
(e) recognises the leading role that Newcastle and Hunter doctors are playing in medical research, both nationally and internationally.

Senator Tierney to move on the next day of sitting:

(a) notes that south-eastern Australia is the most fire prone region in the world;
(b) commends the support provided by the Howard Government to New South Wales in January 2002, in particular, the provision of aerial fire fighting equipment;
(c) expresses its concern that the state government is whitewashing the causes of the bushfire catastrophe of Christmas 2001 by just blaming pyromaniacs during the current bushfires inquiry;
(d) calls on the New South Wales Government to give serious consideration to the evidence of State Forests of NSW, which believes that inadequate back-burning was the primary cause of the devastating fires;
(e) rejects calls from the Nature Conservation Council to restrict hazard reduction;
(f) calls on the Carr Government to allow non-government committee members to receive witnesses’ submissions without having to first request them;
(g) encourages the inquiry to reach a conclusion based on evidence and not party politics resulting from pressure from extreme green groups; and
(h) hopes that the lessons learned from the bushfire inquiry will be shared to other state government so all Australians can avoid such an unnecessary disaster.

Senator Brown to move on Tuesday, 18 June 2002:

That the Senate—
(a) notes the recent return to the United States of America (US) of another of its citizens from detention in the military prison at Guantanamo Bay in Cuba; and
(b) calls for the immediate repatriation to Australia of Mamadouh Habib and David Hicks, the two Australian citizens being held by the US in the same military prison.

Senator Bartlett to move on the next day of sitting:

(1) That there be laid on the table, by the Minister representing the Minister for the Environment and Heritage (Senator Hill), at the end of each quarter after the commencement of this order, copies of all permit applications, permit decisions and permits issued, together with any conditions imposed, made in accordance with regulation 18 of the Great Barrier Reef Marine Park Regulations 1983, made in accordance with the Great Barrier Reef Marine Park Act 1975.
(2) For the purposes of this order, a quarter means a period of 3 months ending on 31 March, 30 June, 30 September and 31 December.

Senator Chapman to move on the next day of sitting:
That the Parliamentary Joint Committee on Corporations and Financial Services be authorised to hold a public meeting during the sitting of the Senate on Monday, 17 June 2002, from 7.30 pm, to take evidence in relation to an inquiry under paragraph 243(b) of the Australian Securities and Investments Commission Act 2001.

Withdrawal

Senator CALVERT (Tasmania) (9.32 a.m.)—At the request of Senator Tchen, I give notice that on the next day of sitting Senator Tchen shall withdraw Business of the Senate notice of motion No. 1 standing in his name for 11 sitting days after today for the disallowance of the Fuel Quality Standards Regulations 2001, as contained in Statutory Rules 2001 No. 236 and made under the Fuel Quality Standards Act 2000. I seek leave to incorporate in Hansard the Regulations and Ordinances Committee's correspondence concerning these regulations.

Leave granted.

The correspondence read as follows—


27 September 2001

Senator the Hon Robert Hill

Minister for Environment and Heritage

Parliament House

CANBERRA ACT 2600

Dear Minister

I refer to the Fuel Quality Standards Regulations 2001, Statutory Rules 2001 No. 236, that provide for the implementation of a national fuel standards scheme.

Paragraph 5(2)(b) provides that the fee payable on an application for approval for a variation of a fuel standard may be waived or reduced if the Minister thinks that the fee would cause financial hardship to the applicant. However, no criteria are specified for determining financial hardship. The Committee therefore seeks your advice on whether any criteria have been determined and, if so, whether these should be specified in the Regulations.

Paragraph 5(2)(c) provides that the fee must be refunded if the application is withdrawn before it is considered. It is not clear how an applicant will know when an application is to be considered. That is, it is not clear how long a period an applicant will have to be able to withdraw an application before losing the benefit of a fees refund. An associated problem is that it is not clear what is meant by the term ‘considered’. Does it mean ‘considered by the Minister’? The Committee would appreciate clarification of these matters.

The Committee would appreciate your advice as soon as possible but before 29 October 2001 to enable it to finalise its consideration of these regulations. Correspondence should be directed to the Chair, Senate Standing Committee on Regulations and Ordinances, Room SG 49, Parliament House, Canberra.

Yours sincerely

Helen Coonan

Chair

12 March 2002

The Chair

Senate Standing Committee on Regulations and Ordinances

PARLIAMENT HOUSE

CANBERRA ACT 2600

Dear Senator

I am writing in response to the letter from the former Chair of the Committee, Senator Coonan, dated 27 September 2001, which sought advice about two aspects of the Fuel Quality Standards Regulations 2001 (the Regulations).

Firstly, Senator Coonan asked whether any criteria had been determined by which ‘financial hardship’ would be assessed under paragraph (b) of sub-regulation 5(2) of the Regulations. I am pleased to advise that decisions will be made in accordance with criteria specified in the Procedures Manual for Approvals. The Manual was finalised after consideration by the Fuel Standards Consultative Committee on 15 October 2001, and is accessible at http://www.ea.gov.au/atmosphere/transport/fuel/approvalsmanual/application.html#1.2.3. Subsection 2.3.2 of the Manual provides as follows:

"The criteria by which the Minister may assess whether the fee would cause financial hardship include the following:

- Whether the applicant has readily accessible finances to pay the fee;
- Whether the applicant is applying for an approval on behalf of a fuel supplier that has readily accessible finances to pay the fee;
- Whether the applicant is a not-for-profit organisation and/or has income or generates
profits, and the amount of that income or those profits;
• Whether the applicant is likely to receive financial benefit if the approval were to be granted and when this is likely to accrue;
• Whether the applicant has incurred significant expense in relation to the application prior to submitting an application (such as for testing claims); and
• Whether the applicant has provided information which establishes that the payment of the fee would cause financial hardship in the circumstances.

The acting Assistant Secretary in the Atmosphere and Sustainable Transport Branch in my Department has advised me that a proposed authorisation is being prepared which, when approved, will enable him, or the Assistant Secretary, Sustainable Industries Branch, to make decisions about requested fee waivers and reductions on my behalf, in accordance with the criteria specified in the Manual. Such an authorisation is intended to ensure that decisions about fee waivers and reductions will be made and communicated to applicants within the statutory timeframe.

Secondly, Senator Coonan asked how an applicant would know when their application had been considered, should they wish to withdraw their application and claim a refund of the fee paid. Senator Coonan also sought clarification of the term “considered”, and asked whether it means “considered by the Minister”.

The Approvals Manual provides the following, also at subsection 2.3.2:

“If an applicant withdraws the application before it is considered, any application fee paid must be refunded (paragraph 5(2)(c) of the Regulations). As a general principle, applications withdrawn within 14 days of their submission, will be taken not to have been “considered”. In exceptional circumstances the application fee may be refunded past the 14-day “window” but only if the Commonwealth has not incurred financial obligations as a result of the application having been submitted.”

A Departmental officer will be assigned to work on each application for approval, before it is considered by the Fuel Standards Consultative Committee and the Minister. Should an applicant wish to withdraw their application they would have a Departmental contact officer to communicate with regarding their application.

Should you have further questions in relation to these matters, please do not hesitate to contact Mr Graeme Marshall, a/g Assistant Secretary, Atmosphere and Sustainable Transport Branch, Environment Australia (graeme.marshall@ea.gov.au, ph. 6274 1581).

Yours sincerely
DAVID KEMP

14 March 2002
The Hon David Kemp MP
Minister for Environment and Heritage
Parliament House
CANBERRA ACT 2600
Dear Minister
Thank you for your letter dated 12 March 2002 responding to the Committee’s concerns with the Fuel Quality Standards Regulations 2001.

In your response you advised that decisions concerning ‘financial hardship’ and the refund of an application fee would be determined by criteria specified in the Procedures Manual for Approvals. Notwithstanding your advice, the Committee is of the view that it would be more appropriate for the criteria contained in the manual to be included in the regulations.

The Committee also notes that subsection 1.3.2 of the manual allows, in ‘exceptional circumstances’, for a refund of an application fee beyond the time it would have been taken not to have been ‘considered’. The regulations do not appear to provide for this discretion. Paragraph 5(2)(c) merely states:

if the applicant withdraws the application before it is considered, any application fee must be refunded.

The manual also provides no guidance as to what may be considered ‘exceptional circumstances’, who may make a decision to approve the refund in these instances and whether a person may seek a review of such a decision. The Committee considers that the regulations do not reflect the practice in the manual and that paragraph 5(2)(c) should be amended to clarify the operation of the provision.

Given the passage of time, the Committee would appreciate your urgent advice on these matters to enable it to finalise its consideration of these regulations. Correspondence should be directed to the Chairman, Senate Standing Committee on Regulations and Ordinances, Room SG 49, Parliament House, Canberra.

Yours sincerely
Tsebin Tchen
Chairman
16 April 2002
Senator Tsebin Tchen
Chairman
Standing Committee on Regulations and Ordinances
Room SG49
Parliament House
CANBERRA ACT 2600
Dear Senator Tchen


The Committee is also concerned that decisions concerning ‘financial hardship’ should be determined by criteria specified in the Regulations, and not just in accordance with the criteria specified in the Procedures Manual for Approvals. The Committee has also suggested that paragraph 5(2)(c) of the Regulations and the Procedures Manual should be amended so that operation of the refund provision in the Regulations is clarified and a review mechanism is included.

Officers in my Department have discussed these issues with the Office of Legislative Drafting and have agreed that amendments to the Regulations will be drafted as soon as possible. The proposed amendments will insert the criteria specified in the Manual into the Regulations, and clarify the operation of what will become a reviewable decision regarding refunds of application fees. My Department will issue drafting instructions for the necessary amendments as soon as practicable.

If you have any other concerns or questions regarding the Regulations I would be pleased to provide further advice.

Yours sincerely
DAVID KEMP

BUSINESS
Rearrangement

Senator IAN MACDONALD (Queensland—Minister for Forestry and Conservation) (9.33 a.m.)—I move:

That government business order of the day no. 5 (Student Assistance Amendment Bill 2002) be considered from 12.45 pm till not later than 2 pm today.

Question agreed to.

Senator IAN MACDONALD (Queensland—Minister for Forestry and Conservation) (9.34 a.m.)—I move:

That the order of general business for consideration today be as follows:

(a) general business order of the day no. 17 (Great Barrier Reef Marine Park (Boundary Extension) Amendment Bill 2002); and

(b) consideration of government documents.

Question agreed to.

NOTICES
Postponement

Items of business were postponed as follows:

Business of the Senate notice of motion no. 3 standing in the name of Senator O’Brien for today, relating to the reference of a matter to the Rural and Regional Affairs and Transport References Committee, postponed till 17 June 2002.

Business of the Senate notice of motion no. 1 standing in the name of Senator Murray for today, relating to the reference of matters to the Community Affairs References Committee, postponed till 18 June 2002.

Business of the Senate notice of motion no. 2 standing in the name of Senator Brown for today, relating to the disallowance of the Christmas Island Space Centre (APSC Proposal) Regulations and the Christmas Island Space Centre (APSC Proposal) Ordinance, postponed till 17 June 2002.

General business notice of motion no. 10 standing in the name of Senator Murphy for today, relating to the establishment of a select committee on forestry and plantation matters, postponed till 17 June 2002.

FAMILY COURT: PROPERTY ISSUES

Senator GREIG (Western Australia) (9.35 a.m.)—by leave—I move:

That the Senate—

(a) notes the recent meeting of state attorneys-general and, in particular, notes the willingness by the state attorneys-general to transfer their powers to have property issues for de facto couples settled in the Family Court; and
(b) calls on the Government in bringing forward legislation on this matter to ensure that:

(i) such federal legislation will in no way limit existing rights under state legislation, and

(ii) an equitable legislative regime is proposed which eliminates any disadvantage or discrimination against all de facto couples whether they are of the same or opposite sex.

Question agreed to.

COMMITTEES

Privileges Committee

Reference

Senator COOK (Western Australia) (9.36 a.m.)—I move:

That the following matter be referred to the Committee of Privileges:

Having regard to the matter submitted to the President by the Select Committee on a Certain Maritime Incident, whether there was any attempted or actual interference with a witness before the committee in respect of the witness’ evidence, and whether any contempt of the Senate was committed in that regard.

Question agreed to.

BUSINESS

Consideration of Legislation

Senator IAN MACDONALD (Queensland—Minister for Forestry and Conservation) (9.37 a.m.)—At the request of Senator Ian Campbell, I ask that government business notice of motion No. 1 standing in the name of Senator Ian Campbell for today, relating to the consideration of bills in the committee of the whole, be taken as formal.

The PRESIDENT—Is there any objection to this motion being taken as formal?

Senator Brown—Yes.

The PRESIDENT—There is an objection.

MV TAMPA: CAPTAIN RINNAN

Senator ALLISON (Victoria) (9.37 a.m.)—I move:

That the Senate—

(a) notes that:

(i) Arne Rinnan, captain of the Norwegian vessel MV Tampa is making his final journey to Australia in May 2002 before retiring, and

(ii) the City of Port Phillip, with the support of Australians for Just Refugee Programs, is hosting a Tampa tribute ceremony and concert on Thursday, 16 May 2002, to thank Captain Rinnan and his crew for the care and decency shown to 438 people rescued at sea in August 2001; and

(b) thanks Captain Rinnan for his principled efforts and wishes him well in his retirement.

Question agreed to.

IRAQ: MILITARY ACTION

Senator STOTT DESPOJA (South Australia—Leader of the Australian Democrats) (9.38 a.m.)—I move:

That the Senate—

(a) notes speculation about possible military action in Iraq; and

(b) calls upon the Government to refrain from committing to any military involvement without first putting any proposed commitment to the Senate for debate.

Question negatived.

HEALTH: CHRONIC FATIGUE SYNDROME

Senator ALLISON (Victoria) (9.39 a.m.)—I move:

That the Senate—

(a) notes that:

(i) the Commonwealth-funded guidelines for general practitioners for the treatment of Chronic Fatigue Syndrome (Clinical Practice Guidelines on CFS/ME) were published on 6 May 2002 by the Royal Australasian College of Physicians (RACP),

(ii) these guidelines were compiled following 6 years of consultation with health professionals and Chronic Fatigue Syndrome sufferers, and

(iii) the guidelines are not supported by consumer organisation CFS/ME Victoria, as they are not representative of the consultation
process, ignored much of the consumer input, have incorrectly concluded that this illness is fundamentally psychological and have produced treatment plans that are consequently inadequate; and

(b) urges the Government to call for an immediate review of the guidelines by the RACP with a view to replacing them with more comprehensive guidelines reflecting a more representative view of the analysis of CFS/ME and possible treatments.

Question agreed to.

ENVIRONMENT: MOGO CHARCOAL PLANT

Senator BROWN (Tasmania) — I move:

That the Senate condemns the approval of the charcoal plant at Mogo near Batemans Bay, New South Wales, because it is a polluting, unsustainable development which is based on a massive new logging operation that will have a severe effect on south coast communities and, in particular, their economic security, lifestyle and amenities, and the local environment.

Question put.

The Senate divided. [9.44 a.m.]

(The President—Senator the Hon. Margaret Reid)

Ayes.......... 11
Noes.......... 41
Majority....... 30

AYES

Allison, L.F. Bourne, V.W. * Cherry, J.C. Harris, L. Murray, A.J.M. Stott Despoja, N.

NOES


* denotes teller

Question negatived.

WORKPLACE RELATIONS AMENDMENT (PAID MATERNITY LEAVE) BILL 2002

First Reading

Senator STOTT DESPOJA (South Australia—Leader of the Australian Democrats) — I move:

That the following bill be introduced: A Bill for an Act to provide paid maternity leave, and for related purposes.

Question agreed to.

Senator STOTT DESPOJA (South Australia—Leader of the Australian Democrats) — I move:

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

Question agreed to.

Bill read a first time.

Second Reading

Senator STOTT DESPOJA (South Australia—Leader of the Australian Democrats) — I move:

That this bill be now read a second time.

I seek leave to table the explanatory memorandum and to have the second reading speech incorporated in Hansard.

Leave granted.

The speech read as follows—

Today I introduce Australia’s first legislation to establish a system of paid maternity leave. I do so in response to the Government’s complete failure to respond to the growing support in Australia to catch up with our trading partners and provide a basic level of paid maternity leave for working women when they have a baby.

The budget’s silence on this issue was disappointing. We can have no confidence that the
Government is listening to the growing call to act on this issue—from employers, unions and the Government’s own Sex Discrimination Commissioner.

It is time for a comprehensive and systemic approach to this issue. Some would say it is past time.

In 2001, The Australian Democrats announced a paid maternity leave proposal at the Australian election. We proposed a system of maternity leave for all working women, with contributions from employers, women and the government. Paid maternity leave has been long standing Democrat policy; we first formally balloted our members on this issue and adopted it as policy in October 1989—over 12 years ago. Since the time of last year’s election I have held discussions with many individuals, representatives of business, unions, women’s organisations and the broader community.

The Bill I introduce today reflects those discussions. I thank the many Australians who have taken the time to put their views to me on this issue.

The recognition of the need for paid maternity leave has gathered momentum. Last month the Sex Discrimination Commissioner issued an important discussion paper that set out options on maternity leave. A recent survey of Australians shows strong support for paid maternity leave.

Community attitudes now run well ahead of the legislature. It is therefore well past time for Parliamentary action. What a lost opportunity the 2002 budget has proved on the issue.

In his Budget speech on Tuesday night, the Treasurer spoke of supporting Australian families. Unfortunately his response, the Baby Bonus, is very poor support. It is regressive (offering a five fold greater benefit to higher earners who stay at home). It is biased against those who go back to work. It is delayed in its effects, and it is extraordinarily expensive ($1.235 billion over the next four years).

Australian households are under pressure. As more and more women enter paid work, the shape of the Australian family is changing. Unfortunately our policies lag behind this change. Australian Governments spend a lot on family supports, but we don’t spend it well. Very basic supports like paid maternity leave are missing for many. A large number of third world countries are way ahead of us in recognising that later in pregnancy, at birth and after birth, mothers need time off paid work. It is shocking to many Australians to learn that we are one of only two countries in the OECD area that still do not recognise this fact, and provide a period of time off work for all new mothers.

It is time to move ahead.

The public debate on this issue, and on the provision of paid maternity leave, is sometimes confused. This confusion has slowed our progress on this issue, and made some over-cautious about moving forward. It is time to address a few ‘maternity myths’. While structuring a payment fairly poses some challenges, this Bill shows how these can be met. This Bill addresses some prevailing myths, it builds upon previous specific Democrat proposals and our recent consultations, it responds to the issues raised recently by the Sex Discrimination Commissioner’s report, and it provides a legislative solution.

**What the Bill does**

The Bill amends the Workplace Relations Act 1996 to provide a system of paid maternity leave, building upon that Act’s existing provisions for unpaid parental leave. The Bill sets out the purpose, entitlement, level and method for this system, and it creates a Government funded Maternity Payment which will ensure comprehensive provision of at least basic maternity pay for all eligible Australian working women.

The Bill provides paid maternity leave for 14 weeks at or around the birth or adoption of a child for most Australian working women who have a child, at the level of the minimum wage, or if they usually earn less than this, at their normal wage. The Bill provides this Maternity Payment by means of Government funds (paid for by employers and employees through their normal taxes). This will be complemented by the contribution of employers (through ‘top up’ and additional payments or periods of leave) and employees (through foregone earnings and the extra unpaid leave that many take).

The Bill creates a Maternity Payment that is additional to existing paid maternity leave where it exists. The Payment is not intended to replace what already exists with a Government payment, but to complement and extend it.

The Bill provides paid leave for mothers in recognition of the physical demands of the later states of pregnancy, birth, recovery from birth and establishment, where possible, of breast feeding. In recognition of these physical facts affecting mothers, this payment is not intended to be transferable between a mother and her spouse except in exceptional circumstances. In this way, the maternity payment (an entitlement primarily of mothers at the time of birth) is different from parental leave, to which both parents have access.
Eligible employees are defined as those not employed by state, territory, or federal Governments (which generally provide, or should provide, paid leave at an equivalent or higher level) and those with continuous employment of at least 12 months in their current jobs (as already required in relation to eligibility for unpaid leave under the Act). Seasonal employees are excluded (as they are from existing unpaid maternity leave). Casual and part-time employees are included.

The payment is treated as normal wage and salary income for recipients, with existing tax, superannuation and other relevant laws to apply. This is to preserve the employment continuity of beneficiaries, to the benefit of both employees and employers.

The Bill does not require women to repay their maternity payments if they elect not to return to work after their paid leave. Most existing paid maternity leave arrangements do not require this. Many women are unsure of their plans when they have a baby. To require a repayment would impose an onerous burden.

The Bill responds to international conventions and recommendations in support of such leave and it does not discriminate between heterosexual and same sex couples. Their rights are the same.

**A fair system of maternity leave**

The bill provides a new Maternity Payment within an overall system of paid maternity leave which has three contributors. Firstly, government contributes through the 14 week Maternity Payment, and through payment by state, territory, and federal governments for maternity leave for employees under their control. Secondly, employers contribute through taxation (which funds the Maternity Payment), and the cost of current maternity leave payments where they exist, and the cost of enterprise ‘top ups’ to the Government payment (ie to normal earnings). Thirdly, employees and their families contribute through taxation (which funds the Maternity Payment), and foregone earnings where the Maternity Payment is less than their usual wage, where they take unpaid leave, and where they trade off wage increases in exchange for ‘top ups’ negotiated through enterprise agreements.

**The cost to the Federal Government of the Maternity Payment**

We estimate that the Maternity Payment will cost $352 million a year (net of tax receipts recovered, and net of the savings on the existing Maternity Allowance and Maternity Immunisation Allowance which will not be payable to those who receive the Maternity Payment). The Explanatory Memorandum sets out the basis of our calculation. This is considerably less than that allocated for the Baby Bonus.

**Australia has a system of paid maternity leave—but only for some**

Some suggest that Australia does not have paid maternity leave. This is not true. What we have, however, is a system that gives arbitrary access to paid maternity leave to some, leaving the majority of women who are low paid, or work in the private sector, or are employed in smaller businesses, without paid leave. Their employers, children and families pay the price. At present only around 38 per cent of all Australian working women have access to paid leave when they have a baby.

There are those who question the need for paid maternity leave, or question its priority amidst other options. The fact is that paid leave has already been introduced in workplaces covering around a third of Australian women, through the innovation of employers or unions or by means of bargaining at the workplace. What is more, 52 weeks unpaid leave is available to all. Given that so many Australians have thus given priority to paid and unpaid leave and a partial system already exists, the debate about its need is now passé.

The real question now is how to provide the benefit more equitably.

Australia’s maternity and paternity leave and workplace arrangements have been slowly improving over recent decades, through the action of governments, unions, employers and the adaptations of families. It is time to build upon them in a fairer way, drawing on contributions from government, women, families and employers.

There is strong international precedent for paid maternity leave—not only in most of our trading partners and all of the OECD area with the exception of the United States, but also through long established international conventions which the Act already relies on in its establishment on unpaid parental leave.

The introduction of unpaid parental leave in the 1990s was an important step. It recognised that parental leave was an important employment-based right. Its provision was essential to equal employment opportunity for women at work and for parents in general, and that interruptions to employment around the birth or adoption of a child were to be expected and should be facilitated. Employees’ rights around these events provide for fair treatment in the workplace, and they assist employers to keep skilled employees.

Employers, employees, parents and Government must all contribute.
There has been considerable alarm in some areas of business about the potential costs of paid leave, especially to employers who employ many women, and small businesses.

Not all businesses share this alarm. Some see providing paid leave as a means of becoming "employers of choice". However, most of these are large businesses. The structure of the system in this Bill does not undermine this strategy. The additional provision of a basic Maternity Payment, alongside existing employer provisions, will ensure that these employers retain their competitive advantage: they will remain ahead of the pack.

However, this Bill does not adopt an employer-funded scheme of paid leave, recognising the burden it would place on small business.

There are two overwhelmingly persuasive reasons for rejecting this course and instead going for a system where Government, employers, employees share the costs. Firstly, the cost should be shared on simple equity grounds. All who benefit should contribute. Employers alone should not pay. On the other hand employees alone should not pay, since their employers and the whole society benefit from women’s labour and reproduction.

Secondly, a system that leaves all provision at the level of the individual employer will result in an unfair burden on feminised workplaces and industries. This in turn will result in discriminatory behaviour by employers, some of whom will chose not to employ women of childbearing age. The unlawful fact of such behaviour may not prevent it. While a levy on all employers is also an option—and would share the cost fairly between all employers—it adds a layer of administrative complexity, and does not fairly share the burden more broadly with employees and government.

It is fair that all who benefit should contribute by means of general revenue, topped up by employer contributions and foregone earnings by employees. The Maternity Payment, paid for from general taxation revenue, provides a minimal basic benefit for all eligible working women. While all employees and employers contribute to this Government payment through taxation, the Bill anticipates their further contribution by means of enterprise level negotiated additional ‘top up’ payments or periods of leave.

Overall, however, individual Australian women and men who choose to have babies will continue to bear the majority of costs of having children, beyond the minimal contributions of the Maternity Payment and the ‘top up’ agreements of employers and employees. The costs of rearing children are many, many times greater than these small relative sums: in 1999 they were estimated at over $200,000 in the first 16 years of a child’s life, and over $300,000 in the first 25 years. The Government paid Maternity Payment represents in the vicinity of 2 per cent of this estimated cost.

The decision to have a child, and its financial effects, remain primarily located at the individual parent level. There are those who believe that all the costs of parenting should be privately borne in recognition of the private nature of reproduction. However, given the role of working mothers in the labour market, this view is no longer sustainable, especially given the small relative size of the public contributions that are envisioned. Further, it has been reasonably argued that children are a public good from which we all benefit. This argument is a strong basis on which to make a small public contribution to paid maternity leave.

**The Maternity Payment is Primarily for Mothers**

Australia provides unpaid parental leave to both parents, and the Act allows parents to sort out how to share the leave. However, under the proposed Bill specific recognition of maternity is made, and the proposed Maternity Payment is designed as a payment to the mother. It is not generally transferable between parents except in exceptional circumstances (like the death of the mother). Other arrangements apply for adoption, where parents can choose which of them takes the paid leave.

The Bill is structured this way for two reasons. Firstly, and most significantly, carrying a baby in the later weeks of pregnancy, giving birth, recovering from birth and early mothering to establish breast feeding where possible, are physical acts that affect the body and being of the mother. This payment distinguishes this physical phase of maternity from general parenting, which will remain to be shared between parents, as they see fit, for the remaining 38 weeks of unpaid leave.

Secondly, if men could claim the payment for maternity leave, given their, on average, higher earnings, it might make economic—if not practical—sense for the father to receive the paid leave. In many cases, where women work part-time, male parents would receive a higher level of payment than their female spouses. Limiting the payment primarily to mothers means that any incentive to seek higher economic benefit by nominating fathers for it, rather than fund a work break for the biological mother, will be curtailed.

Of course the active participation of men in parenting is extremely important, and deserves the
strongest possible practical support by governments and employers. Some countries with advanced systems of work/family support provide paid parenting leave for parents (usually in addition to paid maternity leave) and leave it to them to decide how to share it. In the longer term, it is to be hoped that Australia moves in this direction and improves the conditions of general parental leave. But at this point in the evolution of Australia’s work/family system, the fairer provision of a Bill to the many women who at present receive no such payment is the pressing priority.

What about those at home, unemployed, or self-employed?

This Bill creates a system of paid maternity leave that is relevant to women in paid work. It is an employment-based measure, not a welfare measure, and it reflects the relevant ILO recommendations that national policies enable employees to exercise their right to work, ‘to the extent possible, without conflict between their employment and family responsibilities’ (ILO Recommendation (No, 165) Concerning Equal Opportunities and Equal Treatment for Men and Women Workers; Workers with family Responsibilities).

However, there are strong equity arguments for assistance for all women, not just those in a paid job, when they have a baby.

About 72 percent of women in the 20-45 age range are in paid work, so most will receive assistance under this Bill. However, mothers at home, mothers looking for work, and self-employed mothers also deserve some support. Basic notions of equity, recognition of the contribution and situation of new mothers, and the community benefit that arises from well-nurtured babies and healthy families, demands support for women whether they are inside or outside paid work when they have a baby.

To this end, we propose consideration of a complementary measure beyond this bill for these women, funded out of a restructured Baby Bonus and other Allowances. As things stand, these women will continue to receive the flat rate Maternity Allowance ($798.72 at present) and the Maternity Immunisation Allowance ($208), which women who receive the Maternity Payment will be ineligible for under this Bill. Many will also be eligible for the ‘Baby Bonus’. If we reallocated the Baby Bonus funds ($510 million in 2005/06) to the Maternity Payment (costing around $354 million), there would remain a sizeable sum to put towards an up front payment for women at home when they have a child. Of course such a payment would need to be equitably structured in relation to women’s incomes, and other allowances (including the Maternity Payment and Maternity Allowances).

The Australian Democrats support an appropriate benefit for such women. The ‘Baby Bonus’ is one flawed means of assisting such women. However, its bias against women who return to work, and in favour of higher income earners, its application mostly to only first children, and its stretched-out timeline of payment, make it poor policy. It should be restructured.

The Maternity Payment: how much, when, how

The Bill sets the basic, government funded Maternity Payment at the Federal Minimum wage for 14 weeks, with adjustment in line with that rate. 63.7 per cent of Australian working women actually earn less than this, and so (unless their employer tops up their government payment), will receive less than their normal pay on maternity leave. For the 36.3 per cent whose normal pay is less than the minimum wage, they will receive a Maternity Payment at the level of their normal wage.

The Bill follows the relevant ILO convention in providing 14 weeks Maternity Payment. The mechanism to trigger the payment ‘piggy backs’ on existing administrative arrangements for unpaid leave in the Workplace Relations Act 1996. In short, the Maternity Payment simply provides a payment in the first 14 weeks of the 52 weeks unpaid leave already provided under this Act, and minimises new administrative requirements in terms of notifying the employer, supplying medical certificates and so on.

Under this Bill, when employers are advised by their employees of pregnancy, they advise the administering department, which makes an advance payment to the employer. The employer then pays the employee the maternity payment for the 14 week period of paid maternity leave.

In effect, the employer is recouping from government the cost of the Maternity Payment. Regulations would assist employers to be paid in advance. This system has been adopted to minimally disrupt existing systems, to ensure that the period of paid leave is counted as continuous employment, and to ensure continuity of employee benefits like superannuation. This is highly desirable in light of women’s lower average superannuation benefits. It is important to maintain the nexus between the benefit and employment.

The Bill has provisions for recovery of inappropriate or wrong payments. It creates an offence for misleading the department. The payment system has the virtue of encouraging the employer to
notify the employee of their entitlement and ensure its payment and recovery from Government. In conclusion, I am proud to bring to the parliament this country’s first law to establish a national system of paid maternity leave. We are a little late in our history to be considering it, but better late than never. The Bill shows that the technical problems can all be solved and the Explanatory Memorandum replies to many of the myths about paid leave—some of which are peddled to feed alarmism and resistance to this long overdue reform by misleading business and the community about the cost and implications of a fair system.

Action on this issue simply requires a commitment to get things right for Australia’s working women and their families. We do not need more deferral strategies—more costings, options and talk. It is time to act. I commend the Bill to the parliament.

Senator STOTT DESPOJA—I seek leave to continue my remarks later.

Leave granted; debate adjourned.

RECONCILIATION

Senator RIDGEWAY (New South Wales—Deputy Leader of the Australian Democrats) (9.48 a.m.)—I move:

That the Senate—

(a) notes that:

(i) the landmark report, Bringing Them Home, was tabled in the Australian Parliament on 26 May 1997, focusing the nation’s attention for the first time on the painful evidence that was collated by the Human Rights and Equal Opportunity Commission following the National Inquiry into the Separation of Aboriginal and Torres Strait Islander Children from their Families, and

(ii) Sunday, 26 May, will be commemorated again in 2002 as National Sorry Day, so that all Australians can acknowledge and help to heal the wounds of the many Aboriginal and Torres Strait Islander people and their families who suffered as a result of the forced removal policies of successive Australian governments between 1910 and 1970;

(b) congratulates those involved in the ‘Journey of Healing’ and other community-based organisations which are holding events across the country to help all Australians understand the ongoing impact of the removal policies and to rebuild relations between Indigenous and non-Indigenous Australians in the spirit of reconciliation; and

(c) calls on the Government to:

(i) make a national apology on behalf of the Australian Parliament for the harm and suffering caused by past policies of forcible removal of Indigenous children from their families,

(ii) reassess its decision to reject recommendations 7, 8 and 9 of the report of the Legal and Constitutional References Committee inquiry into the Stolen Generations in 2000, which called for the establishment of a national Stolen Generations Reparations Tribunal that would deliver a more humane and compassionate alternative to the adversarial and expensive process of litigation, and

(iii) provide a full response to the six recommendations presented to the Prime Minister in December 2000 by the Council for Aboriginal Reconciliation, which were designed to give effect to the ‘Australian Declaration Towards Reconciliation’ and the ‘Roadmap for Reconciliation’.

Question agreed to.

SUPERANNUATION: COMMERCIAL NOMINEES OF AUSTRALIA LTD

Senator SHERRY (Tasmania) (9.49 a.m.)—I move:

That there be laid on the table, on the next day of sitting, the report to the Australian Prudential Regulation Authority by the Inspector, Mr Anthony McGrath, of KPMG, into the Enhanced Cash Management Trust and its dealings with superannuation funds where Commercial Nominees of Australia was trustee.

Question agreed to.

RESTORATION OF BILLS TO THE NOTICE PAPER

Senator BROWN (Tasmania) (9.49 a.m.)—I move:

(1) That so much of standing orders be suspended as would prevent this resolution having effect.
(2) That the Constitution Alteration (Right to Stand for Parliament—Qualification of Members and Candidates) 1998 (No. 2) be restored to the Notice Paper and that consideration of the bill be resumed at the stage reached in the last session of the Parliament.

Question agreed to.

CRACKNELL, MS RUTH, AM

Senator RIDGEWAY (New South Wales—Deputy Leader of the Australian Democrats) (9.50 a.m.)—I move:

That the Senate—

(a) notes with great sadness the death of one of Australia’s national treasures and our ‘First Lady of the Theatre’, Ruth Cracknell, on 13 May 2002;
(b) recognises, too, the extensive body of work that Ms Cracknell produced over her 56-year career in Australian film, radio, television, theatre and literature which, together with her passion, style and sheer talent, made her a much-loved and respected household name in Australia and a recipient of the following awards:
(i) the Award of Membership of the Order of Australia (AM) in 1980,
(ii) the James Cassius Award for outstanding contribution to the performing arts in 2001,
(iii) induction into the Gold Logie Hall of Fame in 2001, and
(iv) honorary doctorates from the University of Sydney, Queensland University of Technology and the University of Western Sydney;
(c) pays tribute to Ms Cracknell for her strong commitment to the pursuit of social justice for other Australians, noting in particular her principled stand on the need for Indigenous land rights and social justice; and
(d) expresses its sincere condolences to Ms Cracknell’s three children and seven grandchildren who survive her.

Question agreed to.

EAST TIMOR: INDEPENDENCE

Senator BOURNE (New South Wales) (9.50 a.m.)—I move:

That the Senate congratulates the people of East Timor on the celebration of their independence on 20 May 2002 and extends to them the Senate’s best wishes for a peaceful and prosperous future.

Question agreed to.

ENVIRONMENT: SANDON POINT DEVELOPMENT

Senator BROWN (Tasmania) (9.51 a.m.)—I move:

That the Senate—

(a) notes the start of earthmoving works for a housing development at Sandon Point in New South Wales; and
(b) is concerned that protection of coastal wetlands and Indigenous heritage has not been guaranteed and therefore opposes the development.

Question negatived.

ENVIRONMENT: CLIMATE CHANGE

Senator ALLISON (Victoria) (9.52 a.m.)—I move:

That the Senate—

(a) notes that:
(i) in April 2002 Australia experienced its hottest April on record, according to the Australian Bureau of Meteorology,
(ii) according to the United Kingdom Meteorological Office, the three months from January 2002 to March 2002 were the warmest globally since records began in 1860 and are likely to have been the hottest for a thousand years,
(iii) nine of the 10 hottest years on record have occurred in the past 10 years according to the World Meteorology Organisation, and
(iv) these statistics are consistent with predictions of global warming caused by an increase of greenhouse gases in the atmosphere; and
(b) calls on the Australian Government to:
(i) take more seriously the need to reduce greenhouse gas emissions,
(ii) ratify the Kyoto Protocol on Climate Change, and
(iii) commit to sourcing an additional 10 per cent of energy from renewable sources by 2010.

Question negatived.
BUDGET
Consideration by Legislation Committees
Additional Information
Senator CAL VERT (Tasmania) (9.53 a.m.)—On behalf of the Chair of the Finance and Public Administration Legislation Committee, Senator Mason, I present additional information received by the committee relating to hearings on the additional estimates for 2001-02.

ABORIGINAL AND TORRES STRAIT ISLANDER COMMISSION AMENDMENT BILL 2002
First Reading
Bill received from the House of Representatives.

Senator IAN MACDONALD (Queensland—Minister for Forestry and Conservation) (9.53 a.m.)—I move:
That this bill may proceed without formalities and be now read a first time.
Question agreed to.
Bill read a first time.

Second Reading
Senator IAN MACDONALD (Queensland—Minister for Forestry and Conservation) (9.54 a.m.)—I move:
That this bill be now read a second time.
I seek leave to have the second reading speech incorporated in Hansard.
Leave granted.

The speech read as follows—
This bill proposes certain amendments to the Aboriginal and Torres Strait Islander Commission Act 1989 (‘the ATSIC Act’).

The amendments follow a number of recommendations from the 1997 and 1998 reviews conducted under sections 26 and 141 of the ATSIC Act in regard to the electoral systems and boundaries and the general operation of the ATSIC Act.

The bill was developed in close consultation with ATSIC and has the support of the ATSIC Board of Commissioners.

The amendments contained in the bill relate largely to provisions in the ATSIC Act affecting the elected statutory office holders of ATSIC. ATSIC Regional Council and office holder elections must take place in the second half of 2002. The amendments that are proposed in the bill would permit greater certainty in regard to the position of the current office holders and eligibility for election.

Amendments include:
• adjustments to the term of office of the Commission Chair and the Regional Council Chair to provide for continuity in these offices throughout an election period;
• a provision for the appointment of an additional Regional Councillor to a Regional Council from which a Commissioner has been elected;
• a provision to guarantee the appointment of an independent Chair of the Review Panel which is convened after a round of zone elections to conduct a review of the electoral system and electoral rules and the Augmented Review Panel which is convened to review objections to the draft electoral boundaries recommended by the Review Panel;
• to clarify that the effect of penalties for multiple criminal convictions on eligibility for, and termination of, office holder positions is the same as penalties for single convictions;
• to allow an outgoing Commissioner to stand for election as an incoming Regional Council Chair without having to resign as Commissioner;
• provide for the payment of nomination fees by candidates to be included as matters dealt with in the Regional Council Election Rules; and
• to prevent a Commissioner or Regional Councillor who has been removed from office for misbehaviour from standing for the next round of Regional Council elections.

In addition, the bill seeks to amend certain provisions of the ATSIC Act relating to financial management within the Commission.

Accrual accounting has been introduced in accordance with government policy and a number of amendments are required to make the ATSIC Act consistent with current practice. The bill aligns the terminology in the ATSIC Act with the Commonwealth Accrual-Based Outcomes and Outputs Framework. For example, “budget estimates” is substituted for the words “estimates of the receipts and expenditure”. In addition, with the introduction of accrual budgeting each agency is appropriated its own money. As such, the bill removes references to appropriations by ATSIC to Indigenous Business Australia and Aboriginal Hostels Limited. The bill also repeals certain provisions of the Act which are no longer required.
Finally, the bill will allow clarification and enhancement of the internal review process. Amendments will entitle a body corporate or an unincorporated body to request review by the Commission and the Administrative Review Tribunal (AAT) of a decision to refuse a loan or guarantee made under the ATSIC Act. At present the ATSIC Act only allows for review of decisions in relation to an individual.

The bill will enable the Commission to delegate its power to review delegates’ decisions allowing for a more efficient reconsideration of a refusal to provide a loan or guarantee within ATSIC.

At present the ATSIC Act provides for a delegate’s decision to be reviewed directly by the AAT with the effect of circumventing the existing internal review process. In order to allow a comprehensive internal review process the bill will require internal review processes to be exhausted before access to review by the AAT of the merits of a decision to refuse a loan or guarantee.

There are no financial implications arising from this bill.

I commend the bill.

Debate (on motion by Senator Mackay) adjourned.

Ordered that the resumption of the debate be made an order of the day for a later hour.

**TRADE PRACTICES AMENDMENT**

**SMALL BUSINESS PROTECTION**

**BILL 2002**

**First Reading**

Bill received from the House of Representatives.

**Senator IAN MACDONALD** (Queensland—Minister for Forestry and Conservation) (9.54 a.m.)—I move:

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

Question agreed to.

Bill read a first time.

**Second Reading**

**Senator IAN MACDONALD** (Queensland—Minister for Forestry and Conservation) (9.55 a.m.)—I move:

That this bill be now read a second time.

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

Leave granted.

*The speech read as follows—*
The Workplace Relations and Other Legislation Amendment Act 1996 restored the secondary boycotts provisions to the Act.

The Trade Practices Amendment (Fair Trading) Act 1998 prohibited unconscionable conduct in business to business transactions.

The Trade Practices Amendment Act (No. 1) 2001 enabled the ACCC to take representative actions for breaches of the restrictive trading provisions of the Act (excepting the secondary boycotts provisions of sections 45D and 45E).

Buoyed by support from the Opposition, it was in the Trade Practices Amendment Act (No. 1) 2001 that the Government last attempted to pass these secondary boycott amendments through the Parliament.

At that time, the then Shadow Minister for Small Business, the Member for Hunter, stated on 9 November 2000 in the House:

“The ACCC already has the power to take representative actions under Pts IVA and V of the Act and it makes sense to extend that to Pt IV… This is a sensible amendment.”

The Member for Wills went further on 28 November 2000 when he said:

“…this change will help make the Act more consistent and help to protect small business people. Let me also indicate that I think these changes are very modest and that more action is needed in this area generally.”

But when this amendment came before the House, the Opposition dropped its support and forced the Government to sacrifice these amendments for the sake of the remainder of the bill.

Small business is a significant contributor to the economy, accounting for more than 95 per cent of all businesses and employing close to half of the workforce. This contribution is built on the wealth of the owners who often invest their personal savings in their business. Small businesses also operate on tight margins and with limited cash flow. They are less able to afford disruption to their trade and costly legal action.

It is important that the ACCC can seek compensation in cases of unlawful secondary boycotts as it can with other restrictive trading practices. The ACCC undertakes preventative as well as enforcement action. Allowing the ACCC to bring representative action can act as a deterrent to unlawful activity and provide redress for victims.

The proposed amendments are therefore necessary to enable the ACCC to bring representative actions in regard to unlawful secondary boycotts in order to provide adequate protection for Australian small business.
To His Excellency the Governor-General

MAY IT PLEASE YOUR EXCELLENCY—

We, the Senate of the Commonwealth of Australia in Parliament assembled, desire to express our loyalty to our Most Gracious Sovereign and to thank Your Excellency for the speech which you have been pleased to address to Parliament, but the Senate is of the opinion that:

(a) the Government must move towards a more humane and workable approach to asylum seekers; and

(b) Woomera detention centre should be closed.

Senator HARRADINE (Tasmania) (9.58 a.m.)—I do not want to delay the chamber. I will commence my speech on the motion for the adoption of the address-in-reply to the Governor-General’s speech with an explanation about a particular matter. I am concerned about the way matters of major public policy are being dealt with in this chamber by way of formal motion. There was an example this morning. I received a note yesterday from one of the staffers—and I am grateful to receive notes from staffers—that Senator Greig was going to ask that his motion relating to property rights of same sex couples be dealt with as a formal motion. It could not be dealt with as a formal motion, technically, because that opportunity had been lost, and the motion went back to the bottom of the list of notices of motion. Instead, he used the provisions of the placing of business to do precisely that this morning. That is a real problem.

This is a major question of public policy. It deals with the whole question of equating a same sex couple with a de facto couple and equating a de facto couple with a married couple. That is the unspoken link and the sort of approach that is being pushed around Australia, and when it is explained to people they are very concerned about it. These matters ought to be dealt with thoroughly by this chamber in a proper manner. For example, I will bet you that 90 per cent of senators in this chamber would not know what existing rights are under state legislation in respect of property. They would not know. Yet a vote was taken this morning—admittedly there was a very substantial ‘no’ vote—and it was marginally successful. State attorney-generals have sought to transfer the power dealing with property rights for de facto couples to the Commonwealth. The motion this morning said ‘such federal legislation will in no way limit existing rights under state legislation’. That presupposes a knowledge of state legislation. As I said, 90 per cent of senators in this chamber would not know the specific details of state legislation.

The motion goes on to state ‘an equitable legislative regime is proposed which eliminates any disadvantage or discrimination against all de facto couples whether they are of the same or opposite sex’. What does that mean? Two maiden aunts will have to become a so-called de facto couple to obtain the benefits. And what are the taxation benefits? How are these people discriminated against because they happen not to be lesbians? These are the sorts of things we have to give consideration to before we make decisions. I just want to place on record my concern about that.

I would be reflecting on a debate to come if I referred to the notice of motion which will mean that bills will not automatically go through the committee of the whole stage. I think that is a regressive proposal and I hope we will have a full debate on that when it comes forward.

Senator Harris—Hear, hear!

Senator HARRADINE—Senator Harris agrees. Finally, I need to mention very briefly my concern that we have things correct. This is the first opportunity I have had to respond to what Senator Schacht said yesterday about the principles of Australia’s review of films and videos. It is clear that Senator Schacht considers that there should be no limitations—that is what he said—and he puts that down to the principle that adults have the right to view and read what they like. That is a fallacy. Adults do not have the right to read or view what they wish, unless it is published. Quite obviously, if it is not published they cannot read or view it.

The question is: whether a matter is published or not depends on the claimed right to freedom of expression by the publisher, by the porn merchant or by the purveyor of ex-
treme violence. Do you understand? It is not a question of the right of adults to see and read what they wish. It is a question of what priority you give to the claimed right of freedom of expression of the porn merchants and the purveyors of extreme violence. In this case of extreme sexual violence—talking about the particular film—I noted what Mr Carr, the Premier of New South Wales, said, and that gives me a bit more concern than what Senator Schacht said in this chamber. He is misled on this. He has this idea about adults being free to read and see what they like.

That also raises the question as to whether paedophilia should be able to be published. It does come down to that question of the claimed right of the porn merchant and purveyor of extreme violence: what priority do you give to that right over the rights of parents, over the rights of society in general, over the rights of women not to be demeaned and exploited? Clearly Mr Carr has come down heavily on the side of those who claim such right of freedom of expression.

I think that is a debate for the future, but whenever anybody says to you that adults should have the right to read and view what they wish, go behind it. It is a nonsense, an absolute nonsense. The intellectual debate in the United States went past that years ago. It then comes down to the claimed right to freedom of expression by the porn merchants and the purveyors of violence. I am not coming down on that side.

Senator COOK (Western Australia) (10.09 a.m.)—I rise to speak on this address-in-reply debate and on the remarks the Governor-General made when he opened this parliament following the last election. I also want to talk about some trade issues but, before I do, I will just make a couple of overview remarks about the Governor-General’s speech itself. I thought—and I mean no disrespect to the Governor-General in saying this and I am sure none will be taken—the Governor-General himself must have been embarrassed by delivering a speech which was full of meaningless platitudes and notable because it did not outline for the government any sort of dynamic plan for this term of office.

I underline again that I mean no disrespect to the Governor-General: he never wrote the speech. It is a matter of tradition that the speech is crafted in the Prime Minister’s suite and the Governor-General, under our Constitution, is instructed by the government as to what views he puts. But the platitudes were thick and the substance was virtually non-existent. That is underlined further by the fact that the government has now announced that it is going to go into a retreat with several of its ministers in order to create an agenda for this term of office.

The point I make is that the last election was fought on a fear campaign and not on a campaign of nation building by the government. We offered that option in the Labor Party. We were not successful in the election and I accept the result, but that does not mean the Labor Party will not be committed to continuing to argue for strengthening and deepening the industrial and economic strength of this nation and for building a better country. The Labor Party’s emphasis in that campaign—on reforming and improving our education system, providing access to education for those who would not normally go on to higher education, finding a basis for better skills training, improving access to health care and providing a more stable health system for Australia—will be the continuing pillars of Labor Party policy in our appeal for government. I express the confident view that people in Australia will vote for those things when the sham of the last election settles.

Let me turn to a couple of views that I want to put about trade. The government’s headline objective in trade at the moment is the creation of an Australia-US free trade agreement. This is not something that the government has sought a parliamentary debate about; this is something that crept up on Australia and did so without any formal announcement. But we know it is the headline objective because increasingly it has become acknowledged as such. When the idea took root, it did so for what some expert commentators have called ‘geopolitical reasons’—that is, not for economic or trade reasons but reasons of international alliances
and associations, particularly in this region of the world.

The world has moved on, I might say, from a geopolitical point of view since that time, but the commitment by the government to a free trade agreement remains stronger than ever. It is about time that this proposition was put under some scrutiny in the parliament, and it is about time the government explained itself more as to what its objectives are and what its commitments here really are. If we are to persist with this proposal, then the economic wellbeing and, in particular, the interests of Australian primary producers—of which you, Mr Acting Deputy President Ferguson, are one—may be put in jeopardy.

I want to refer in a moment to the events in the United States that occurred just this week, when the US Senate passed the farm bill and provided subsidies for American farmers of $A331 billion over the next 10 years. This newly passed farm bill increases American farm subsidies by 80 per cent and sets a new record in subsidies going to farmers. Now for every $1 worth of produce grown on American farms next year, the government will pay farmers 60c in that dollar in the form of subsidies.

This is what the US Congress has done just this week and the American President has said that he will sign this bill into law. We know the reason for it. We know the reason is that there is a political battle on in America for supremacy. This year the midterm congressional elections occur and this is a massive election pork-barrel for Midwestern farming states to keep them loyal to the Democrat majority in the House of Representatives, and is nothing to do with economic efficiency, or indeed fair competition, or indeed, as the American government often talks about, free trade. But I want to come back to those concepts in a moment because they are directly related to the issue of an Australia-US free trade agreement. The first thing I want to say about an FTA, as the shorthand is for a free trade agreement, is that it is not about free trade. A free trade agreement is about trade diversification.

Let me illustrate what I mean. Australia has tariffs against the importation of foreign motor vehicles at the level of 15 per cent which protect the domestic Australian manufacturing industry from unfair foreign competition and, although the government has conducted a pause in the reduction of that level of tariff, those tariffs are slated to go down further. If we had, to use the language, a free trade agreement with the United States, we would remove completely those tariffs, insofar as the US is concerned—and the US would remove its automobile tariffs which are around five per cent insofar as we are concerned—and there would be no tariff barrier between either of us. That would mean that vehicles made in the United States would come into Australia free of tariff. They would have to convert to a left-hand drive; that is not a high cost item. Two of the four major automobile manufacturers in this country are American owned: General Motors and Ford. The question in their international boardroom then becomes: where is the most efficient place to build those motor vehicles? Detroit, or Melbourne or Adelaide? One can say about that argument if you look at it from a business point of view that it is not clear what the answer is. It may be that the economies of scale the American automobile industry have in Detroit mean the efficiencies and cost savings are on their side. It might mean that with the exchange rate relationship between Australia and the United States, given the value of our dollar vis-a-vis theirs, and the design features that Australians seem to covet for their motor vehicles, the advantage is on our side. It is not clear.

That is only part of the story. It could be that we will lose part of our automobile industry, it could be that there would be a growth in it. But what about all the other automobile manufacturers? Two of the other four major automobile manufacturers are Japanese owned: Mitsubishi and Toyota. They will not have the same advantage that a free trade agreement with the United States has. The tariff wall against importations will still be there for them, while removed for the
Americans. Japan is our biggest trading partner. Does anyone believe that Japan would not exert considerable pressure on Australia for us to match for them what we have conceded to the Americans? Does anyone believe, since what we sell to Japan is mostly minerals, and the supply of minerals is available in other parts of the world bar Australia—although we are the most efficient producer—that there might be pressure about exports from that angle in order to encourage us to consider our position?

Senator Ian Macdonald—Would they reduce tariffs, do you think?

Senator COOK—Would the Japanese reduce tariffs? We are not in a free trade negotiation with Japan, Senator.

Senator Ian Macdonald—Perhaps that is where we should be heading.

Senator COOK—You are anticipating me. But before you anticipate me too much, let me say the other source of major motor vehicle supply for Australia is Korea, and the further source is Europe. If you concede a concession to the Americans in this field of high priced household items like motorcars, are you under pressure to remove our tariff across the board entirely, ahead of the adjustment ability of the Australian domestic manufacturers to compete and hold their place in the market?

Those are serious issues—the job implications, the national investment implications. Since we export motor vehicles from this country to the Persian Gulf and, in the case of Mitsubishi, as well to the United States, those investment issues ought to be tabulated and sorted out clearly. But is there any document saying what these considerations are? Has the government reported these facts to the community? Was it honest with auto workers in Adelaide before the last election about the implications for their jobs of these changes? None of those things occurred and there has been no public discussion of those implications.

That is just one facet; we can move to many others because one of the key things Australia would want from the United States in a free trade agreement and why my original statement that such a move would end in tears is coming true, concerns agriculture. Given the passage this week by the US Congress of the farm bill offering $A331 billion protection in the form of subsidies to American primary producers over the next 10 years, and given the willingness of the administration to sign that into law, that signal of heightened agricultural protection suggests that we have Buckley’s of removing that level of protection on a bilateral basis with the United States. Why would they, when they have just given that amount of subsidy to their own primary producers—60c in the dollar of every item of produce grown in the United States—remove it for Australia? Anyone in touch with the US Congress knows that the view on the floor of the Congress is strongly that there will be no tampering with those subsidies.

I think if we are pushed down the path of a free trade agreement with the United States for geopolitical reasons, as the expert commentators say, then we are pushed into a situation where Australia is being asked to compromise its objectives on agricultural trade reform at a time when protection and subsidies to agricultural trade in the world have got worse not better and with a trading partner, the United States, which is now the most protected agricultural country in the world. That puts pressure on us to compromise when we are the injured party, our farmers are the world’s most efficient and agricultural products represent a quarter of all of our exports. It is an unfair pressure for our primary producers to bear and it is one of the reasons why I think at the end of the day this proposal cannot succeed, because it attacks fundamentally one of the grassroots strengths of the Australian economy, our primary producers sector.

Lately a view seems to be emerging that agriculture does not matter much anymore in any case, because agricultural exports in the world have declined. Mr Alan Oxley, a consultant to the federal government signed up to promote an Australia-US free trade agreement, recently published an article in the Stock and Land journal in which he said: The latest survey of trade by the World Trade Organisation revealed that, in 2000, agriculture’s
share of world merchandise trade fell to a record low of nine per cent.

He goes on to show how agriculture has declined in significance as volumes of world trade have grown. And he is right.

Senator Ian Macdonald—Proportionately.

Senator COOK—Proportionately. He is right—it has.

Senator Ian Macdonald—Australia’s exports have increased substantially.

Senator COOK—We are, as I have said, Minister, the world’s most efficient agricultural producer but, significantly, we are one of the world’s most unsubsidised agricultural producers. Our problem is that we are competing for global markets against subsidised producers. The playing field is not fair. Picking up the Oxley comments, as I intended to, the comment Oxley makes in his article is: It should make it easier for governments to disregard pressure from farmers.

The fact that agricultural exports have fallen as a proportion of all exports should make it easier for governments to resist pressure from farmers. To be fair to Mr Oxley, what he is seemingly referring to here is pressure from European farmers on their governments to keep their subsidies and pressure from American farmers on their governments to promote their subsidies. But this is a very dangerous line of argument. Agricultural trade has fallen as a proportion of global trade because we are consuming more higher-priced and a wider variety of goods and we still eat the same size meal. It is obvious that from a proportional point of view agriculture will decline. It is also obvious that it will decline because this is the most highly protected sector in the world. Trade is not free. We are competing in an unfair market. The barriers to our exports are close to impervious in some countries and those barriers mean that agriculture would account for a higher proportion of world trade if they were removed.

My point in raising this matter in this debate is to say we cannot be complacent about these things. We cannot dismiss Australia’s global pre-eminence as an agricultural exporter by devaluing agriculture, by pointing to the fact that it is now less important in global terms as a percentage of global trade. It is more important to Australia than to almost any other country because we are the most efficient producers and because there are markets forgone to us which we would otherwise have captured, because of protection in other markets. A market won in agriculture is not just extra income for farmers; it is extra income for all of those occupations that package, transport, store, export, promote and label agricultural products. The multiplier of jobs per farmer is higher than in almost any other occupation. That multiplier means that for one farmer there are many more jobs created elsewhere in the community than for almost any other occupation.

If agricultural protection is reduced or removed, as the Labor Party wants it to be—and we have created the mechanisms for the Cairns Group and pushed in the last round of Uruguay Round negotiations and succeeded partly in reducing it—the economic bonanza for Australia would be much greater than otherwise. Complacent talk about disregarding agriculture or paying less attention to it because it is not as significant in global export terms as it used to be is talk that heads the wrong way. It should be turned around. We should be more active than ever now—because the barriers are higher than they have ever been—in identifying and removing those barriers. (Time expired)

Senator Faulkner (New South Wales—Leader of the Opposition in the Senate) (10.29 a.m.)—The events of September 11 sent a tremor through the world. Many innocent lives were lost at the hands of terrorists. There is no doubt that as a result we had to urgently recalibrate our domestic security laws and capability. Of course, the government did not schedule parliamentary sittings until three months after the elections. When it did, it scheduled only nine weeks of sittings, six for the Senate, in the first six months of the year.

It did not produce its legislative response to September 11 until 12 March this year. When it did introduce its package of five security bills, it tried to force the opposition to pass the legislation within 24 hours of the
bills’ introduction by bringing them on for debate on 13 March. No time was allowed for scrutiny, no time for discussion or consultation and no time for considered thought. Fortunately, the opposition was able to insist on the bills being referred to the Senate Legal and Constitutional Legislation Committee for examination. In an acknowledgment of the urgency of the legislation, we agreed to a reporting date which facilitated consideration of the bills as soon as the Senate resumed on 14 May. We also offered to agree to a commencement of 12 March for the bills if we were satisfied with their final form. In the short time available to it the committee did an outstanding job in scrutinising the bills, and I will have more to say about the committee’s report shortly.

Now, eight months after the event which prompted this far-reaching package of national security laws—certainly the most far-reaching since the Second World War—the bills which the Howard government, by its own admission, says provide for extraordinary intelligence gathering and coercive powers have still not been brought on for debate.

The parliament bears a heavy responsibility in dealing with this legislation. We must be vigilant in ensuring that, as far as possible, Australia is safeguarded from international terrorism. We also have a responsibility, given that terrorism knows no borders, to help protect others from terrorist attack. At the same time, we must be equally vigilant in defending the democratic values we hold dear. As we in the parliament consider the bills it is worth recalling how governments have handled such matters in the past. In two world wars Australian governments responded to perceived threats with draconian national security laws. Large numbers of Australian citizens of German or Italian descent were arrested and held in internment camps. Many lives were disrupted, indeed ruined, often on the basis of little more than malicious gossip. The postwar Menzies government also secured the passage of the Communist Party Dissolution Act in 1950. The act dissolved the Communist Party and provided for persons to be declared communist and subject to sanctions. Fortunately for the future of our democracy, the act was struck down as unconstitutional by the High Court and rejected by the Australian people at a subsequent referendum. Fifty years later, the Howard government’s antiterrorism bills risk repeating past mistakes and pose very significant challenges to civil liberties and democratic freedoms.

The Senate committee, to its credit, has shown itself to be both alert and responsive to these risks. The committee provided a forum for 421 individuals, community groups and eminent lawyers to air their concerns about the government’s proposals. Almost all stated that, unless significantly amended, the bills would erode rights and freedoms that are a fundamental part of our democratic way of life. As well as those submissions, I—like most of my fellow members of parliament—have received thousands of emails communicating similar concerns; not one that I received supported the bills. The government must not ignore the unanimous report of the Senate committee, a committee which is chaired by a government senator and on which the government has a majority. Labor shares the committee’s strong concerns that the definition of terrorism is too broad and may criminalise activities which are not terrorist acts, that the offence provisions involve an unacceptable reversal of the onus of proof and that the proposed proscription regime gives the Attorney-General extraordinary and unwarranted power to unilaterally and arbitrarily ban organisations to make their activities illegal.

Overwhelming evidence to the committee from the community and experts has shown that the draft bills contain sloppy definitions and are riddled with unintended consequences. If law, these bills could lead to draconian consequences for innocent people. They are not good law. In a very out of touch commentary last week the Attorney-General, Mr Williams, said:

We believe the community is prepared to make sacrifices of individual civil liberties in order that the community generally is protected from those threats.

Perhaps it is time that the Attorney-General and the government tuned in on these issues. Australians will not sacrifice their freedoms
lightly; that much is crystal clear from the Senate committee process and the enormous amount of correspondence that has been received by all parliamentarians.

Labor believes that if the legislation is drafted properly, sacrifices of civil liberties will not be necessary. With improved drafting and tighter definitions peoples’ rights will remain protected. Labor will be vigilant in the fight against terrorism and equally vigilant in protecting Australians’ democratic values and freedoms; we are absolutely committed to safeguarding both. Some people question why this legislation is necessary at all. To them I say that September 11 was a quantum leap in the scale of international terrorism. A ‘business as usual’ response is not enough. An enhanced level of terrorism requires an enhanced response capacity, both legislative and operational. The legislative framework we have to counter terrorism is outmoded and inadequate. It does not specifically criminalise the full range of terrorist acts, for example, the training and financing of a terrorist organisation is not captured.

Australia also needs to play its part as a good international citizen to combat international terrorism. Two of the bills in the government’s package give domestic legislative effect to our obligations under United Nations conventions for the suppression and financing of terrorism and terrorist bombings. Australia also supported United Nations resolution 1373, which was passed on 28 September last year. That resolution requires United Nations member states to prevent and suppress the financing of terrorist acts, criminalise the willful provision or collection of terrorist funds by their nationals and freeze the assets of those connected with terrorism. It also requires member states to take necessary steps to prevent the commission of terrorist acts, to ensure that terrorists, their accomplices and supporters are brought to justice and to ensure that terrorist acts are established as serious offences in domestic laws and that the punishment duly reflects the seriousness of such acts. This package of legislation gives effect to our obligations as expressed in that resolution. That is its aim.

The Labor Party supports tough laws against terrorism and terrorists, but those laws must target the terrorists. We must remember not only whom we are fighting against but also what we are fighting for. When these bills come on for debate, Labor will be moving amendments so that we can fight terrorism without sacrificing key elements of our democracy. Labor will be moving a number of amendments to the bills to correct what we believe are serious flaws. Our amendments tighten the definitions, protect important principles of liberty and, importantly, save the bills from serious questions regarding their constitutionality.

Similar to the problems with other aspects of the legislation, there are potentially unintended consequences from the bills’ proposed definition of treason. In particular, we are concerned that humanitarian activities, such as Care Australia or the Red Cross, are not caught up by this poorly drafted definition. Often, such groups are helping people in a situation where the politics and sides are not clear. Their motive is to help people, and the definition of treason needs to be redrafted so that they can do their important humanitarian work without fear of being charged with treason.

The proposed definition of terrorism is sloppy and will potentially have significant unintended consequences. I understand why people have reacted so strongly to them. Labor will be making sure these laws target terrorists and no-one else. The definition of a terrorist act is very important because it is at the core of the bills. Clearly, the definition is very wide, and we are concerned that civil protests may be criminalised as terrorist acts under the definition. For example, farmers, unionists or other protesters marching, blockading or mass emailing could fall within the definition as soon as their actions were unlawful in any way—be it trespass, nuisance, property damage and the like. The proposed definition does not distinguish terrorist violence from offences or forms of violence covered in other acts. Labor believes the definition must refer to the use of violence to influence the government or to intimidate or coerce the public or a section of the public.

The onus of proof has been reversed in many of the offences so that people facing
life sentences will have to prove their innocence, as opposed to the prosecution having to prove their guilt. Labor does not support reversing the onus of proof for the offences created by this legislation. The presumption of innocence is a cornerstone of our law. It is reasonable to expect the prosecution to prove the elements of an offence before a person is sentenced to life imprisonment. It is also reasonable that the prosecution be required to show the requisite intent for each of the offences. Frankly, if someone does not have the knowledge or the intent, they are extremely unlikely to be terrorists and should be dealt with according to other criminal laws if and as appropriate. We are not convinced that emails should have any lesser protection than telephone calls—that is, you need an interception warrant that offers appropriate privacy protections, as opposed to a search warrant.

I now come to what is, for many in the parliament and in the community, and for me personally, the most significant issue in these bills—that is, the proposal to give the Attorney-General the power to ban organisations at the stroke of a pen. Personally, I am strongly opposed to proscription in any form. The government is proposing that the Attorney-General, or any other minister he nominates, can ban an organisation simply by issuing a press release—no warning, no hearing, nothing. In our view, that is totally unacceptable. Labor has never supported, and does not support now, giving such incredible arbitrary powers to any minister of government. Such powers are too open to abuse. Australians need to think very carefully not only about expanding the powers of a government that has so often abused the powers currently available to it but also about giving an open cheque to future governments. Australians have never accepted that the civil liberties of a group of people could be wiped out by the stroke of a pen by a single minister. That is why they opposed the anticommunist referendum in the early 1950s; that is why the public will not swallow these bills in their current form.

Proscription generally works for a government if the organisation they want to ban is visible, has a known membership and, usually, is also a political or industrial organisation. Governments, historically, have proscribed for political advantage—the Nazis, communist regimes, the South African apartheid regime. Historically, proscription has been a tool of political repression, not law enforcement. But the terrorists of the 21st century are not on the radar. They are very secretive, loose networks. They do not necessarily have any label. Terrorist groups split, evolve and mutate just like viruses. They may have names, they may change their names or they may not have names at all. Why risk the democratic rights of any non-terrorist visible organisation at the expense of the invisible murderers and give a government of the future the ability to exercise massive power against its political rivals? Proscription is simply an administrative step to put in place a preliminary fact or status before criminal proceedings. It will be a honey pot for practitioners of administrative law. The hard-headed, effective approach is to properly define the offences and let the police, intelligence service and the courts do their jobs.

Let me just ask: if the Prime Minister or the Attorney-General suddenly announce that we have banned, say, Al-Qaeda, how much safer would Australians feel? I suspect not much at all. The point is, we need to target terrorist acts and terrorist organisations, not the names of organisations which can be changed from one minute to the next. You will never get an up-to-date list of terrorist organisations. But, apparently, the government’s concern is that the evidence required to prosecute terrorists is too sensitive to be exposed in the courts. But the courts are ready, willing and able to deal with highly secretive and sensitive evidence. They do that every day in murder, fraud and espionage cases. Of all the arguments supporting proscription, the need for secrecy surrounding the Attorney-General’s decision is the flimsiest argument of all. Courts can hear evidence in camera or make non-publication orders. The courts do have the tools to handle these sensitive matters.

Labor has proposed a set of legislative mechanisms to target terrorists, their actions and their organisations—what terrorists do
and what they intend to do. We support legislation that will cut off terrorist funds. We support the legislation that classifies terrorism as a heinous crime and puts terrorists in jail for 25 years. Labor’s proposals will target the people in terrorist organisations, not the name of the organisation, and Labor will not at all target those who are not involved in terrorist activities. Our model will target terrorists; it will not target innocent bystanders. Proscription is a clumsy and unsophisticated approach to dealing with sophisticated terrorist organisations. Every lawyer that we have spoken to, conservative lawyers included, think that the proscription of organisations is a very bad idea. Most of the commentators in the media—again, including some very conservative people—also think it is a bad idea. Maybe the government believes it can wedge the opposition on this issue but, if so, that is not a good reason to make bad law.

Robert Menzies tried to wedge Labor in the 1950s by banning the Communist Party and, even though the vast majority of Australians did not like communists or communism, they voted down a referendum because proscription was a bad idea and because they thought it was antidemocratic, and they were right. The Australian people were right then; they are right now. We do not need proscription to target terrorism. We need tough measures, and Labor will support tough measures. But we will not support those measures in the form proposed by the government. The bills need to be substantially amended, and it is our view that that is the task that lies ahead of this Senate when the government determines they be brought on for debate.

Senator GREIG (Western Australia) (10.49 a.m.)—In his speech to the parliament, His Excellency the Governor-General made considered reference to the need for Australians to engage in tolerance, compassion and understanding. He specifically singled out the tolerance and understanding needed in Australia today on the grounds of race and religion. Few of us could disagree with that. I think what is sometimes overlooked in speeches and positive comments of that nature is the fact that there are other forms of discrimination which Australia also needs to address, and I would argue that one of the key ones is sex discrimination.

As it stands, Australia is one of the very few Western countries in the world that has no national antidiscrimination laws to protect people on the grounds of their sexuality. Nor do we have any Commonwealth laws that deal with partnership recognition for same sex couples. As a consequence, people in long-term gay and lesbian relationships find that they can be and are being discriminated against in areas as diverse as the defence forces, spousal partnership recognition for the Australian Public Service, veterans’ affairs, superannuation, social security and industrial relations. Every element of Commonwealth law and laws that deal with relationships discriminate against same sex relationships. It is an outstanding area that the Commonwealth has to address.

It is interesting that that issue has come up again in the Senate today. This morning I was successful on behalf of the Australian Democrats in winning Senate support for a motion which would see not legislation but the principle established whereby the Family Court ought to have the power to treat de facto couples, whether they be of the opposite sex or the same sex, as being one and the same for the purposes of property settlement.

On 7 March there was a meeting of SCAG, the Standing Committee of Attorneys-General, in which every Attorney-General—Commonwealth, state and territory—met and discussed a range of issues. But there was one point on which they universally agreed, with the exception of the Commonwealth Attorney—that new laws simplifying property settlements between de facto couples must not be discriminatory and that, if the states and territories were to transfer their powers on this matter to the Commonwealth, as they are keen to do, it must not be done on a discriminatory base and the Commonwealth must not discriminate against same-sex couples in doing so.

That issue has arisen because there has been a sea change around the states and territories over the last few years which has seen, to varying degrees, recognition of gay and lesbian relationships in state and terri-
tory law. To give you an idea: in my home state of Western Australia following recent comprehensive law reform, gay couples now have the same rights as de facto. That includes adoption, transfer of property, medical treatment, inheritance and benefits upon death of the partner, thereby bringing Western Australia into line with most other states. The Family Court Amendment Bill 2001 in my home state will be passed shortly and will enable the Western Australia Family Court to deal with property matters in de facto and same sex relationships and will deal with maintenance arrangements and recognition of financial agreements between couples.

Here in the ACT, same sex couples have the same rights as heterosexual de facto couples under the Domestic Relationships Act 1994. However, orders to divide assets still have to go through the Supreme Court, as with all de facto relationships. The ACT recently passed a motion calling for the Commonwealth to take over legislative power to ensure that de facto and same sex couples have the same rights as married couples with regard to property matters.

In New South Wales, as of 28 June 1999, same sex couples enjoy most of the same rights as heterosexual couples. The Property (Relationships) Legislation Amendment Act 1999 amended a multitude of other acts in order to give same sex couples most of the same rights enjoyed by heterosexual couples. This includes property division on relationship breakdown, decision making in case of incapacity or death, compensation, stamp duty, bail applications, notification of partners of patients with mental illness and provision for partners when a person is unable to manage his or her own affairs. Some areas are still needing urgent attention including adoption, foster parenting and superannuation for state government employees.

In Victoria, the Statute Law Amendment (Relationships) Act 2001 amended some 45 acts of parliament to change the definition of spouse to domestic partner for same sex and heterosexual de facto, and a separate definition of spouse is used to refer to partners in a conventional marriage. These include medical treatment, property transfers, superannuation and wills. It took effect from 1 January last year, bringing de facto couples’ rights into line with those of married couples.

In Queensland, in December 1999, the Queensland state parliament passed legislation giving lesbian and gay couples the same property and inheritance rights as heterosexual de facto couples. The changes were made to the Property Law Act 1974. Earlier that year the government also passed an act to recognise same sex couples under domestic violence laws.

In the Northern Territory, the De Facto Relationships Act 1991 does not cover same sex couples, and in South Australia, the De Facto Relationships Act 1996 does not cover same sex couples. It is worth noting, however, that both those jurisdictions—the Northern Territory and South Australia—through their respective parliaments have said only in recent weeks that they intend to change that, to recognise partnerships and to end discrimination.

In Tasmania, a 2001 parliamentary committee report has recommended the legal recognition of same sex couples as part of a broader move to recognise what is termed ‘significant personal relationships’. According to the report title The legal recognition of significant personal relationships there are more than 120 pieces of legislation in that jurisdiction which disadvantage same sex couples and their children. The De Facto Relationship Act 1999 details laws regarding heterosexual de facto couples only.

In summary, in terms of their relationships, same sex couples are recognised and protected, to varying degrees, in the ACT, New South Wales, Western Australia and Queensland but not yet in Tasmania, the Northern Territory or South Australia. But, as I said, all three of those jurisdictions are keen to move and to do so comprehensively. In standardising laws for heterosexual couples and for same sex couples that are recognised in some states but not in others, the same motive should be given in terms of recognition of federal protection.

In his contribution on the motion that I presented this morning, Senator Harradine said it was partly successful. He is wrong; it
was completely successful. The majority of the Senate supported the motion. The motion simply called on the Attorney-General to note the recent meeting of SCAG and, in particular, the willingness of state attorneys to transfer their powers to have property issues for de facto couples settled in the Family Court. It also called on the government to bring forward legislation on this matter to ensure that, firstly, federal legislation will in no way limit existing rights under state legislation and, secondly, ensure an equitable legislative regime is proposed which eliminates any disadvantage or discrimination against all de facto couples, whether they be of the same or opposite sex.

To summarise, if we are to going to shift the powers of the states and territories to the Commonwealth for property settlement for de facto couples, the Commonwealth has to not go back to the bad old days or maintain the status quo where same sex couples are not recognised. You have this conflict where every state or territory jurisdiction either has or will end this discrimination and, by contrast, nothing has happened at a federal level. As a consequence, the Commonwealth remains a bit of a pariah in terms of the discrimination that continues.

We saw recently with the Senator Heffernan and Justice Michael Kirby issue that both the Prime Minister and his government and the Leader of the Opposition and the opposition fell over themselves to say that they did not support discrimination against gay and lesbian people and were not homophobic. That sentiment is not reflected anywhere in Commonwealth legislation and is long overdue. We need comprehensive national antidiscrimination laws to address this and for the proper recognition of same sex couples in perhaps the same way as de facto couples are recognised. Perhaps when the next Governor-General addresses the parliament and presents a speech to the opening thereof—whoever he or she may be—and speaks of tolerance, compassion and equality, she or he will recognise that that relates not only to race and religion but also to sexuality.

Question agreed to.

WORKPLACE RELATIONS AMENDMENT (FAIR DISMISSAL) BILL 2002

Second Reading

Debate resumed from 11 March, on motion by Senator Ian Campbell:

That this bill be now read a second time.

Senator SHERRY (Tasmania) (10.58 a.m.)—The Workplace Relations Amendment (Fair Dismissal) Bill 2002 would deprive a particular group of Australian employees of a fundamental right—the right not to be dismissed unfairly from their employment. Much has been said about the title of this bill. Like many others, I ask how the Liberal government can seriously represent to the public that a bill which makes it lawful for an employer to harshly, unjustly or unreasonably dismiss an employee should be called a fair dismissal bill. It reduces legislation to mere propaganda and debases this parliament. In his second reading speech the Minister for Employment and Workplace Relations sought to justify the bill with the hypothetical claim:

If one in 20 small business employers in Australia took on an additional employee because of a changed legislative framework for unfair dismissal, then an extra 53,000 jobs would result. The Liberal government has claimed loudly for many years that small businesses would create vast numbers of jobs—in the tens of thousands—if they were exempt from federal unfair dismissal laws. However, continuous repetition of this claim cannot convert a bald and inaccurate assertion into fact.

Small business is vital to our economy and to employment growth. Thirty-seven per cent of wage and salary earners in the non-agricultural private sector are now employed in small business. It is the task of good government to address the factors that prevent small business from growing and prospering, but the Liberal government’s claim to be doing this by seeking to exempt them from unfair dismissal laws is seriously flawed. The Liberal government has never bothered to present evidence to the parliament or to the public to support its propaganda claim about job creation. The reason for this is clear: none exists. If there is evidence that
supports the propaganda claim by the minister that the changes created in this bill would create tens of thousands of jobs—something he continually maintains—let us see that evidence. Bring the evidence before the parliament so that we can look at it.

Senator McGauran—It is called a six per cent unemployment rate.

Senator SHERRY—Senator McGauran, with his well-known interest in legal matters, should read the case of Hamzy v. Tricon International Restaurants heard in the Federal Court last year. In that case the Liberal government tried to persuade the Federal Court that unfair dismissal laws inhibited employment growth. Having heard all the Liberal government evidence, the court, which is independent, thank goodness, concluded the following:

It seems unfortunate that nobody has investigated whether there is any relationship between unfair dismissal legislation and employment growth. There has been much assertion on this topic during recent years, but apparently no effort to ascertain the factual situation.

Here is a court saying that the Liberal government’s claim that tens of thousands of jobs would be created is nothing more than a propaganda line. The court is independent of the parliament, and it is saying that there is no evidence and that there has not even been any research.

The claim that passage of the bill would enhance employment growth in the small business sector was further called into question during the recent Senate committee inquiry into the bill in evidence given by Ms Keenan on behalf of the Coalition of Small Business Organisations, COSBOA. She said:

I do not necessarily believe that we are going to see a massive increase in employment in small business. I do not believe it will work that way. I believe it will make employment in small business more secure, but I do not believe that there will be a massive blow-out of new employment.

Here is the small business organisation admitting that these claims that are being made—the propaganda—are not correct. During the same hearing the representative of the Australian Chamber of Commerce and Industry acknowledged that the overriding factor in decisions relating to new employ-

Of course, the Liberal government is not concerned with doubts expressed by the business community that the bill will not have the effect claimed by the government. It is not interested at all. It suits the current government fine that this debate is ruled by perception and propaganda rather than evidence. This government knows well that small businesses are forced to rely on general perceptions of risk when making business decisions. The Liberal government is intent on manipulating these perceptions and fomenting alarm about unfair dismissal. It then leaps on every small business survey or anecdote that suits its predetermined message.

Unfortunately even the small business surveys contradict the government’s message. A study released on 13 March this year by CPA Australia again put the lie to claims that unfair dismissal laws are the biggest barrier to employment growth among small businesses and showed that, rather than continuing in their scare campaign, the government must make a greater effort to educate small businesses as to the effect of unfair dismissal laws. According to that study only five per cent of small businesses nominated unfair dismissals as the main impediment to hiring new staff and only three per cent of small businesses nominated a change to unfair dismissal laws as something that would encourage them to employ more staff. By contrast, 25 per cent of small businesses nominated the lack of skilled or experienced applicants as the main impediment to hiring new staff, by a factor of five to one. The survey also showed that many small business operators had unnecessary fears about unfair dismissal laws. Twenty-seven per cent of small business operators were worried that
they could not dismiss a person even if they were stealing from their employer. Thirty per cent of small businesses thought that the employer always lost unfair dismissal cases, when the outcome of arbitrated cases is roughly even.

This bill is essentially the same as the bill recently rejected by the Senate, with the exception that this bill is now expressed to apply to businesses with fewer than 20 rather than 15 employees. Despite the fact that the Labor Party have made it clear that we will continue to oppose an exemption for small business, the government has refused to consider constructive amendments to the bill to improve the unfair dismissal procedures and reduce costs for participants in the unfair dismissal procedure.

In the meantime the real issues facing small business go unaddressed. The current government continues to be completely one-eyed about the issues, such as unfair dismissal, that it singles out for attention and those it does not—for example, GST compliance, competition, telecommunication costs and the costs of so-called employee superannuation choice, which is going to be a real hard hit for employers, particularly small business employers, in this country. They will have to contribute to different superannuation funds for their employees. Just wait till that one hits them. But, rather than listen to small business employers, the government prefers to dictate to them about what they should worry about.

A further reason to doubt the promised benefits of the government’s bill is that it would expose the relatively few small businesses to which it would apply to considerable legal uncertainty. Estimates of the percentage of small businesses covered by federal unfair dismissal laws vary, but it cannot be denied that the majority of small businesses, with the exception for the time being of those in Victoria, are covered by state unfair dismissal laws. Of course it is well known that the government is sniffing around for a way to override these laws as well. If this legislation passed, we would have the absurd situation where the majority of small businesses would not be covered by the legislation. The majority of small business employees and employers in this country are covered by state industrial legislation. They would still have access, and have had access in most cases for decades, to unfair dismissal provisions. But for those businesses covered by federal law, the government’s proposed exemption would create a legal vacuum.

Under the present system the rules are clear. An employee files an application with the commission. The commission attempts to settle the matter by conciliation. If that is not possible, the commission determines the matter by arbitration. It is guided by the rules set out in the act and its considerable knowledge and experience. Most recent figures from the commission indicate that the average time from the lodgement of a claim to the finalisation of conciliation is 53 days and that just under four per cent of matters proceed to final arbitration. Of these, less than one-third are appealed. I want to compliment the commission. Compare the time it takes to get unfair dismissal cases before the commission, 53 days, to the time it takes to get anything else processed in the Australian legal system—you can literally wait years to get anything done in the legal system. Perhaps there is a lesson in that for all the lawyers who dominate the frontbenches of the Liberal and National parties.

Senator Kemp—Or the Labor government who are responsible for most of the legal system.

Senator SHERRY—Except for Senator Kemp. I do not think you are a lawyer.

Senator Kemp—Certainly not.

Senator SHERRY—I should not have impugned your integrity by making reference to your being a lawyer. By contrast, the government is happy for small business to take its chances in the common law courts. It is fair to say that this government is fond of the common law, particularly its role in retribution for industrial action. In 1986, when he was a barrister, the current Treasurer waxed lyrical in an address to that bastion of industrial fairness, the HR Nicholls Society. He said:

The common law which applies to all citizens, individuals, companies and other legal entities
such as trade unions, represents the one last area where litigants can obtain justice from ordinary civil courts.

How right he was. Let me read from a 2001 decision of the House of Lords—one of the Treasurer’s beloved ordinary civil courts—in a case called Johnson v. Unisis:

These considerations are testimony to the need for implied terms in contracts of employment protecting employees from harsh and unacceptable employment practices. This is particularly important in the light of the greater pressures on employees due to the progressive deregulation of the labour market, the privatisation of public services, and the globalisation of product and financial markets ... The need for protection of employees through their contractual rights, express and implied by law, is markedly greater than in the past.

This is a decision of the House of Lords. The government should not place its hopes in the romantic notion of a 19th century common law court which sees no difference between an ordinary commercial contract and a contract of employment. Modern common law courts are alive to the realities of the labour markets and human rights. In an appropriate case the common law might well provide a remedy to a dismissed employee, but it would not be before several small business employers have been dragged through expensive and time consuming litigation thanks to the government’s decision to exclude them from the commission.

In short, we are faced with a choice. We can work to improve the unfair dismissal laws to make them easier for employers and employees alike to negotiate. This approach will maintain the culture of fairness, trust and confidence that unfair dismissal laws have helped build in Australian workplaces. The benefits will be shared by employers and employees. It will truly ensure a fair go all round. It will not diminish the employment security which is vital to our economic and productivity growth. Or we can deprive a group of Australian employees of the statutory right to seek a remedy for unfair dismissal and abandon small business employers and employees to the uncertainty of common law. This approach will do no more than undermine job security and expose small business to costly litigation, which is probably what the lawyers want—the lawyers in this government who dream up these particular measures.

One of the favourite mantras of the Minister for Employment and Workplace Relations is that unfair dismissal laws are an example of the cure being worse than the disease. That description is more apt to describe the government’s proposed small business exemption. As we all know, this bill is the government’s primary double dissolution trigger. Apparently, the government that brought you the ‘Tampa election’ now wants to give you the ‘Unfair dismissal laws election’. I can see the poster already: ‘We will decide who is sacked in Australia and the circumstances in which they are sacked.’

Labor’s approach to unfair dismissal is guided by three central principles. First, unfair dismissal laws have been a positive development in Australian workplaces. Their development over two decades has been vital in promoting the concept of a fair go and a mutual obligation of good faith in the workplace.

Second, unfair dismissal laws should be workable and accessible for employers and employees. Where there are problems of cost and procedure the parliament should address them. Third, unfair dismissal laws are designed to promote employment security. Changes to unfair dismissal laws should not erode employment security by stripping employees of the right to a fair go. The right to a fair go for Australian battlers is fundamental to Australian culture and society.

Senator McGauran interjecting—

Senator SHERRY—I hope you were not referring to the Tasmanian tally room, Senator McGauran. The last time I saw you down there you were very unhappy with the results coming up. Second, unfair dismissal laws should be workable and accessible for employers and employees. Where there are problems of cost and procedure the parliament should address them. Third, unfair dismissal laws are designed to promote employment security. Changes to unfair dismissal laws should not erode employment security by stripping employees of the right to a fair go. The right to a fair go for Australian battlers is fundamental to Australian culture and society.

Labor has always thought it better to retain the same unfair dismissal system for everyone, not to have a system where those who work for a small employer have no rights or far fewer rights than those who work for a larger employer. We have to explore ways to make it more workable and accessible for all parties. As we have made clear on six previous occasions, we cannot
support the so-called fair dismissal bill. Accordingly, the Labor Party will move amendments that replace the Liberal government’s misguided small business exemption with genuine measures that will reduce costs and improve procedures for both employers and employees.

There are a number of practical measures which Labor believes will improve the unfair dismissal system for the benefit of workers and employers alike. These include proposals to reduce the scope for lawyers to profit from unfair dismissal claims, reduce costs and delays in unfair dismissal proceedings, improve unfair dismissal procedures and reduce uncertainty and confusion about unfair dismissal laws. If the government refuses to consider Labor’s amendments, employers and employees alike can only conclude that the bill is nothing more than a crude double dissolution trigger and that the Howard government is not serious about improving the unfair dismissal system for the benefit of all concerned.

Senator GEORGE CAMPBELL—The Workplace Relations Amendment (Fair Dismissal) Bill 2002, which we are debating, is one of five bills that are currently before the parliament. All deal with the issue of industrial relations in one form or another and all are essentially bills that have been before this parliament on previous occasions and which have been rejected by the Senate. If you look at the bills that are currently before the parliament, you have to say that they reflect an underlying ideological agenda being pursued by this government of marginalising unions and reducing their capacity to bargain and organise effectively for working people. If enacted, they will have the unfortunate—and not necessarily unintended—consequence of fostering a more adversarial and less cooperative relationship between employers and unions.

The reality is that this government is not essentially about industrial relations reform. It is not about looking for ways and means of making our industrial relations system work better and more effectively to facilitate, in many respects, the capacity of the players in the industrial relations environment to reach agreements, to strike bargains, to uphold those bargains and to get on with the process of putting in place relationships between employers and employees that ensure our industries will maximise productivity, maximise their output and maximise their contribution to the Australian economy.

Senator Kemp—That is what’s happening.

Senator GEORGE CAMPBELL—I take Senator Kemp’s interjection that that is what is happening. It is also true, Senator Kemp, that the industrial relations minister, Mr Abbott, is out there talking to employers associations behind closed doors. He has done so in the past couple of weeks and has been exhorting those organisations to get stronger and to get more enthusiastic in taking on unions and taking on workers. You know as well as I do that that is the sort of agenda that this government has pursued on industrial relations since it was elected in 1996. It is the agenda that was pursued by the previous industrial relations minister, Mr Peter Reith—and he was an expert at it—and it is an agenda that has been continued with the same enthusiasm by Mr Tony Abbott, the current industrial relations minister.

I want to draw attention to the comments in the minority report of the Australian Democrats, put together by my good friend Senator Murray. In the introduction to his report, he poses the rhetorical question of why it is, on these issues, that employee organisations and employers, both of whom have well argued cases, are inevitably opposed. It is true that in this game each group will seek to get whatever advantage it can out of the system. On a previous occasion when these bills were before a Senate inquiry, Mr Bob Herbert, on behalf of the AIG, put it very succinctly. He said, ‘If you see a head, kick it.’ He recognised and acknowledged that they believed there were substantial benefits in the proposed bills—as they were at that time—for his organisation, and they were out there supporting the bills in that form.

But that is not the role of this government. It is not the role of this Senate to be out there putting in place laws that deliberately swing the pendulum of support in the direction of
one group or the other. It is the role, however, of this parliament and it is the role of the government to ensure that the systems of laws that we put in place are such that they treat each of the groups of players that they are directed at equally. In the instance of industrial relations, we should put in place a system with a genuine umpire that can manage the system and ensure that the outcomes that derive out of that system benefit the players in industrial relations generally and, at the end of the day, benefit the community. It is about time this government got away from running its ideological agendas and its rhetorical agendas and faced up to having a hard look at what genuine changes can be put in place to ensure that we have an effective, workable industrial relations system.

I now come to the specific issues relating to this bill. The title of the bill itself is a misnomer—a bill that will allow employers to dismiss people harshly, unjustly and unfairly has been given the title ‘a fair dismissal bill’. This bill is a transparent attempt to discriminate, without any significant economic gain, against employees of small business. There is no significant economic gain to be achieved as a result of this bill. The central reason the government puts forward to justify this bill is that unfair dismissal laws place an unfair burden on small business; yet there is no evidence that the laws significantly affect employment growth or that the laws would significantly improve the basis upon which small business carries out its activity on a day-to-day basis.

Furthermore, the philosophy behind this bill—that small business should be exempted from these laws because they do not have the expertise or resources of larger employers with regard to industrial relations—is also flawed. The Senate passed legislation last year, easing the administrative burden on small business. There were key changes made which included: setting a probation period of three months; the Australian Industrial Relations Commission to take into account the size of a business when assessing the reasonableness of the dismissal procedure; greater scope for costs to be awarded for unreasonable claims; and lawyers and advisers to disclose whether they are on a no win, no fee basis. Those changes were made to try to make the system work more effectively.

At least there ought to have been some time allowed for those changes to work their way through the system and for an assessment to have been made as to whether or not the issues that they were seeking to address had been addressed effectively by those changes. But, no, that was not the case: the ink was hardly dry on the bill that was passed through this Senate when we had a new bill before the Senate seeking to implement further changes in this area. There was no opportunity to give the changes a chance to work; the government simply put in another bill that included the ideological agenda that this government wanted to pursue.

The reality is that no new evidence has come to light to warrant the introduction of this bill. In the inquiry that we held to discuss these issues, there was no additional evidence put before the inquiry by the small business community to justify the changes that are sought in this bill. The claims about the employment effect of the exemption have never been supported by evidence. As my colleague Senator Sherry outlined, that was clearly demonstrated in the Federal Court case of Hamzy v. Tricon, where the government’s own expert witness on workplace relations and employment matters admitted: ...

... there has not been any direct research on the effects of introducing the unfair dismissal laws; the growth in employment in the 1990s had been at its strongest when the unfair dismissal laws were at their most protective; and the driving force behind employment growth is clearly the state of the economy and not the existence or non-existence of unfair dismissal laws.

That came out of a Federal Court hearing.

It is also fair to say that, in looking at some of the other bills which were the subject of the Senate inquiry, it was found that no research work had been done by the department to establish some of the claims that were being made with respect to those other bills. None of the legislative program that is being proposed in this area by the government is underpinned by any hard research or any hard analysis about what is happening
out in the workplace. It is clearly being driven by an ideological agenda.

It is interesting to note that the government and the minister for industrial relations, in particular, in pursuing this issue, have threatened that, if we reject this legislation again, it will become a trigger for a double dissolution—it would allow the government to call a double dissolution on industrial relations. So the implied threat is: ‘If you don’t pass these bills’—irrespective of whether or not they are legitimate in terms of their objectives—‘we will use that against you politically.’ I do not think the government will get much comfort out of a double dissolution on industrial relations laws at this point in our history. But, if that is the direction they want to go, fair enough. Put it on the table, call an election and let us see what the outcome is. The first thing we will be interested to see is who leads them into the election. We will be interested to see whether they do it with the current Prime Minister, who was an abject failure when he was the shadow minister for industrial relations, or whether they do it with a Prime Minister who has a reputation of being involved in the industrial relations arena, who built his reputation on Dollar Sweets and who, as Senator Sherry said, has made some very interesting contributions with respect to the HR Nicholls Society.

A most important and honest contribution to the inquiry was made by Mrs Keenan, who is, I think, the President of the Council of Small Business Associations, COSBOA. When Mrs Keenan was asked about the job implications of this legislation—and the point was made that the claim of 50,000 jobs was in fact made by her organisation—she said quite honestly to the committee:

I have doubts about that. I have serious doubts about that. I do not necessarily believe that we are going to see a massive increase in employment in small business. I do not believe it will work that way. I believe it will make employment in small business more secure, but I do not believe that there will be a massive blow-out of new employment.

That was what was said about the government’s claim that 50,000 jobs would be created if this legislation were passed. In fact, the current industrial relations minister indexed it to 53,000 jobs just to make it look better.

Both the head of the small business association and, I might add, the representative of ACCI—the big business organisation—said that there were a whole range of other factors involved in determining whether or not small business would take on further employees. But they both totally repudiated this argument of the minister that, if this law simply passed the parliament, there would be a significant change in the nature of small business employment. The Senate has already adopted the terms of reference for the Senate Employment, Workplace Relations and Education References Committee to look into all of the issues that have an impact on small business in terms of their capacity to employ more people in the Australian economy. It will be interesting to see the range of issues deriving from that inquiry that small business believes are having an impact upon its capacity to employ.

If you look at the recent surveys that have been done on small business—the latest one was done by the CPA—all of them clearly demonstrate that the issues which are uppermost in the mind of small business are not industrial relations issues; they are issues that go to government regulation and government red tape. The government, back in 1996, promised to cut red tape on small business, and they have achieved absolutely nothing in six years in that area. They have achieved nothing and done nothing in that area to remove or reduce the impediment on small business. A lot of small businesses still have major concerns about the way in which the GST operates and about the impact of that upon their businesses. As chair of that committee, I am looking forward with some relish to hearing from small business about the key issues they believe are the major impediments to their employing more people and about where they see the necessity for change.

Protection against unfair dismissal should form part of the fundamental employment rights that are available to all employees once they have satisfactorily completed a probationary period of employment. A bill
that would remove this protection from a large and growing component of the workforce would result in the development of a two-tiered labour market and would further marginalise the employees of small business.

There are also sound economic arguments against the bill. For example, a small business exemption would reduce the employment security of many employees of small business, which would in turn negatively affect their consumption and investment. It would undermine trust and cooperation in the workplace and make it more difficult to manage workplace change and to boost productivity. The exemption would discourage people from seeking employment in the small business sector—where they would enjoy second-class rights—and would leave small business vulnerable to protracted and expensive common law litigation, increasing costs and uncertainty.

The ALP believes that, instead of excluding small business employers and employees from the system, the government should be examining ways of improving the operation of the unfair dismissal system for all participants. Practical measures that could improve the system and merit further consideration may include: increasing the emphasis on reinstatement as the primary remedy to reduce the incentive to litigate purely for compensation; reducing the legal costs of conciliating and settling a matter; regulating paid agents before the Australian Industrial Relations Commission to ensure ethical standards of conduct; facilitating electronic means of communication to assist businesses in rural and regional areas; disseminating an information package, produced in consultation with state and territory governments, on sound recruitment and dismissal practices; establishing indicative time frames for the determination of matters; and enabling a common application to be brought on behalf of employees who were dismissed at the same time or for related reasons.

There is valid justification to look at reform and changes in this area. There are a lot of overlapping issues that need to be addressed. We have the reality of a duplication of federal and state systems. We have the situation which is demonstrated by the head of a small business organisation who runs a business in Mildura and employs people who live in South Australia, New South Wales and Victoria. Unfair dismissal laws are different in each of those states. There is a justification for looking at developing a system that is more uniform, more easily understood and more easily applied in terms of the circumstances where unfair dismissal is an issue. But the reality is that if we exempt small businesses from the application of unfair dismissal laws, we will be creating a two-tiered labour market. We will be saying to employees of small businesses with fewer than 20 employees: you have lesser rights in this community than the person down the street who works for a business with 21 employees. That is a fundamentally bad set of circumstances. (Time expired)

Senator MURRAY (Western Australia) (11.36 a.m.)—The Workplace Relations Amendment (Fair Dismissal) Bill 2002, which one of our senior staffers amused me by describing as ‘the dismal bill’, is up for, I think, the sixth time. Despite rejecting this very proposition in 1996—in other words, it is a broken promise—the Howard government has since moved about six times to remove small business from the federal unfair dismissal jurisdiction. The main provision of this bill would exempt businesses with fewer than 20 employees from unfair dismissal provisions. Although the bill applies only to persons hired after the amendments come into effect, over time small business employees under federal law, as a class, would be denied access to unfair dismissal protection.

What is interesting about this bill and this issue is how few people actually know the facts related to it. That is why it is fair to regard many of the comments as being driven either by a desire to hire and fire employees at will or by a wilful ignorance of what is quite a complex situation. I refer in particular to the fact that we have six unfair dismissal jurisdictions. If you ask, as I have, the federal government to tell you how many small businesses fall under federal law or how many small business employees fall under federal law, they cannot tell you. They do not have that information. What we do
know is that most employees in this country fall under one of six federal and state laws dealing with unfair dismissal. They share that distinction with many countries in the world.

I recall that during the tax debate the Treasurer used to great effect the argument that so few other countries were without a GST that we should not even think of being in their number—I think those countries included the United States and Swaziland, from my memory of the Treasurer’s remarks. The last time I looked, and it was a couple of years ago, only Sri Lanka, Germany, Austria and the Republic of Korea limit protection against unfair dismissal according to the size of the business concerned. So the six regimes share a commonality with much of the world.

There are further commonalities. The maximum time period to apply after the termination is very short in most cases: it is 21 days, with the exception of Western Australia, which has 28 days. Four out of the six jurisdictions have filing fees. The Commonwealth and New South Wales both charge $50, Queensland—for some strange reason, which I have not looked into—charges $46.50, WA has an extraordinarily low filing fee of $5, and South Australia and Tasmania have no filing fee at all.

Casuals are excluded for a period of time from access to the federal and state termination laws. They are excluded for the greatest extent of time in the Commonwealth and Queensland at 12 months; next comes South Australia, with 9 months; after that comes New South Wales at six months; and Western Australia—and these are former Premier Court’s laws I am referring to—and Tasmania do not exclude casuals at all. Casuals are a very important category in employment; there are over two million of them. Again, the federal government has no information as to how many casuals fall under federal law but the National Farmers Federation did have a look at that issue and they indicated that, with respect to their industry, 90 per cent of claims by farm casual employees were under state laws. So if they are typical—and I have no way of knowing if they are or not—you would find that most casuals fall under state and not federal laws. What we are certain of is that most employees fall under state laws, not federal laws, and most unfair dismissal applications are for big business, not small business.

There is a statutory default probationary period for employees during which they cannot access unfair dismissal provisions. That applies at three months in the Commonwealth and Queensland. In New South Wales, South Australia, Western Australia and Tasmania they can apply for unfair dismissal applications at any time and there is no statutory default probationary period. However, if they have been established in contract between them, that does influence the outcome. In all those jurisdictions—this is one that is common to the fact that, in all those jurisdictions, employees can apply for a remedy—there is conciliation before arbitration. In only two of the jurisdictions—the Commonwealth and Queensland again, where the greatest commonality exists across these jurisdictions—there is a certificate issued if conciliation fails. There is none at all in New South Wales, Western Australia and Tasmania, but in South Australia an assessment is made. The only two regimes that apply a penalty for disregarding that assessment are the Commonwealth and South Australia.

There are four areas where the Commonwealth law is far stronger than the state laws. That the commission should consider the size of the business is a feature of the Commonwealth law, and I might say they also are required to consider whether the proprietors have particular skills in the area of determining human resource procedures. Other areas include penalties against advocates for vexatious claims under the Commonwealth law, the requirement to disclose what are known as contingency fees—no win, no fee issues—and that claims can be dismissed which have no reasonable prospect of success. So the Commonwealth regime overall is much tighter than the state regimes.

The last issue of comparison—and I want to acknowledge the good work of the Parliamentary Library with respect to this comparison—is whether salary compensation is capped. In all jurisdictions it is restricted to
six months: in the Commonwealth it is a six-month remuneration limited to $37,600 for non-award employees; in New South Wales it is six months remuneration; in Queensland, six months average wage; in South Australia, six months remuneration limited to $38,700; in Western Australia, six months remuneration; and in Tasmania, six months ordinary pay.

If you had to ask the average parliamentarian, if you had to ask the average businessperson, if you had to ask the organisations that make submissions to us, you would see that they do not know those facts, and you cannot blame them for not knowing them. It indicates a very confused situation. The one thing I think the Commonwealth should try above all to get is commonality across those jurisdictions.

There is, though, a real problem which emerges from that comparison. This issue is very good politics for the coalition because the small business constituency by and large want to hire and fire at will with no control or restraint and because the rejection of these bills will have the side effect of delivering a double dissolution trigger to the government—although I cannot imagine going to the people on this issue would be particularly bright and I should imagine Mr Costello would not be delighted at all if we were to rush off to a double dissolution before he got his hands on the levers. Anyway, we will leave that aside. But there is an issue here and that is that the endless use of the words ‘unfair dismissal’—

Honourable senators interjecting—

Senator MURRAY—I will not take the interjection. You are making me laugh and that interferes with my thought flow. The difficulty with what is said does result in a very unfortunate circumstance. If you listen to shock jocks or journalists or politicians, they very seldom say ‘federal unfair dismissal’ when they are discussing the matter. Consequently, out there in voter land, people seem to believe that getting rid of unfair dismissal application possibilities for employees and small business under federal jurisdiction will actually apply across the country. I think if ever this law were passed the government would find itself in some trouble, when businesses in New South Wales, where a lot of this agitation comes from, that have a much weaker jurisdiction woke up the next day to discover in fact they were still subject to unfair dismissal applications.

Again I am indebted to the National Farmers Federation. In evidence to the committee they indicated that they believed that 60 per cent of agricultural businesses fell under federal awards and 40 per cent under state awards—that is excluding Victoria which is wholly federal. They then said, excluding Victoria which is wholly federal, that approximately 60 per cent of their unfair dismissal claims experienced were to state jurisdictions and 40 per cent to federal. On the face of it, this could mean that 40 per cent of agricultural businesses falling under state awards are generating 60 per cent of the claims, a sure sign of less stringent state laws. Although that is an indicative study and caution must be applied to making it a claim across the whole field of unfair dismissal applications, I think you will find that if the states were to adopt the Commonwealth jurisdiction you would see a significant drop in the total number of unfair dismissal applications—including in small business. As an example of the effect of law change, I should indicate that the laws which were changed in 1996 and again in 2001 by the coalition, supported by the Democrats, have meant that there has been a significant fall in the number of unfair dismissal applications. The total number of federal cases in the calendar year of 2001 was 8,157, which is down from 15,083 in 1996. That is why I and my party believe that commonality of laws to match the Commonwealth laws would result in state unfair dismissal applications falling as well. If you bear in mind that that is where the issue is for small business, it is in state jurisdictions, not in federal jurisdictions, where Commonwealth policy should be driving.

I have spoken so far about the misinformation out there that small business is almost being conned. I heard Senator George Campbell refer to the recent CPA survey and that is again an instructive circumstance. I do not think there was any mal fides—any bad
faith—in the way that they conducted their survey; they just did not really appreciate the differences in the jurisdictions. Surveys throughout the issue of unfair dismissal politics have played a large part, but they very seldom distinguish between federal and state jurisdictions—which is a fundamental point—and they very seldom ask the businesses whether they actually know much about these matters. Frankly, a number of the organisations—and I do not refer to CPA Australia in this respect—use push-pulling techniques. Professor Hunter, in evidence to the committee in the 1999 inquiry, described the way in which these surveys were conducted as manipulative, and I thought that was instructive. The CPA survey recently was publicised, by the government and others, as raising yet again the unfair dismissal application problem. I wrote to them and asked them.

As you know there are six unfair dismissal regimes in Australia. I am interested in whether the survey allows you to distinguish whether respondents are covered by federal or state unfair dismissal law.

They replied in a pleasant letter on 26 March 2002, and I quote one of their paragraphs.

There was not a question about whether respondents were covered by state or federal jurisdiction. In the experience of our members, the majority of small businesses are unaware of which jurisdiction applies to many of the legislative requirements with which they are required to comply and therefore many would have been unable to answer such a question with accuracy. In addition, a number of small businesses would have some employees within the same firm covered by state law and others covered by federal law.

If you want a confusing situation, that is it. The Australian Democrats have carefully, over time, analysed the false information being put out, the lack of credible data that is available, the lack of data which the government has to justify its case. There are around 2,600 federal small business unfair dismissal applications and the government is claiming that 53,000 new jobs could be created in small business by removing federal unfair dismissal applications from—I hear, but I do not know whether the data is accurate—an estimated 600,000 employees who are likely to fall under federal unfair dismissal laws. That is a fanciful and dubious claim and should be given no credibility. In the statements of the department, and indeed of many organisations, they are now conceding that point and are really referring more to the perceptions of employers and why it is necessary to calm them down.

Frankly, if this debate were conducted in a far more informed and far less inflammatory way the perceptions themselves would diminish over time. There are small businesses who believe that you cannot fire an employee who has been stealing from you. It is just so nonsensical as to be absurd. We think those small business people who have misguided perceptions would benefit enormously if the government devoted its energies to providing them with good information and education packages rather than conducting what is a highly political campaign.

The main challenges for unfair dismissal reform, in our view, appear to be twofold: firstly, moving towards some convergence in state and federal approaches and, secondly, taking steps to better inform employers of their real capacity to dismiss employees. We in the Australian Democrats are also very happy to continue to look at process issues. There is another bill before us on that basis, and further ideas were thrown up by the inquiry which we will have a look at. But the core proposition of this bill remains unacceptable to the Australian Democrats. I have not focused on it heavily in my speech in the second reading debate because we put it on the record before, but we will not accept that employees in small business should have different rights to those available to employees in large business. We will just not accept that proposition. That is why we will continue to reject bills that attempt to bring that into law.

Senator FORSHAW (New South Wales) (11.56 a.m.)—I rise once again in this chamber to make some remarks regarding this government’s proposals to reduce the capacity of some employees in this country to have access to industrial law. This bill is titled the Workplace Relations Amendment (Fair Dismissal) Bill 2002. Of course, we are all aware that this is a bill that has been pre-
presented to this parliament on previous occasions but under another name. It appears to me that the new minister for industrial relations, Mr Abbott, must have been taking some lessons in dramatic irony, because he has called it the ‘fair dismissal’ bill. What a nonsense proposition that is, when you look at the effect that this bill will have. It is illustrative of the approach of this government that it will go to these lengths to try and mask or hide from the public its true intentions in legislation. We can all recall that in the previous parliament this government introduced legislation on one occasion which was referred to as the ‘More Jobs, Better Pay’ legislation. We all know that that legislation did nothing of the sort. It was not about creating more jobs or better pay. Its intentions were quite the reverse. But that is not surprising, given the propensity of the former minister for industrial relations, Mr Reith, to dabble—if I could use that word—with the truth, to misrepresent the position to the Australian public. That is quite evident from some other events that occurred whilst he was Minister for Defence. I quote from the explanatory memorandum:

The Bill proposes to:

• prevent small business employees (other than apprentices and trainees) from applying under the WR Act for a remedy in respect of harsh, unjust or unreasonable termination of employment (‘unfair dismissal’) …

When you read that statement from the explanatory memorandum, you immediately recognise that this is not a bill about fair dismissal. This is not a bill that is seeking to regulate situations where an employee may be fairly dismissed because of particular actions that he or she may have taken or may have failed to take. Anybody who knows anything at all about industrial law and industrial awards in this country knows that employers have rights, under the law and under the awards, to dismiss employees in a range of circumstances and, without going into great detail on that, clearly it can be for serious misconduct and so on. That is a common provision in awards. We also know that employers are entitled, when the circumstances warrant, to make employees redundant.

But in all of those situations there is a scheme in the law which enables the employee to be treated fairly. What underpins that is the fundamental legal principle that all persons should have equal access to the law. That certainly has always been the case in this country in the industrial arena. This bill is about denying the rights of certain employees, namely employees in small businesses where there are fewer than 20 employees, to even have access to industrial law in this country. This bill says straight out that if you happen to be an employee in a firm where there are 19 employees or fewer you are prevented from any redress even if you are unfairly dismissed.

That employee as an individual under the law has the right to access all other laws in this country. If there is a breach of a contract that person enters into in regard to the purchase of some goods or land, they are entitled to seek legal redress. If that person is assaulted or has property stolen, they are entitled to the protection and the remedies that the law provides. However, when it comes to that individual’s employment—which is probably the single most important thing to that individual in terms of the capacity to earn an income to stay alive and to support a family—this government says, ‘You are not going to have any rights because you happen to work for a company or a small business that has fewer than 20 employees.’ If you work for a small business or a company that has 21 employees then you are okay, but if there are under 20 employees—bad luck. That is simply unfair. That attacks the very tenets of our legal system: that is, equality and equal access before and to the law.

What is this government on about? It has no agenda for this term. Its only agenda is to continue to screw down the rights and remove the rights of workers in this country. In the budget the other night we saw that it is now extending that attack to persons on welfare, particularly those suffering from a disability. So, once again, we say at the outset that the Labor opposition will not support this legislation and we will vote it down. This government may think that it will have a double dissolution trigger if it tries again,
but we are not going to be intimidated by this government on this issue. We will stick up for the rights of all persons, of all employees, to equal access to the law.

I will now turn to some of the fallacious arguments that are put by this government in support of this bill. Its primary argument is that the unfair dismissal laws as they currently exist are an impediment to employment. It argues that if we give employers in small business the right to sack workers fairly or unfairly—it does not matter—and there can be no redress against such action, then somehow we will see employment growth. That argument is, as I said, totally fallacious. Indeed, the Federal Court itself in a recent decision known as the KFC case—the correct reference is Hamzy v. Tricon International Restaurants trading as KFC—actually rejected that argument. But there is other evidence to show that this argument is totally fallacious.

Let us have a look at some of the statistics in respect of employment in small business—and I acknowledge the assistance of the Department of the Parliamentary Library in providing this material. According to the ABS statistics, in the period from 1983-84 to 1999-2000 the number of businesses involved in small business in this country and the number of employees employed by small business in this country have grown every year. Over that period, from 1983-83 to 1999-2000, the average annual growth for the number of businesses in small business has been 3.5 per cent. So each year, on average, the number of small businesses in this country has grown by 3.5 per cent. Similarly, the number of employees in small business in that same period has grown by an average of 3.1 per cent. This has all been happening during the time the unfair dismissal laws have been in operation. This has been happening all through that period when we have had the economy at times growing quite strongly and at other times not. There has not been one year in that period when there has not been growth in the number of small businesses or the number of small business employees.

What is particularly important also to note is that, when you look at the various sectors within small business, you find that in areas such as finance and insurance, property and business services, education and cultural, and recreational services there has been substantial growth. For instance, in the finance and insurance sector, which we all know has been of growing importance in the Australian economy and in the global economy, the number of businesses in some years has grown by as much as 25 per cent. Employment has grown by as much as 22 per cent. In these sectors of the economy—finance, insurance and the others I mentioned—that have now become of much greater importance to the economy than the traditional primary industries and mining sectors, there has been substantial growth in the number of small businesses and in the number of employees in those businesses.

Can I expand on that further by pointing out that, according to the ABS figures, in 1983-84 there were 620,700 small businesses in this country. In 1999-2000 that had grown to 1,075,000, a growth of 73 per cent. So in the period from 1983-84, when the Labor government was elected, right through the period of the Labor government and since this government came into office, up until the latest figures available in 1999-2000 the number of small businesses in this country grew by 73 per cent.

The employment figures pretty well match that same percentage growth. In 1983-84 the number of employees employed by small business in this country, according to the ABS, was 1,963,700. In 1999-2000 the figure had reached 3,181,000, an increase in the total number of employees in small business of 62 per cent. This has all been happening right through the period of the Labor government and this coalition government when those unfair dismissal laws have been in existence. That totally refutes the arguments put forward by this government that unfair dismissal laws are an impediment to employment in the small business sector.

The government has no substance to its arguments, so it trots out this furphy. ‘If only we could get rid of the unfair dismissal laws or water them down, then we would have growth in employment.’ It is a nonsense. It is used simply to hide the real intention of this
government. The real intention of this government is to remove those rights, because this is a government that, at the end of the day, will always go after the weakest groups within the community. We saw it in the budget the other night: in order to find the funds to increase the defence and security capacity, who did it target? It targeted the disabled. It is doing the same thing in respect of this legislation.

As has been pointed out by other speakers, firstly, the ALP oppose this legislation but, secondly, we believe there are some issues that can be addressed. We have identified those issues. For instance, we are certainly prepared to endeavour to streamline the procedures that are involved in unfair dismissal claims, particularly as they might affect small business. But let us remember that, according to the Australian Industrial Relations Commission annual report of 2000-01, 78 per cent of claims were finalised prior to or at the informal conciliation stage. What has been demonstrated also by surveys is that fewer than 0.3 per cent of small businesses experience a federal unfair dismissal case each year. What does that tell us? It tells us that, as we all know, unfair dismissal cases are invariably handled through state jurisdictions. So this legislation is straw-man legislation. This legislation is about promoting an ideological view rather than about dealing with the substance of the legislative regime that exists in this country. It would be more appropriate if this government turned its mind, for instance, to looking at ways to bring about uniformity across the country in respect of some of these areas of legislation rather than simply trotting out a bill that says, ‘Let’s remove the rights of workers in small businesses.’

Labor has a range of proposals such as restoring the emphasis on reinstatement rather than on compensation, requiring the commission to consider the appropriateness of granting leave for a person to be represented by a lawyer or a paid industrial agent in unfair conciliations, streamlining and simplifying the litigation processes and reducing business uncertainty about unfair dismissal laws. We also have a range of other measures that will improve the position in the regulation of these laws.

It is appropriate that, whilst the fundamental principle should be retained—that is, all workers should have access to the industrial laws of this country—we should always be prepared to consider improvements in the way in which those laws operate, particularly through the procedures in the industrial commissions and in the courts. That is what a fair workplace is all about: focussing on ensuring that workplaces are efficient and effective and that the relationships between employers and employees can be carried on in an atmosphere of cooperation rather than in an atmosphere where the employer always will have the right under this government’s proposals, if they ever become law, to simply sack a worker for no reason at all.

Senator BUCKLAND (South Australia) (12.15 p.m.)—The aim of the Workplace Relations Amendment (Fair Dismissal) Bill 2002 is to exempt businesses with fewer than 20 employees from the unfair dismissals provision of the Workplace Relations Act 1996. In other words, it is the intention to take away the right of a fair go, which basically means to take away the right to speak in your own defence before being given the sack or before a tribunal and, even worse, the right to challenge the decision after you have been sacked. The bill is draconian. The bill has no thought for the industrial needs of Australia today.

It is interesting to note—and I make reference to the contribution of Senator Forshaw and the statistics he put before the Senate—that less than 0.3 per cent of small business in Australia who operate under the provisions of the Workplace Relations Act experience federal unfair dismissal claims. According to the 2000-01 annual report of the Australian Industrial Relations Commission, of the 7,809 termination of employment matters finalised during that financial year, 6,096, or 78 per cent, were finalised prior to or at the informal conciliation stage. A further 1,422, or 18 per cent, were settled prior to the arbitration process being completed, and 291, or four per cent, were the subject of substantive arbitration.
This is not the first proposal to remove small business from federal unfair dismissal jurisdiction. That is fine if it is what the government wants, but it simply means that those of us with a sense of fairness will continue to rise and speak against it; we will continue to vote it down. There is another point to make about the matter coming before the Senate—that is, there is a continual demonstration of how out of touch with small business is the Howard-Costello government. There is no public debate about the effects of unfair dismissal laws and the effects they could have on small business, apart from the occasional limp comment from government ministers. I talk a lot to small business operators around the country, particularly in South Australia.

Senator Boswell—You can talk to me because I was one of them.

Senator BUCKLAND—Let me say that those small operators and the business groups who represent them are not raising the questions of unfair dismissal. It simply does not come up as a major issue for them.

Senator Abetz—you must go to different small businesses.

Senator BUCKLAND—It is not on their agenda—despite the unintelligent and unhelpful remarks from the other side. They need to get out there and talk to the business community. The effects of this bill endanger the very basic rights of employees because of the size of the company they work for. It is discriminatory. They are discriminated against simply because their employment is in an organisation that has fewer than 20 employees. So we have two classes of worker in Australia if this flawed bill were to pass. The bill will prevent small business employees other than apprentices and trainees from applying under the Workplace Relations Act for a remedy against harsh, unjust or unreasonable termination of employment. That is where the flaw in this bill is: that it does not provide easy access to challenge a decision that may be made in haste or is, in fact, a wrong decision.

The proposed bill will make changes to unfair dismissal laws—laws that are in place to protect workers from being sacked without good reason. Laws such as this are essential to make certain that the relationship between employers and employees are fair. That is what is required: fairness. Nothing more. The system as it is now provides that degree of fairness and, with some modification, the act could be used by both parties with a reasonable sense of fairness.

Minister Abbott has claimed that the enactment of this bill would create 53,000 jobs. This assertion warrants no merit. It is flawed. There is absolutely no evidence that this type of legislation would create jobs. There is no evidence it would create one job, let alone the claimed 53,000 jobs. The whole thing is nothing more than a weak and feeble attempt by the government to appear as though they are interested in creating jobs, and they have not demonstrated that they are.

The Federal Court recently disparaged the notion that there was a relationship between employment growth and unfair dismissal laws. Senator Forshaw mentioned the Hamzy v Tricon International Restaurants matter. I think it is important for us to quote part of what the Federal Court had to say:

It seems unfortunate that nobody has investigated whether there is any relationship between unfair dismissal legislation and employment growth. There has been much assertion on this topic during recent years, but apparently no effort to ascertain the factual situation.

The government has the words but it does not have the evidence to support its claims. The merits of having some form of small business exemption have been debated for five or six years, yet during this period the government has failed to come up with any evidence that the exclusion of small business employees is good economic policy. In fact, February’s Yellow Pages business index states that the biggest concern raised by businesses of significant growth was finding new employees. It would appear that rather than being concerned about finding suitably trained employees, the government is concerned about finding an easy way to sack current employees. The reality is that under this legislation employees of small businesses would no longer feel secure in the knowledge that they could not be dismissed without being given a fair go in answering
their employer’s concerns. They would be isolated and discriminated against in comparison to workers in larger companies.

Any decline in employment security expresses itself in an employee’s patterns of income, consumption, savings and investment. The simple truth is that, when making important economic decisions that affect themselves and their families, people look at how secure their jobs are. This is more of a concern when you look at the disabled and those who cannot, for mental or physical reasons, represent themselves or fight back and stand up for their rights. It becomes much harder to build trust and cooperation if employees know their employer can dismiss them without any mechanism to seek redress.

Without trust and cooperation it becomes harder to manage changes in the business world—changes which might enhance productivity growth and the security of the business in the marketplace in which it acts.

The government’s legislation aims to exclude only the remedies in the unfair dismissal provisions contained in the Workplace Relations Act. Consequently, small business would be exposed to more expensive and unpredictable common law contract claims. It appears that the government is quite happy for small businesses to take their chances with the common law, regardless of the costs involved, insofar as to say that the government is favourable in its attitude to common law remedies, particularly as a means of punishment for industrial action by workers who lack the resources to fund an action at common law. In 1986, Peter Costello addressed the HR Nicholls Society. He had this to say:

The common law which applies to all citizens, individuals, companies and other legal entities such as trade unions represents the one last area where litigants can obtain justice from ordinary civil courts.

So right was he that in 2001 the decision of the House of Lords quoted in Johnson v. Unisys stated:

These considerations are testimony to the need for implied terms in contracts of employment protecting employees from harsh and unacceptable employment practices. This is particularly important in the light of the greater pressures on employees due to the progressive deregulation of the labour market, the privatisation of public services, and the globalisation of product and financial markets ... The need for protection of employees through their contractual rights, express and implied by law, is markedly greater than in the past.

The government, in putting this bill before the Senate yet again, is doing nothing more than trying to find a way to placate some sections of the business community who would do anything at all to have no legal obligations to those that they employ—that they would employ at will. It is the type of thing that will send us back to the days when you lined up at the front gate hoping for work in the factory for a day and if you did not catch a token as it was thrown out you did not work.

This is a very draconian piece of legislation; it has no thought for employees whatsoever. It is one-sided. It does not recognise the needs of a modern industrial work environment and it does not recognise those things that have been done over the past 15 or so years to revolutionise industrial relations in Australia, under the current industrial laws. It does not recognise a need for uniformity between the states and the Commonwealth. It wants to go its own way.

I think it is important to note the many changes within industry that took place between the late 1980s and the mid-1990s, with restructuring of industry. A lot of pain was suffered by workers when their industries were restructured, with numbers being cut to better facilitate the needs of particular industries when new technology was introduced to benefit those industries and—it was believed at the time—their employees. For all that pain suffered by workers, this government is now trying to tell us that employers say they want greater control to hire and fire at will, with no recourse for workers to challenge that. They want a free rein to do as they please. Labor will not agree to that.

We will not agree to those parts of the legislation that take away the dignity of workers who are out there trying to earn money to survive in this world and to provide for their families. They will not be able to give an assurance to the banks from whom
they get loans that they will have continued employment, because all the time they will have the threat of instant dismissal for no good reason. And it will be for no good reason; it will be on the whim of the employer.

Labor believe that there are three central principles to good industrial relations, and our approach would be to say that unfair dismissal laws are as much educative as they are regulatory. The development of industrial relations over the past two decades has been vital in promoting the concepts of a fair go and of a mutual obligation of good faith in the workplace. From the years of practice I had in that environment, I would say that a fair go and the concept of mutual obligation were things that were respected by all sides. We also say that unfair dismissal laws should be workable and accessible for employers and employees equally. Labor recognises that there are still problems of cost and procedure, and the parliament should be sitting down to address those issues. There are problems, and those problems should be addressed.

We see that unfair dismissal laws are designed to promote employment security. Changes to unfair dismissal laws should not erode employment security by stripping employees’ rights away from them. We have to continually have an environment where the worker has a fair go and the right of reply, should the employer wish to act to terminate their employment. We cannot create a society where workers live in two separate classes—where your neighbour works in a large company and, therefore, has the protection of unfair dismissal laws but you happen to work in a small company and you do not have that same sort of protection. In these days, society cannot tolerate legislation which has such consequences.

The current system gives the opportunity for employees to challenge their employer. There can be no question that the majority of those matters that are taken before the Industrial Relations Commission are resolved at the stage of conciliation. Very few go through to be argued in the Industrial Relations Commission. Conciliation is a short process where you have a third party with a fresh view coming in to look at the merits of the case at hand. It is not costly; it does not require the engagement of a solicitor or barrister; it simply means you go down and put your case before the commission. This country has been blessed with some very good commissioners, and those commissioners always have the view that fairness must be paramount in what occurs.

Senator Forshaw—From both sides.

Senator BUCKLAND—As Senator Forshaw rightly says, those good commissioners have been from both sides. I have a number of friends among them. (Time expired)

Senator BOSWELL—Leader of the National Party of Australia in the Senate and Parliamentary Secretary to the Minister for Transport and Regional Services) (12.36 p.m.)—I would be one of the very few people in this house who has actually run a small business. I ran one for something like—

Senator Abetz—I ran one and Senator Calvert ran one.

Senator BOSWELL—With due respect to solicitors and professionals like doctors and dentists, I ran a small business. You ran a professional’s business. I have no doubt that you did a great job, Senator Abetz, but you were a professional. I am saying that I ran a small business.

Senator Abetz—And I didn’t employ people?

Senator BOSWELL—I do not want to argue with one of the ministers on my side. He is a very successful lawyer and he was a very eminent one in Tasmania. I ran a small business and employed between eight and 10 people for 18 years. I then made a choice to go into parliament. So what I am going to say to you today, Senator Buckland, is straight from the coalface, from where it happened. I will make this observation—

Senator Forshaw—How many people did you sack?

Senator BOSWELL—I think in 18 years I sacked one person. I was reluctant to do that. I did it because he was on drugs. I made that choice. Let me say this to Senator Buckland: you do not go out to sack people. If people are half good, you employ them.
You do not want to dismiss people. It is the last card in the pack when you sack someone. It is a very difficult decision. It comes to my mind now that I sacked another person—that is two people in 18 years of business. Those in the Labor Party have to understand that you do not go out and employ people and then, at a whim, go out and sack them.

People in small business are terrified of this unfair dismissal law. Many of them would like to put more people on but they do not, they cannot, because they are frightened of the consequences as many of them have been bitten and taken to court. This has other implications: instead of people putting on, for instance, welders or people that they could use in their business, they are contracting out. I know the Labor Party has a very dim view of contracting out, but one of the reasons people contract out is that they are frightened to put on employees.

A survey showed that 57 per cent of small businesses raised the current unfair dismissal laws as a very important issue. I am surprised that it is as low as that because everywhere I go in National Party circles or in rural and regional Australia an overwhelming number of small businesspeople come to me and say: ‘This unfair dismissal law is an absolute nightmare. We are frightened to put people on because, if we put them on and they prove that they are no good, it is very difficult to remove them without a lot of pain.’

There are one million private, non-agricultural businesses. They rely on one, two, three, four or more employees. Small business represents about 94 per cent of all business in Australia. If all of those businesses put on just one or two people you would see the employment rate drop through the floor.

Senator Forshaw—If they sacked one it would go right through the floor.

Senator BOSWELL—They do not sack them now, because they do not put them on—that is the problem. I will give you an anecdotal story of a person that I am very friendly with. I want you to listen to this, Senator Forshaw, so you may understand it a bit better. This particular friend of mine and I shared a property. He was a battler. In fact, he was a member of the Labor Party or, if not a member, he was certainly a Labor Party voter up until this stage. He was a good tradesman and he was good with his hands. He developed a business and later sold out to his partner.

He ended up with a few bob, so he bought a nice new home and another income producing home. His wife decided that she would like to go into business too, so he bought a fruit shop. He employed a girl who happened to be pregnant. She said, ‘I cannot lift things’ and he said, ‘Well, you have to lift.’ She said, ‘I can’t; I am pregnant and I can’t do this particular work.’ So he said, ‘If you can’t do the work, it’s only a small business, would you mind going because we cannot employ extra people.’ The long and the short of it was that she took him to court. His solicitor said, ‘You could probably win. It’ll cost you 20 grand, but my advice is just pay her $7,000 or $8,000 to get rid of the case.’ He said, ‘No, I won’t; I will just close the business down.’ I think he ended up paying her, but he ended up saying, ‘I have had enough of that; I have closed the business down.’

I could give you examples of case after case, but that is just one. I know him personally; he is a friend of mine. He was an aspirational voter. He was from a Labor family. His father was a fitter and turner. He developed a business rigging boats which became very successful. He sold the business, invested his money and then bought his wife a business. That business collapsed because the girl he employed could not do the job because of her pregnancy. He could not get rid of her, he could not employ anyone else as it was such a small business, so he had to close the business down.

I could multiply that story many times across the board. What do small businesses do? Many people say that they will not go into small business. Other people say, ‘Let’s stick with what we have and do what we can. We know our four or five employees are good and we do not want to lose them. We could probably put on one or two people, but, in the end, we will pay a bit more overtime, try to get them to work on Saturdays
and pay overtime, but we really could use a couple more people in the factory or store.'

Senator Hutchins—It would be your own wages, wouldn’t it?

Senator BOSWELL—You may say that, but the fact is that we put the legislation up and you knock it down. We won the election and we put it up again. You will knock it down. We will win the next election. So it will continue. You will sit over there and we will sit over here because you never learn. I employed nine people. When they started with me they were Labor voters, but during the time they were with me and by the time they finished with me they all voted National. A proprietor who runs a successful small business runs a team. The workers all get in together. Seven out of the nine people I employed voted National. If you turn the owners of the millions of small businesses off, you turn them off your party. I have seen it with my own eyes. I saw it happen to me. You will not learn.

Debate interrupted.

BUSINESS

Consideration of Legislation

Senator ABETZ (Tasmania—Special Minister of State) (12.45 p.m.)—It seems a pity to interrupt such a good speech by Senator Boswell. I move:

That government business order of the day no. 2 (Workplace Relations Amendment (Fair Dismissal) Bill 2002—second reading speeches only) be considered after consideration of government business order of the day no. 5 (Student Assistance Amendment Bill 2002) till not later than 2 pm.

Senator HARRADINE (Tasmania) (12.45 p.m.)—I was not consulted about this. I heard about it 10 or 15 minutes ago, but I was not consulted. I feel inclined to call quorums during this period of time. I expect that there may have been just a slip-up, but I did specifically ask my staff whether they were consulted and they were not. Is the minister saying that the workplace relations legislation is a non-controversial piece of legislation? I do not think he is saying that it is such, but bringing it on during a non-controversial period of time is something that I do not believe should be done. I may well have made that comment. I think after I came back to my office from a meeting of the Human Rights Subcommittee of the Joint Standing Committee on Foreign Affairs, Defence and Trade, as a result of a phone call from my office, it was indicated that this would come up. I want to make it quite clear that I was not consulted at all on this, and I warn people that it is my inclination to call quorums during this period.

Senator LUDWIG (Queensland) (12.47 p.m.)—It is a matter that concerns me a little bit. By way of explanation to Senator Harradine, the government asked us whether or not during this period—because of the unusual circumstances in the legislative program this week—

Senator Carr interjecting—

Senator LUDWIG—That is true. The government asked whether we would allow some of our speakers during this period to give speeches on the second reading debate in relation to this bill. This is generally a time for non-controversial legislation only, and it should guardedly be kept as such. However, given that a number of senators wished to finalise their speeches on the second reading debate, that we were not going to conclude the debate and that the debate would be allowed to continue for the next day of sitting, it was a matter—after careful and long consideration and given the government’s desire—on which we were going to acquiesce, and we indicated our agreement. However, that was generally on the basis that the government had managed—so far as they were able—to explain their position and ensure that the minor parties and the independents were fully apprised of the situation.

It concerns me greatly, because this is not the first time that Senator Harradine has got up in this chamber during this period and, quite rightly, asked what is going on—if you do not mind me taking a bit of licence from what you have said, Senator Harradine—because the government had not managed its program very well and had not explained to the minor parties and to Senator Harradine what was happening. I want to make this very clear: I do not want to be party to this if that is the case. If the government cannot
organise itself to talk to the minor parties and the Independents, the opposition is not going to be caught by it as well. It is a matter for Senator Harradine as to what position he wishes to take on this, but I am sure we would support whichever position Senator Harradine takes in this instance.

Senator HARRADINE (Tasmania) (12.49 p.m.)—by leave—I thank Senator Ludwig and the opposition for making that point. I am now informed that there were circumstances beyond the control of those who would have been in a position to notify us or at least to consult with us—and I am talking about consultation here. Those circumstances involve the sudden illness of a person outside of this chamber, and the person responsible for informing me was not in a position to do so. Under those circumstances—because it was beyond the control of the people concerned—I understand.

Question agreed to.

STUDENT ASSISTANCE AMENDMENT BILL 2002
Second Reading

Debate resumed from 13 March, on motion by Senator Ian Macdonald:

That this bill be now read a second time.

Senator CARR (Victoria) (12.50 p.m.)—The Student Assistance Amendment Bill 2002 makes minor amendments to provisions applying to the Abstudy and Assistance for Isolated Children schemes which are designed to bring them into line with certain provisions of the Social Security Act 1991 related to the notification periods and the recovery of overpayments. In particular, the bill allows social security overpayments to be offset against those educational assistance schemes. The opposition supports the bill.

Students and their families, like everyone else in our community, should be required to repay their debts. The issue here, however—particularly in relation to Abstudy and indigenous people—is that we would not like to see the new provisions constitute a disincentive to participation in education. We understand that the guidelines applying to the new arrangements will provide for a 14 per cent withholding rate on Abstudy for the repayment of social security debts. We understand, too, that the average debt of those who owe money to Centrelink is about $800. Apparently, it has been estimated that approximately 20 per cent of the current Abstudy and Assistance for Isolated Children schemes recipients have current debts to Centrelink.

Labor is especially concerned about indigenous students, particularly Abstudy recipients, in this regard. Abstudy is the linchpin in policy relating to indigenous people’s participation in higher education. This hardly provides a financial bonanza for indigenous students. It is pegged to a level equal to the Youth Allowance—around $300 a week. For indigenous students going on Abstudy, following a period—possibly a prolonged period—on other Centrelink benefits, an effective cut to Abstudy payments of 14 per cent represents a significant reduction in income.

As I said, if people have debts to the Commonwealth, they should repay them. If students owe money to Centrelink, they should be required to repay it. My point is that, just when a student faces the extra expenses involved in commencing a new course of studies, he or she may have to leave home and move to a distant town, for instance. Then there are many other costs that have to be met—for example, books, clothing, transport and course materials. So it is often difficult. The opposition is concerned that the guidelines covering the new provision should allow for personal circumstances and for the needs of individual indigenous students. In our judgment, these guidelines should be flexible. They must provide for a considerable element of discretion on the part of those administering the scheme. Students whose continued participation in education might be jeopardised by an income cut of $40 per week need to be considered carefully. Provisions allowing for easier repayments and the postponement of repayments should also be available. The opposition awaits the detail of the guidelines and urges the government to take these issues on board when they are drafting the guidelines.

Indigenous participation in higher education is a matter of deep concern. If we look at the trend, we see that, since the introduction
of those draconian changes to Abstudy which came into effect in the year 2000, indigenous student participation has slumped. As a result of the government’s policy, indigenous participation has fallen to the lowest level since the 1980s. The gains made under Labor have been wiped out by this government. Of the total population, indigenous students make up about two per cent. The participation rate in education at all levels, particularly in higher education, remains a matter of shame for the whole country. In terms of the levels of participation in education, we must do better by Aboriginal people than we have done.

Under Labor, indigenous participation crept up to around 1.4 per cent. Now, since 2000, it has dropped from this high to only 1.18 per cent—the lowest level since the 1980s. The number of indigenous students in higher education has dropped by eight per cent overall, and the number of commencing students from indigenous backgrounds has dropped by 15 per cent. The fact is that government policies are turning away Aboriginal people from tertiary education. The government says that they are all going off to TAFE instead, but that is simply untrue. The trends in vocational education exactly mirror those in higher education. Aboriginal young people are being denied an educational opportunity by the policies of this government. I believe this government ought to be ashamed.

I will take this issue of participation a bit further. The government’s recent statements with regard to higher education reflect a broader trend. The Minister for Education, Science and Training recently released the Crossroads document. I understand it was under ministerial direction. There was a cabinet decision to issue the document ‘Higher education at the crossroads’. It is a chilling document. It is audacious in its outrageousness. It is impudent and arrogant in the way it seeks to blame a whole series of people within the education system for what is essentially the failure of government. In this we see a reflection of that infamous leaked cabinet document by Dr Kemp—the 1999 cabinet submission by Dr Kemp outlining a drastically deregulated agenda for our higher education system with regard to its funding arrangements and its financing. It proposed a system of funding based on vouchers and up-front full-cost tuition fees—a system which would be massively regressive in terms of the social participation of people from poor and disadvantaged backgrounds. But yet again we hear that, within this government, there are attempts to revisit that agenda.

This agenda—first exposed through that cabinet leak—outraged the community and the higher education sector. It was vehemently opposed. It is my judgment that the same will happen again when people understand what the game is. That is why I want to put on notice here today—and I think it is appropriate that there are officers from the department in the chamber—that I will be seeking, through estimates, a commitment from government to an affirmation of the statements made by Dr Kemp on 18 October 1999. Dr Kemp issued a press release indicating the cabinet decision. He said that the government was committed to a situation where:

- Fees will not be deregulated;
- Vouchers will not be introduced;
- HECS will not be charged for TAFE;
- The current HECS system will remain;
- There will be no additional loan system, or a real interest rate attached to the current HECS system;
- The current system of Government subsidies and funded places will remain, as will the prohibition on charging fees for HECS liable places...

Minister Kemp said that was a cabinet decision. I want to know whether the current minister, Dr Nelson, is committed to those principles, to those promises, to those public statements on the government’s policy. I think we are entitled to have a direct answer from the minister, and through the estimates process I intend to establish whether or not the government has changed its position. Is it going to repudiate those commitments?

It seems to me in the Crossroads paper that Dr Nelson has sent us a clear message that the answer is, yes, they will repudiate those commitments. Anyone reading Dr Nelson’s paper can see what the plans are. They are quite clearly an overwhelming rejection
of those statements. The real losers will of course be the students of this country who will have to meet extraordinary increases in fees and charges and the increased costs of participating in a higher education system. The minister will also be hopping into the staff, the academics, the people that work in our universities and in our higher educational institutions. Quite clearly, there is a view being expressed in this government that we should have a privatised system of higher education, an elitist system of higher education—a system whereby the rich will be the ones who can afford quality teaching and the rest will get a second-rate provision.

Dr Nelson, as we know, operates the department of education at the moment very much at the direction of the Prime Minister. We all understand the way it now works. We understand exactly what is happening with regard to cabinet coordination and a few other matters. The department is being sidelined in many ways. It may not be possible to get answers from the department because answers have to come from the Prime Minister. He is the real education minister, as I understand it. I want to know whether, when that paper was distributed, the government plans were to introduce university fees on top of HECS and allow universities to charge full cost fees. The government plans are to increase HECS charges and to introduce a voucher system for the funding of universities. I want to know whether this government really intends to pursue a policy of privatisation by allowing taxpayer funded vouchers to be cashed in at private universities and colleges.

I think students want to know those answers too. They are entitled to know what it will cost them to go to—what are today—our public institutions. They are entitled to know whether or not the government wishes to withdraw from its obligations to decently fund our education system and to transfer the costs of education from a generalised universal service to the individual. I think these are questions that we should be pursuing. This country should be pursing the issue of the sort of education system we have got and the support that is provided by the taxpayer to allow disadvantaged students and disadvantaged families to actually have access to life-changing opportunities. That is what education is: it is a life-changing opportunity.

I mentioned the appalling rates of participation amongst Aboriginal people. I say similar concerns should be expressed about the broad groups of disadvantaged people in this country. I have the view that government plans are essentially regressive in their nature. They are aimed at shoring up the elite. They are aimed at shoring up the privileged at the expense of people that have far less. There is not very much in the budget, I must say, for education. There is very little new money there at all—$12 million in the $12 billion program. It is quite extraordinary.

In the various budget measures that have been announced we have seen proposals to announce the extension of loan schemes—uncosted, interest free loan subsidies to essentially middle-class groups in the form of PELS—to four new institutions. They are the Bond University, the Melbourne College of Divinity, the Christian Heritage College and the Tabor College in Adelaide. The first two are already on schedule, enabling them access to Commonwealth research funding. The latter two institutions however are new, as far as accessing Commonwealth funds is concerned. They are religious institutions. What do we know about them? What kind of education do they provide? I want to know why the government thinks that the taxpayers should be subsidising them.

The government promised, prior to the last election, not only to give these four institutions access to PELS but also to put them on schedule A of the Higher Education Funding Act. That would, of course, give them access to operating funding and every other form of financial assistance available from the Commonwealth. It means their students would have access to the HECS scheme as well. In short, it seems to me, the Commonwealth, through Dr Nelson, is hell-bent on dissolving the distinction between public institutions—publicly accountable universities—on the one hand and private—and, from what I see in terms of the way they operate, unaccountable—instututions on the other. That seems, to me, to be what the plan really is.
I think it is timely for students to take up these issues. They are entitled to know why they are being asked to pay more at a time when the quality of education in the country appears to be in decline. They are entitled to know why they are being asked to pay higher fees and charges. They are entitled to know why this government seems so intent on providing fewer opportunities for people with disadvantage to actually go to university. It strikes me that the government is essentially proposing to transfer the cost of education from the public—the general, the universal—provision to the individual.

I think it was a future that Dr Kemp was not able to get this government to accept, but Dr Nelson is revisiting it. He tries to make us believe that this is all some sort of review process that will be consultative, open discussion. We have seen the establishment of a reference group which is short of all student representation. It is short in terms of its representative nature. The outcomes of the review are quite clear. The department has a clear view as to what it wants out of this. The government has a clear view as to what it wants out of this, and that has been the basis, I suggest, on which the government has approached this matter. These options are not open; they are closed options. They are designed to produce the sort of system that is outlined in the cabinet submission that was leaked in 1999.

I am quite clearly angry about the government’s agenda; I know that students are angry about it. I know that their anger will be expressed throughout the higher education system. I think it is appropriate that this chamber supports students, staff and those who are concerned about higher education to make sure that Dr Nelson’s vision—or is it really John Howard’s vision?—does not come to pass. Our universities are vital public assets: they are critical to the future of this country. Our students are the future of those universities and I do not believe that we should allow the government to mess with their future.

Senator HARRADINE (Tasmania) (1.08 p.m.)—The Senate is dealing with the Student Assistance Amendment Bill 2002. I support the passage of this legislation, but this debate on the bill provides an opportunity for me to express my disappointment about a decision made by the Minister for Education, Science and Training. I found the decision to cut short funding for a very important program in schools—the National Asian Languages and Studies in Australian Schools program, normally referred to as NALSAS—extremely disappointing.

I want to submit to the chamber my qualifications for talking about this. I was involved during the sixties, when it was not popular to talk about Asian languages or about introducing them in schools, in the movement to try to get Asian languages taught in schools, specifically bahasa Indonesian. During the sixties and seventies, and then when it became fairly fashionable in the eighties and nineties, I supported these studies in schools. Five members of the family have been through these programs and undertaken Asian studies, particularly in the Indonesian area. Whilst this is not a declaration of pecuniary interests, it is certainly a declaration of interest in that one of my children—he is no longer a child of course—is involved in Asian studies and has an Asian studies bookshop in a specific area.

The NALSAS strategy is a cooperative venture between the Commonwealth, state and territory governments. It was developed in response to the Council of Australian Governments working group on Asian languages and cultures’ report. That report was titled Asian Languages and Australia’s Economic Future. COAG endorsed that in February 1994. The strategy’s objectives were to assist government and non-government schools to improve participation and language learning in four targeted languages—Japanese, modern standard Chinese, Indonesian and Korean—and to support Asian studies across the curriculum. The strategy commenced in 1995 with preparatory activities such as curriculum and teacher professional development. It was introduced in schools from 1996 and was to be funded by the Commonwealth for 10 years until 2006. In 1999, when announcing funding for the program, the former Minister for Education,
Training and Youth Affairs, Dr David Kemp, said:

By developing students’ understanding of Asian languages and cultures through NALSAS, our workforce of tomorrow will be better placed to participate in the global economy.

We hear much of the global economy from the government. Dr Kemp noted that his government’s 1999 budget commitment would help ‘improve Australia’s capacity and preparedness to interact internationally, particularly with key Asian economies’.

The program, let me remind the Senate, was to be funded for 10 years. Nowhere in Dr Kemp’s press release was there any mention that the federal government would cease funding NALSAS in 2002. So what has changed? Why has the government suddenly decided that Asian language is no longer important? Why has the government suddenly decided that relations with countries such as Japan, China, Korea and Indonesia are no longer important? The *Australian* newspaper editorial had this to say on Monday, 6 May 2002, under the heading ‘Nelson flunks test on Asian languages’:

But Dr Nelson has just flunked his first test as Education Minister by terminating funding for the National Asian Languages and Studies in Australian Schools program. He has let down hundreds of thousands of school students and harmed their future. The decision is short-sighted, misguided and ill-informed.

Here is a fact that most school kids—but not Dr Nelson, it seems—know: Australia is located in the Asia-Pacific region. For this reason and because the make-up of our society increasingly reflects this fact, we must take our economic, political and cultural ties with the region seriously. To do this well we must be able to communicate. Language is the key. Thanks to the program Dr Nelson has just cut Australia has more school students learning Japanese, Mandarin and Indonesian per head of population than any other country in the world.

That is a very important observation by the *Australian* editorial, and I will repeat it: Australia has more school students learning Japanese, Mandarin and Indonesian per head of population than any other country in the world. The editorial goes on:

In the first three years of the program the study of Asian languages increased by more than 50 per cent. Schools have also benefited from better teacher training, curriculum resources and international partnerships.

The *Age* newspaper weighed in with an editorial, also on 6 May, and it sums up the sentiment of many disappointed young students when it states:

Many young Australians see their futures in Asia. The value of having graduates who are not only proficient in their area but who can also communicate effectively in the local languages can scarcely be over-emphasised. Moreover, the decision to stop funding for this program can only be seen in Asian countries as further confirmation that Australia is not really committed to being part of this region.

I do not necessarily agree with the sentiment of a young girl called Ariel, a 10-year-old Weetangera primary school pupil, who suggested that if Dr Nelson was actually looking for money to fund the program he ought to take it from the maths budget. I think maths is very important, but she and her classmates love Asian languages.

In the business sector, Western Mining Company’s CEO and chairman of the Asia Society Australasian Centre, Hugh Morgan, expressed disappointment when interviewed by the ABC AM program on 3 May. He said:

It does seem somewhat disappointing, having invested in what looks like such a worthwhile program, that it’s being interrupted and maybe without sufficient planning as to what to do in the future but we’d have to see what the Government’s going to say about it.

I would like to hear what the government is going to say about it. Is this a decision by Dr Nelson? Has it not gone through the system? I understand that Dr Nelson is in fact re-examining the matter and considering a review of the program. It is such a tragedy that he has axed it before the review and I would urge him to continue the government’s commitment to fund the program, as it said it would, for at least 10 years until 2006.

**Senator STOTT DESPOJA** (South Australia—Leader of the Australian Democrats) (1.19 p.m.)—I rise on behalf of the Australian Democrats to support the Student Assistance Amendment Bill 2002, as I believe all other parties do. We recognise that the primary effect of this legislation is to enable students receiving benefits under Abstudy
and the Assistance for Isolated Children scheme to have debts from other Commonwealth programs offset against their allowances at the rate of 14 per cent. This means that students will not have to make a separate bank, cash or direct debit payment, as is the current requirement. This may lower bank charges for students and presumably make debt repayment more convenient; we certainly hope so. I also note there is a provision for the debt repayment level to be reduced if the student is suffering hardship. The bill also increases from seven to 14 days the time period within which students are required to give notification of certain changes in circumstances. This aligns the time provisions with the other social security legislation administered by Centrelink.

These changes, while minor in the grand scheme of things, are certainly welcome and that is why we will be supporting them. However, as has been pointed out in the previous contributions, this government does not have a particularly good record in relation to students and certainly not in relation to education generally. Through you Madam Acting Deputy President to Senator Harradine, the Democrats certainly share the concerns that you have outlined. While we want more girls to do well at maths, and so I do not think Ariel will have her demands met in relation to taking money from the maths budget, it is clear that there have been some short-sighted decisions made by this government in relation to education funding.

I should put on record, however, that the former government is not squeaky clean either. When I hear contributions from members of the Australian Labor Party in relation to the cost shifting that occurs today in universities—that is, the additional and increasing burden that is being put on students, particularly in relation to fees and charges—we all have to remember that the reintroduction of tertiary fees occurred under a Labor government. I do not think either of the two old parties in the chamber has a clean record here, but there is always time, and we are hoping that perhaps the ‘Higher education at the crossroads: an overview’ discussion paper will actually give—

**Senator Carr**—What about the GST? It is not just the Labor Party; the Democrats are looking pretty ancient themselves these days.

**Senator STOTT DESPOJA**—I am feeling pretty squeaky clean right now. I am very proud of the Australian Democrats’ record in relation to education specifically and the fact that we have never supported fees and charges or increases—whether it was the CPI increase in 1991, the introduction of the HEAC in 1986, the 1987 Higher Education Contribution Scheme, or increased fees and charges for some of our overseas and postgraduate students. We will continue to argue for more student assistance, which is a key determinant of increasing participation for those groups in our community who have been traditionally disadvantaged. We know that from research. We know that from the introduction of Austudy and its precursor. We know that is one area that this government, in particular, has cut drastically since it came into office in 1996. Having said that, it still would be good to see some progressive changes in relation to social security, and particularly student assistance legislation—namely, the lowering of the age of independence to at least 18. That is something the Democrats have been fighting for and hope one day to have support for from either the Australian Labor Party or the coalition or both.

We have heard some comments about the Crossroads report and the agenda of Minister Nelson. Certainly from Senator Carr’s contribution we are all aware that the minister has instigated another review of higher education and has recently released his discussion paper ‘Higher education at the crossroads’. One of the glaring omissions in Dr Nelson’s paper is the silence—there is nothing about it—on student assistance. We cannot have realistic and comprehensive discussion and analysis of higher education without some mention at least of student assistance in Australia today. But there is no serious discussion of the impact of education outcomes from restrictive and inadequate income support measures.

We know there are problems with student assistance. We know that student poverty is causing serious problems for Australian stu-
students at the moment. In only September last year the Australian Vice-Chancellors' Committee released a substantial report entitled *Paying their Way*, which showed the increasing financial strain on students and demonstrated that that strain was having a negative impact on student studies. The report found that 70 per cent of students are forced to work two days a week on average during the teaching semester just to survive and that that was seriously undermining their capacity to study. More than one-third of undergraduate students are missing classes because of work commitments, and financial barriers to full-time study are particularly affecting—and this is not surprising—those from lower socioeconomic backgrounds.

So the government's approach to student assistance is a false economy, as the community is not gaining the optimum benefits of university education. The government knows that universities are seriously underfunded and that campuses are at financial risk. If we did not know that already, certainly the infamous leaked memo from Dr Kemp, to which Senator Carr has already drawn our attention, made it very clear. Dr Nelson's agenda is clear also. He wants significant reforms to fees, governance and workplace relations before he will consider asking cabinet for increased Commonwealth investment in the higher education sector. In his speeches, his press releases and his discussion paper the minister gives these sort of breezy examples of areas the government wants to reform. Often—and I think this is quite concerning—these examples are nothing more than breezy little folksy anecdotes, half-truths and, in some cases, serious myth peddling.

One example—and we have certainly looked into this in some detail—is the minister's claim that one university offers 167 courses but 96 have fewer than five students enrolled. This is being held up by Dr Nelson as an example of the inefficiency that needs to be eliminated before additional funding can be considered for the sector. On the face of it, he might seem to have a point. However, course enrolments are as vacuous an indicator of efficiency as revenue without reference to expenditure is of financial health. Administratively, a course or award is the aggregate of subject units that students need to complete. The number of subjects per course varies but typically ranges from four subjects for a graduate certificate to 24 for a three-year degree. While some courses are prescriptive as to what subjects need to be taken, most are quite flexible and students choose from a range of subjects, including those offered by different faculties.

In the last five years or so there has been an explosion in courses offered to students. There is a variety of reasons for this, including universities identifying niche markets to attract fee-paying students. The primary reason, though, is the desire of students to have greater recognition of specialisations than revealed in generic titles such as 'Bachelor of Business'. There are a number of ways that universities can respond to this demand. One of these is to offer course titles that identify specialisations. Go to any university web site and you can see hundreds of bachelor courses on offer, such as a 'Bachelor of Business, Tourism and Finance'. While there is some administrative cost in offering this multiplicity of courses, the real costs occur at a subject level. This is where questions of efficiency delivery, such as staff-student ratios, are relevant.

It is very common that one subject will include students from a range of courses, both postgraduate and undergraduate. Flexibility allows courses to be offered from the same pool of subjects. The Department of Education, Science and Training knows that many of these courses share common subjects. Indeed, my understanding is that it prefers them to be reported as separate courses as this allows them more fine-grained analysis of student activity by disciplinary fields of study. Moreover, many universities actually use different codes for the same subject, and there is a very good reason for this as well. It enables universities to track different groups of students, whether they are postgraduate, undergraduate, on different campuses or engaged in different modes of study, such as full-time, part-time, block modes, online, distance, et cetera. This means that not only does a course of fewer than five students say nothing about efficiency but also the number
of students enrolled in one subject code can be meaningless.

The reason I put this example on record is that it counteracts one of the serious myths that we have heard peddled by the minister in his discussion around his Crossroads paper. If we are going to have a sophisticated and mature debate about the needs of the higher education sector today and well into the future, then we are going to have to start telling the truth about the sector. That means recognising—as I believe the government has done in infamously leaked cabinet submission papers, but not necessarily on record—and admitting that our universities are starved for funds and seriously underresourced.

Senator Carr mentioned the absolute dearth of comment on education in the budget. In fact, as I recall, Treasurer Costello did not even mention education; he certainly did not mention the environment in his budget speech on Tuesday night. When you look at the Intergenerational Report, which projects what will happen and looks to 2042, the projection is for a reduction in the number of students participating in the education sector. So instead of thinking what a great opportunity it is to maximise the resources and perhaps try to top up the education sector at all levels, which have been starved of funds for a long time, the projections in that report are for spending less on our education sector. There is no sense that education is an investment, not a cost, in this government’s eyes. There is no sense that discussions of sustainability—

Senator Boswell—Protecting our borders is expensive.

Senator STOTT DESPOJA—Protecting our borders is expensive. I do not think Senator Troeth would be too pleased with that interjection because you have sent me on a tangent, Senator Boswell.

Senator Boswell—That is what I tried to do. Come in, spinner!

Senator STOTT DESPOJA—Come in, spinner indeed. You give me a great opportunity once again to denounce the lack of opportunities in this budget for meaningful discussion about education and investment in education. This is despite the fact that we have a budget in deficit, not because we are protecting our borders, not because we are spending only $194 million next year in forward estimates so that we can assist our troops, quite rightly, in Afghanistan, but because we are paying off the pork-barrelling of the election promises of this government. I refer to ill-targeted spending measures such as the baby bonus, changes to the fuel excise and a whole range of measures, not least of which is the private health rebate—$10 billion over four years to assist some of the most wealthy in the community.

That brings us back to this legislation, which talks about some of the less well-off in our community—students, who we know are suffering financially. If we did not know already, the September report of the AVCC would have convinced us of that fact. Not only do we need additional resources for the sector; we also need to look seriously at the issue of student assistance and at whether or not we are servicing that area of the education budget sufficiently, and what we are going to do about producing graduates of tomorrow who come from a range of backgrounds, including traditionally underrepresented or unrepresented backgrounds, because we know that they are the ones that benefit most from student assistance. Clearly, fees and charges are a psychological and a financial disincentive for those people to participate in higher education at all levels. However, we know that financial assistance is even more important than that. That is what research tells us, and that is what we know is true.

We will be supporting this legislation, but we still think there is a lot of room for reform. I think the comments by the previous speakers, including Senator Harradine’s contribution, indicate that we have got a lot to learn about why education is an investment in the future of this country and should no longer be regarded as a cost.

Senator TROETH (Victoria—Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry) (1.32 p.m.)—Before I begin my remarks about the Student Assistance Amendment Bill 2002 I remind Senator Stott Despoja that the government’s
sense of fiscal responsibility in the latest budget and, indeed, any stringency, was driven not by the objectives which she mentioned but simply by our desire to keep repaying the billions and billions of dollars of debt racked up by the previous Labor government, and we are now in the happy position of having repaid $61 billion of that debt, which is why we need to embark on some of these measures.

The purpose of the bill is to amend an earlier act, the Student Assistance Act 1973. It will amend that act to permit social security, veterans and family assistance legislation overpayments to be offset against benefits payable under the Assistance for Isolated Children scheme and the Abstudy scheme. It will bring the former act into line with social security law and family assistance legislation.

The amendment bill aims to assist AIC and Abstudy students who have a debt from other Commonwealth programs to have that debt offset against their future entitlements. Students are currently required to repay this money through cheque or cash payment or a direct debit from the customer's bank account. This obviously can involve costs to the customer through bank charges.

These current arrangements are at odds with those for other Centrelink customers who are able to have debt recovered from ongoing entitlements. Reductions from future entitlements is a standard procedure for recovering debts from other social security recipients, and this is what we have done in this bill. A withholding facility is a far more efficient and easier way for repayment of debt. It is of no cost to the student and it benefits students in that they will be able to make regular repayments if necessary and they will not inadvertently incur significant amounts of debt. As well, for those who live in remote and isolated areas, the withholding facility will offer a more efficient, less costly and more flexible means of reimbursing Centrelink. While the withholding facility will be introduced in the bill, if a customer is experiencing undue hardship, they can request that the automatic withholding rate of 14 per cent be reduced to a lower amount.

The second amendment is a minor change to update the definitions in the act to reflect that the Aboriginal Overseas Study Assistance Scheme no longer exists. The final amendment is to increase the seven-day notification period within which students are obliged to notify certain prescribed events in section 48 and related sections of the act to a 14-day period. The amendment will provide consistency within the act and also provide a consistent approach to the administration of the AIC and Abstudy schemes and other Commonwealth programs administered by Centrelink.

It is fair to say that our commitment to assisting indigenous students is also reflected in the budget. The 2002-03 budget continues the government’s commitment to improving indigenous students’ work skills, or skills both at school and those needed for the work force, with $445 million available in 2002-03. This funding will reach students through the Indigenous Education Strategic Initiatives Program, which will receive $167.9 million, as well as through the Indigenous Education Direct Assistance Program, which will receive $64.9 million, and the Abstudy program, which will receive an estimated $183.7 million. A total of 201 education providers are funded under IESIP, including preschools, independent, Catholic and government schools, and independent vocational and educational training institutions.

From 1 July 2002, increased education and training assistance will be available for indigenous young Australians. This will assist about 1,600 secondary school students during the period 2002-04 to stay on and complete year 12 or to move into further education or training, or into paid employment. A further 2,300 secondary school students will gain access to vocational learning opportunities through local businesses and communities. The government is committed to ensuring that significant and measurable progress is made in closing the gap between indigenous and non-indigenous student outcomes. These proposed amendments aim to benefit the groups that I have mentioned and also benefit the government by ensuring greater consistency in arrangements between
income support programs under social security law. I commend the bill to the Senate.

Question agreed to.

Third Reading

Bill passed through its remaining stages without amendment or debate.

WORKPLACE RELATIONS AMENDMENT (FAIR DISMISSAL) BILL 2002

Second Reading

Debate resumed.

Senator BOSWELL (Queensland—Leader of the National Party of Australia in the Senate and Parliamentary Secretary to the Minister for Transport and Regional Services) (1.39 p.m.)—Madam Acting Deputy President McLucas, I know that as you have a rural background you would appreciate the Workplace Relations Amendment (Fair Dismissal) Bill 2002. Before I was interrupted by other Senate business, I was making the point that I ran a small business for some-thing like 20 years and that I was one of the very few people that—

Senator Hutchins—And made it smaller.

Senator BOSWELL—No, I did not actually. I started off with nothing and employed nine or 10 people at varying times, so I can tell the Labor Party and the Senate what really does happen in small business. I can draw on 20 years of experience. I started off with nothing, buying an old VW, pulling the back seat out of it and putting the samples in it. I built that business up and had nine or 10 employees before I came into the Senate. So I speak from a lot of experience.

One of the things I regret at the moment is that Senator Murray, whom I have very high regard for, is not here. He represents the Democrats on business matters. Maybe he is listening in to this contribution. What I wanted to say is that we put this bill up a number of times—five or six times. The combined forces of evil, the Labor Party and the Democrats, have knocked it over. As they knock it over each time, small business revolt and they bring their influence to bear on their employees. Small businesses influence their employees, the same as I did for a number of years. You are in a tight united team in a small business; your employees are almost part of your family. In fact, I actually funded the wedding of the daughter of one of the reps who worked for me, and I gave someone a hand to buy an outboard motor. That is part of small business. You are in a team; there is an esprit de corps there. I would say that, out of the 94 per cent of small businesses, esprit de corps runs through the business and the people are influenced by their boss. I can recall, as I mentioned before, people who came to work for me who were absolute Labor supporters—storemen and packers. When they had been with me for a couple of years, they would be handing out how-to-vote cards for the National Party at the polling booth.

Senator McGauran—Storemen and packers?

Senator BOSWELL—Yes. They were Labor Party supporters to the core until they came in and saw what it was all about. But I do not want to talk about my own personal experiences; I want to talk about small business generally. There is an impression in the Labor Party that bosses are so unscrupu-ulous—

Senator O’Brien—Some.

Senator BOSWELL—Some. There are unscrupulous bosses—and I would be the first to admit it—and there are unscrupulous employees, but I never found that I had a majority of unscrupulous employees. I said that I had to sack only two people in 18 years, and I regretted that, but you may have to put people off for various reasons. It is not that they are not doing a good job or that they are not working hard—they may be the best employees you have—but if you have an engineering business and you lose a contract and you are geared up to service that particular market, you have to put people off. You do not want to do it, you fight and you try to do everything else, but circumstances change. In my circumstance, I could have lost an agency. So sometimes you have to put people off; you have to downsize to make up for the loss.

There are probably 101 reasons, other than people not playing the game, why busi-
nesses have to put employees off. If you employ people who work really hard and even people who try hard and do not achieve as much, you keep them on. So there are people who do the wrong thing, and I concede that. But I do not think it is in the majority; I think it is in an absolute minority, where people are forced to put employees off through some circumstances that are beyond their control. I have a few examples.

Someone—I think Yellow Pages—has done a survey of what things motivate small business and what concerns small business have. Fifty-seven per cent of the small business proprietors said: fix up unfair dismissals. Senator Buckland was saying that it never occurs to him. Well, Senator Buckland was a representative of a union—the car manufacturers union, if I am not wrong—Opposition senators interjecting—Senator BOSWELL—I am wrong; but it was in big business. He would not have a great deal of contact with small business. He may have it with his local corner store or his local newagency where he goes and buys the paper, but, overall, I think Senator Buckland—although I concede he means well—does not really understand the circumstances. But let me assure you—and I have given you one example; I will give you a couple of others—that it is the major concern of small business. Small business would put on more people if they could say, ‘I hope this guy is not a failure, I hope he can actually do the job, I hope he can actually achieve.’ No-one puts anyone on with the express purpose of sacking them. They put people on with the express purpose of keeping them. And if those people cannot do the job, then they have got to replace them or get someone who can do the job. The margin between life and death in small business is not very much.

Senator BOSWELL—It is hard yakka. The margins in small business are very fine. When you have got nine or 10 or three or four employees, it is not like having 3,000 employees where you can carry a few people—you cannot carry anyone; everyone has got to put their head down and their tail up and work. You cannot carry people that cannot do the job, so sometimes they may have to be removed, not because anyone wants to.

Let me give you a couple of examples of what is happening out there in the market. A small Melbourne engineering company terminated two casual and permanent employees because of a business downturn arising from a strike overseas. The applicant for the unfair dismissal requested a settlement of $5,500. The solicitor’s advice was that to defend the claim would cost up to $15,000, so the business handed over the $5,500 because that was the least expensive way. You cannot imagine them running out and employing another couple of people in an upturn: they have had their fingers well and truly burnt.

Here is another example. To survive a financial downturn, a businessman with a leathergoods business employing up to 10 people believed that his only option to remain viable was to downsize by one employee. His lawyers told him that it would cost him $20,000 to pay off this employee under the unfair dismissal law. Instead, the business decided to close down. That is exactly the same as the anecdote I told you about before about my friend whom I shared a property with. He decided, rather than fight the court costs, he would close the business down. He paid the girl out and closed the business down.

Another example is a small motor industry company in New South Wales that faced an unfair dismissal claim from a former employee dismissed for poor work performance despite repeated warnings. The company agreed to settle the matter to avoid further legal costs. That cost $9,000. I could go on and on and on, because every time you go out in that marketplace, to a National Party meeting, to a business meeting, to have a drink with someone or to have a lunch, you always hear these horrific stories affecting small business.

The Labor Party and the Democrats seem to think they are doing small business some sort of favour. I think, quite frankly, they know they are wrong. I think they recognise they are wrong because there could not be an intelligent person who did not, and I do not
say that people in the Labor Party are unintelligent; many of them are intelligent—most of them are intelligent. In their own heart of hearts, in their own minds, they must know that they are doing the wrong thing. They must know that this legislation is right and they are wrong. But then they say to themselves, ‘How are we going to tell our political masters, the unions? How are we going to explain it?’ And of course most of them depend on union support for their preselections, so they wimp out.

We seem to repeat history: year in, year out, we put it up, they knock it out, we win the election, small business votes with us. Small business is such a huge, powerful voting block and it has influence. It has influence in the Rotary clubs, in the football clubs, in the Parents and Friends, and that influence spreads out. And a lot of people who work for small business people are aspirational voters: they see the boss doing all right—he has got a boat and a nice car, and that is where they set their aims. Then they dump the Labor Party because they can see there is no future in it. I tell you what, Mr Deputy President Calvert: if you took a secret ballot over there amongst the Labor Party people, and it was a secret ballot, no one looking over your shoulder, no show-and-tell, I am convinced you would find—

Senator George Campbell—Your mob can’t even mark a secret ballot! Julian voted informal.

Senator BOSWELL—I would exclude Senator George Campbell in this, but the other sensible people would say, ‘Let’s do small business a favour: let’s support this legislation, let’s encourage small business to employ more people and let’s see if we can drop the unemployment down to maybe five per cent.’ It is six per cent now, down from 11 per cent in the Labor Party days. You would do yourselves a favour. You might even stand some remote sort of a chance at the next election, but you would certainly be doing Australia a favour.

Senator HUTCHINS (New South Wales) (1.51 p.m.)—We have been all over. We have been to Central Queensland—I think that is where Senator Boswell comes from—with a number of his friends and his background out of the back of his ute and all that. We have heard how he had people working for him who started out voting Labor and now they vote National Party. We did question him on whether when they handed out for him he paid them overtime on the day, on the Saturday, or maybe they got paid in the hand. Maybe it was all part and parcel of the statement of duties.

The Workplace Relations Amendment (Fair Dismissal) Bill 2002 started out as the unfair dismissal bill. In the space of four years it has come from being a bill on unfair dismissal to a bill on fair dismissal. Anybody who looked at the language of the bill would see that essentially the legislation has not at all changed; the only thing changed is the title of the bill. This is quite Orwellian, because in fact there is no fair dismissal advocated in the bill at all. All it says is that essentially people who work for small businesses under a certain size would be exempted from having access to unfair dismissal regimes or legislation.

I want to take up a point that Senator Boswell raised when he was talking about companies which have been affected by downturns. Mr Acting Deputy President, you will see from our amendments, which I will come to later in my speech, that we in the Labor Party have recognised that this legislative regime was in fact meant, as I recall, being a former trade union official, to be for people to be reinstated to a job that they had performed. It was never intended, as I understand it—and if it was it was wrong—for people to use it as an opportunity to go and screw money out of their employer or the organisation for which they worked. That will become clear in the amendments we propose.

As Senator Boswell has given us the examples of a number of unnamed companies that he says have experienced difficulty with this regime, let me tell you about some of the people—and I will name them—who have been able to extract justice from having had the opportunity to go to an independent tribunal and be reinstated. I refer particularly to a lady called Jeanette Wynbergen, who worked for Babyco in the Bankstown area in Sydney, New South Wales. Mrs Wynbergen
was a member of the Shop Distributive and Allied Employees Association—

Senator Jacinta Collins—She still is.

Senator Hutchins—She still is, and she is also what might be called a netball mum. You may know, Mr Acting Deputy President, if you have daughters, that Saturdays in the winter months are pretty much taken up with attending a series of netball games, as I have been doing now for nearly 16 years and will do for a lot longer, it looks like, with two seven-year-olds. Mrs Wynbergen had an arrangement with her company that she would be able to have the time off and be able to work rosters that would allow her to go and see her daughters Stacey and Tiffany play netball on Saturdays. I am not sure whether Babyco would be regarded as a small employer, but they decided to change the agreed position that they had had with her. Mrs Wynbergen rightly said, ‘I have an arrangement with you that I would be able to attend my daughters’ netball games and I’m sticking to my guns.’ Thereupon they sacked her. The lady had an arrangement with the company and they were quite happy to live with that arrangement, but then they unilaterally terminated that agreement and they sacked her. Mrs Wynbergen and her union, assisted by the New South Wales Labour Council, took the matter before the Industrial Relations Commission of New South Wales, and it is no surprise that the Industrial Relations Commission reinstated Mrs Wynbergen. They put her back on the payroll because they found that the company had breached its obligations to her, breached its undertakings to her and breached the principles of justice, fairness and equity.

I have been prepared to name the company that had acted so unfairly towards Mrs Wynbergen, but all we heard from Senator Boswell was a rant and rave about all these people he had met over lunch, at an airport lounge or at some National Party convention who were complaining about how they had been harshly done by by the unfair dismissal regime. Madam President, you have been a member of the Senate for some time and you might recall that the present federal legislation was introduced by the Keating government in 1993 in response to an ILO convention that was carried in 1982. As you may recall as well, we won the election in 1983. So it had taken 10 years for federal Labor to move on the issue of unfair dismissal laws. So much for people saying that we are in the pockets of the trade union movement. Ten years is a long time for us to have to wait for this fairness to be able to be exacted.

I remember clearly what the regime was like before the changes to the legislation. It was cumbersome and cost a lot of money, and if you did not have money you did not get justice. In the end you used to have to go to the federal commission and, if they made a decision, you would have to go to the Federal Court to get them to enact a decision. By that time people who were seeking to be reinstated in their previous position had probably moved on. Sometimes it would take months for people to try to get back into the positions they wanted to work in. I might add that most of the people I was involved with in that period did want their jobs back. They did not want to screw their employer for money or anything like that; they wanted to be reinstated. I had an opportunity last time we were discussing this legislation to talk about the times when I did have people reinstated through the New South Wales commission and they went back to work for their employer. I recall clearly one man who had worked for Boral and worked there after he was reinstated. He retired from there 15 years later. The employer had had some spat or whatever with this chap, but he was reinstated by the commission and he was allowed to be put back on the payroll, and he stayed there as a loyal and proper employee of that company and a proud union member until he retired in the late 1990s. So this legislation is unnecessary. I will have an opportunity no doubt at a later time to continue my remarks about how we believe this is unnecessary and unfair—and indeed, for the bible-bashers over there, un-Christian.

Debate interrupted.

QUESTIONS WITHOUT NOTICE

Budget: Disability Services

Senator Jacinta Collins (2.00 p.m.)—My question is to Senator Vanstone, the Minister for Family and Community
Services. In light of the government’s proposals to change criteria for the disability support pension, what answer does the minister have for Ms Black, who contacted my office yesterday? As an adult single disability support pensioner, working 16 hours per week and not able to work additional hours due to her disability, Ms Black’s part-pension payment of $321 per fortnight would be reduced, from this budget initiative, to a Newstart part-benefit payment of only $174 per fortnight. Given the minister’s comments yesterday about how this government is acknowledging abilities rather than disabilities, how does the loss of almost $150 per fortnight adequately acknowledge the abilities of my working constituent?

Senator VANSTONE—I thank Senator Collins for the question because it gives me the opportunity to highlight something that might not have been clear yesterday. I certainly made public remarks about this yesterday, but I may not have done so in here and the honourable senator might not have caught up with those remarks. It is quite clear that people who are already working and on disability are about nine per cent of the disability population. A very small percentage of the total disability population are working at award rates. Those people who are, if they were to be shifted, may well get a particularly adverse effect and it is certainly not the government’s intention to cause great difficulty to those people. The Prime Minister has made it clear and I have made it clear that the gate on that policy discussion has not shut and—

Senator Sherry—Roll-back.

Senator VANSTONE—Madam President, I note that Senator Sherry is such an intellectual genius that he seeks by way of interjection to highlight a former Labor policy called roll-back, which has been rolled so far back it is now on the backburner. Having lost two elections on it, I would have thought the genius on the front bench would not have bothered to raise it, but thanks for the opportunity, sport.

Back to Senator Collins: if Ms Black wants to be kept informed of any changes in this area, you need only to give my office her name and telephone number and we will do that as the policy to ease transition for these people is handled. Generally speaking, in relation to this matter and other social security matters, I will not comment on individual cases, and I will not do so because I do not have access to a file until the name is raised with me and cannot possibly comment on all the circumstances. That is not to deny the circumstance that you raise, Senator; I am now making a general remark about individual cases.

The reason I have come to that conclusion is not only that I do not have all the information at hand when the question might be asked—so it would be a folly to give an answer on an individual file—but also that there have been circumstances, not raised by Senator Collins but by other senators and members, where either because a constituent has not told them the whole story or because they have adjusted the information to make it look worse for the government—social security instances—the whole truth has not been told. It is therefore inappropriate to respond to the sorts of examples raised not by Senator Collins but by some of her colleagues who seek to do the wrong thing, because all they do by raising those examples is require that they be corrected and, when they are corrected, the message that goes out to the broader community is that social security people do not tell the truth.

That is not a message I want to put out. So I would much rather deal with individual cases when we do have all the facts at hand rather than responding without all the information and having to make it clear that a constituent or a member representing the constituent has not passed on all the information. If Senator Collins’s constituent is working 16 hours at award rates, an able-bodied person at award rates may say, ‘Why is that person getting $150 more than me for doing the same job?’

Senator Jacinta Collins—The cost of the disability, Minister.

Senator VANSTONE—It depends on what the cost is.

The PRESIDENT—I call Senator Collins.
Senator JACINTA COLLINS—The cost is significant. Thank you, Madam President, I do have a supplementary question. Minister, supplementary to your answer, this is no such example and there are many more rolling in I am happy to extend in your direction. I hope that your assurance will be more than what was in the budget papers about a five-year process of reassessment. What further comfort can the minister provide to Ms Black and others who, under the minister’s current initiative, will also lose their travel concession but are not eligible for mobility allowance but will pay more for prescriptions? Doesn’t this minister’s initiative, as it currently stands, mean that Ms Black and others will be entitled to fewer benefits but will pay more to get to work and obtain medicines? How is this consistent with the Prime Minister’s promise not to cut the disability pension?

Senator VANSTONE—As the senator knows, we are not cutting the disability pension and nor are we cutting funding to disability. We want to put hundreds of millions of dollars more into disability and to focus that extra money on people with the highest support needs.

Senator Jacinta Collins—You are cutting access!

Senator VANSTONE—Senator, you do not have all the correct information. I participated in a link-up yesterday afternoon with community groups, and this very question of mobility allowance was raised. People who need to catch a taxi, like someone in a wheelchair who cannot easily catch a bus to work—largely because state governments have been so incompetent in their urban transport systems in handling the needs of low income people and the disabled—none-theless would be eligible for mobility allowance. But as I said, Senator, this group you are talking about is I think about two per cent of the total disability population. What I am hoping, Senator, is that you do not want this whole policy judged on the two per cent that we are rightly focussing on.

Budget: Border Protection

Senator BRANDIS (2.08 p.m.)—My question is directed to the Minister for Justice and Customs, Senator Ellison. Will the minister outline to the Senate how the government’s budget provisions have resulted in greater protection for Australians at our borders and in the community? Is the minister aware of any alternative policies?

Senator ELLISON—Senator Brandis, coming from Queensland, realises only too well the importance that border protection has for a state like Queensland and particularly for Australia. This budget delivers security for Australia’s borders, a safer community and a stronger economy. This has only been possible because of the financial management of this government and the robust economy in Australia. Since 1996, this government has demonstrated an unprecedented commitment to border protection and a safer Australian community. Record federal funding has been invested in our agencies, and the results speak for themselves: a 98.6 per cent interception rate at our borders and record drug busts. In this government we see just under $800 million being dedicated to a safer community and stronger borders. The protection of Australia’s borders is essential if we are to keep out things like illicit drugs, illegal immigrants, illegal fishing and illegal firearms and if we are going to keep disease out of Australia which can be so harmful to this country.

In this budget we have committed an extra $280 million to Customs. This builds on a 50 per cent increase in funding to Customs since the Howard government came to power in 1996. We will be providing over $28 million for Coastwatch to increase flying time by 1,600 hours. As well as that, we will be doubling the sea days for the Customs fleet so that we can have those vessels out there with increased capacity and ability to respond to any threats. But of course we have to look to Australia’s ports as well, and what we are providing are pallet X-rays in the ports of Fremantle, Adelaide, Melbourne, Sydney and Brisbane. We will be providing container X-ray facilities, in addition to what we have in Melbourne and Sydney, in Fremantle and Brisbane. This is vital if we are to keep out
prohibited imports, particularly drugs and things such as illegal firearms.

We have also looked to Australia’s airports and aviation. If we are to reinforce the travelling public’s confidence in taking to the air, we must provide that security. We are providing funding in this budget of just over $128 million to provide for the increased operation of our air security officers. We have brought forward our target to August this year when we will have 110 air security officers operating in Australian skies, and we want to increase that to international flights as well. We also are providing over $40 million to Customs for screening of incoming passengers. This is very important for Australia’s border security. Just over $4 million has been allocated to increase the number of explosives detection canines—dog squads that can be used in our airports detecting possible dangers to aircraft.

We also have record funding for the Australian Federal Police: $135 million, which builds on the record funding of this government for law enforcement in Australia. This is in stark contrast to the ALP in its last four years of government, when only $13 million of new money was provided in contrast to the $315 million of new money that this government has provided in relation to law enforcement. W e will be doubling the AFP’s strike team’s capacity to fight organised crime. We will also be increasing the resources for the overseas operation of the Australian Federal Police. It is vital that we work with overseas law enforcement agencies in fighting organised crime, and we have seen the results of that in keeping drugs out of Australia. Senator Brandis asked about alternative policies—(Time expired)

Senator BRANDIS—Madam President, I ask a supplementary question. Can the minister continue to elaborate on any alternative policies?

Senator ELLISON—There was a call by the opposition for a coastguard—another raft of bureaucracy which would cannibalise the Royal Australian Navy and not one extra vessel engaged in border protection or coastal surveillance. What we are doing is building on a successful coastal surveillance, a successful border security pro-

gram that we have put in place. Labor’s alternative was another raft of bureaucracy which would see the cannibalisation of the Australian Navy and not one extra vessel.

Budget: Veterans Pensions

Senator MARK BISHOP (2.13 p.m.)—My question is to Senator Vanstone, the Minister for Family and Community Services. Can the minister confirm that, under the proposals in the budget, ex-service people on the intermediate rate of veterans’ disability pension of $498 per fortnight for service related injuries who have been accepted as not being able to work between nine and 20 hours a week will be reassessed for their work ability? Can the minister confirm that, in the event that a single person with no other income on the intermediate rate is transferred from DSP to Newstart, there is a much tougher means testing regime, with the income free area reduced from $112 per fortnight to $62 per fortnight, and the taper rate up to $142 of 50c in the dollar and 70c thereafter? Minister, does this mean that in addition to the $52 difference between the two benefits the ex-service person in question will lose a further—(Time expired)

Senator VANSTONE—I will take the question, although I think it should have been directed to the minister responsible—if I understood your question properly—for veterans’ affairs. I do not look after the veterans; the veterans’ affairs minister does. However, let me go on to the point of your question, which is I think whether there is a lower payment for Newstart than there is for the disability support pension. Yes, there is. Newstart is an allowance, not a pension, so there is a whole variety of things that change, including the taper rate and income earned levels. So this has not been an easy decision to make.

I say the same to you, Senator, as I said to Senator Collins. We understand that about nine per cent of the disability population are working in one form or another. The largest single group of those are working in business services; they are not working at award rates and would not be affected at all by these changes. So we are only talking about the changes affecting people who are capable of working 15 hours or more at normal award
The most recent figures I have—I am not sure the exact year in which these figures were provided: it could be 2001, it might be 2000—show there are now 13 per cent of able-bodied people working between 15 and 29 hours. That is the group we are talking about, because if you can work for more than 30 hours you would already be on Newstart. We are looking at shifting the hourly test from 30 down to 15, so it is relevant how many people in the able-bodied population are working between 15 and 29 hours, and it is about 13 per cent. That 13 per cent say, ‘Look, there are two of us doing this job; why are you paying this other person more?’

The obvious answer is, ‘Well, they have a disability.’ But the person says, ‘They are not so disabled that they can do the same work I’m doing.’

I have already answered Senator Collins that people who cannot use public transport et cetera have the mobility allowance available to them, and there are some other things—and I will send those to Senator Collins—but, Senator, I come back to you with this point: the percentage of people on the disability pension who are now working in the time period that we are talking about is a very small percentage. So I would hope that, when your party looks at this, you will look at the whole policy and you rightly will ask us and we will find a way to ease the transition for that very small percentage. But do not, for heaven’s sake, make a decision to treat people who have got a disability as not having ability, do not opt to continue to pay them to not be their best, because of the difficulty we will have with a very small group of people who are now working to the best of their ability. We will find a way to help those people, and you will judge it.

Senator Jacinta Collins—Oh, yes.

Senator VANSTONE—Senator Collins says disparagingly, ‘Oh, yes.’ She has not had a bright idea in her life—not a bright idea in her life—but we will find a way, and you will judge it politically and so will the community.

Senator MARK BISHOP—Madam President, I ask a supplementary question. I was talking about ex-service people on the intermediate rate of the veterans disability pension. The supplementary question for the minister is this: can the minister also confirm that the scenario I just outlined equally applies to anyone with a compensation payment currently means tested, for example, a car accident victim in receipt of a third party settlement but who can work more than 15 hours?

Senator VANSTONE—Senator, I will take that question on notice and get you an answer.

Budget: Rural and Regional Australia

Senator CRANE (2.18 p.m.)—My question is to the Minister for Forestry and Conservation, Senator Ian Macdonald. Will the minister outline the measures contained in the budget that will benefit communities in rural and regional Australia? Also, Minister, can you surprise us all by informing us that there are some alternative policy positions?

Senator IAN MACDONALD—I thank Senator Crane for that question. Senator Crane has had a distinguished career in this chamber as a champion of rural and regional Australia. He is one who takes an interest. If you gauge the Labor Party’s interest in rural and regional Australia and agricultural matters by the number of questions they ask at question time, you will know that they have absolutely no interest in rural and regional Australia.

Question time is not long enough for me to elaborate on what the budget did for rural and regional Australia, but I will make a valiant attempt to mention just a few of those things. There was $1.7 billion to improve roads throughout Australia. We are continuing the $1.2 billion Roads to Recovery program. We are continuing the road safety Black Spots program, which the Labor Party axed when it was in government. We are continuing with our very popular Rural Transactions Centre program—over 200 RTCs now approved. There is $20 million going into the Regional Solutions program and $100 million to our Sustainable Regions program, which will really help devastated regions throughout Australia. The National Food Industry Strategy will help our agricultural production and producers and will make sure that we have the food chain right
through from the farm gate to the retailer and consumer. Money has been put into the Boosting Rural Veterinary Services program to encourage veterinarians back into rural and regional Australia.

On the environmental front, we are looking after land management and natural resource management. There is $100 million to tackle salinity and improve water quality. There is money for the Natural Heritage Trust. There is a new initiative of $25 million for our Incentives for Environmental Management Systems program—a program which, among other things, will give cash grants of up to $3,000 on a dollar-for-dollar basis to farmers who are doing good things on their property with environmental management systems. For example, if they spend $3,000 eradicating weeds on the farm the government will give them a cash grant of $3,000.

This all contrasts with Labor’s record in government. The best thing we have done for rural and regional Australia is to keep interest rates down and keep inflation down. We have done that by, amongst other things, being able to pay off some $61 billion of Labor’s $96 billion debt. We have kept interest rates down. Labor, as I mentioned, abolished Black Spots. They have opposed the Rural Transaction Centres program. They closed 277 post offices in their last six years of office.

Senator Crane asked me to surprise him and say if I knew if the Labor Party had any policies. I can surprise him, because the Labor Party did have a policy for about 24 hours. It was about encouraging share ownership for aspirational voters that Mr Latham put up. Within 24 hours, that policy was dumped upon by two more senior shadow ministers and so Labor are back to a score of nil when it comes to alternative policy.

Labor is under the control of the unions. Even the state Labor people in New South Wales have indicated in their report to the inquiry that Labor had no policies for the last two elections, and obviously Labor have not learnt their lesson and are continuing. It seems that all Labor are left with in the way of policies at the present time is that roll-back has in fact been rolled back.

### Budget: Superannuation

**Senator SHERRY** (2.23 p.m.)—My question is to the Assistant Treasurer, Senator Coonan. Can the minister confirm that the Treasurer’s budget speech promise to ‘deliver all of the government’s election commitments in full, on time, and on budget’ has not been met? Didn’t the government promise to deliver a $42 million package to allow children’s superannuation and yet there is only a fraction of that, a paltry $3 million, set aside in the budget? How can that be delivering the election promise in full?

**Senator COONAN**—Thank you, Senator Sherry. It gives me a very good opportunity to talk about the very important superannuation contribution package that the government introduced at the last election. Included in the package are some amazing initiatives that have actually extended the way in which superannuation can be contributed for children. It is the first time that any government has actually looked at extending superannuation and decoupling it from work. So some of our measures have in fact allowed for working parents to be able not only to contribute the baby bonus to superannuation but also to have savings for life—in other words, to enable an early savings culture to be encouraged so that grandparents, friends and parents can make a contribution for children. In fact, the policy as announced has been increased so that you can now make a contribution of $3,000 per child instead of the announced election policy of $1,000. We have delivered for children. We have delivered for women. We have delivered for workers. The superannuation contribution policy made by this government has far exceeded anything that the Labor Party could have even conceived of. Encouraging a savings culture for children is an important part—

**Opposition senators interjecting**—

**The PRESIDENT**—Order! Senators shouting across the chamber are disorderly and are making it very hard for me to hear Senator Coonan.

**Senator COONAN**—I was saying that the contribution for children not only is a novel initiative but is an initiative that goes
far beyond any thinking on the way in which superannuation is being contributed in this country. If we look at the Intergenerational Report, which is such a fundamental part of what this budget is built on, it is incredibly important that there is saving very early in people’s lives as opposed to when they get older and start to think about it when it is far too late. So it is not true that the government has not delivered on its policies. In fact, it has delivered in full on its comprehensive package of superannuation policies.

Senator SHERRY—Madam President, I ask a supplementary question. I certainly agree with the minister: saving very early in people’s lives is important. The government started by saving $39 million before the policy started! Isn’t it true the Treasurer has failed to deliver the election promise on superannuation in two other areas? Isn’t the measure to allow superannuation contributions to 75 now underfunded by $7 million and the low-income earners co-contribution now underfunded by $67 million, resulting in one dollar in four of the government’s superannuation election package not being delivered?

Senator COONAN—Senator Sherry, thank you for the question. You force me to go through the list of what we have in fact delivered. We have delivered on the measures relating to couples splitting their superannuation contributions. We have delivered on reducing the superannuation and termination payment surcharge rate by a 10th of their current level. This will lower the maximum surcharge rate and any disincentive to saving to 10.5 per cent by 2004-05. We have delivered on increasing the limit on full deductibility of superannuation contributions for self-employed people. We have delivered on introducing the government co-contribution for low-income earners of up to $1,000 per annum. And there are many other measures in the package. It is complete nonsense to say that this government has not delivered in full and will deliver on time the whole of the comprehensive and creative initiatives on superannuation. (Time expired)

Budget: Disability Services

Senator ALLISON (2.29 p.m.)—My question is to the Minister for Family and Community Services. Disability groups are saying that shifting 180,000 people with disabilities off the DSP and onto unemployment queues will be a disaster for the country’s most vulnerable. Did your government think about people with psychiatric disabilities? Did you consider people with head injuries? How about people with intellectual disabilities? And what about people with episodic illness? How many of them will end up breached under your draconian Newstart activity tests because their disability prevents them from meeting those tests?

Senator VANSTONE—I thank the senator for the question. I gather from your question, Senator, that you think there is going to be some sort of random selection of people put on Newstart, because you ask if I have considered people with psychiatric disabilities. There is a very wide range of disabilities that people who are on the disability support pension may have, and within each of those disabilities there is a wide range of levels of disability. For example, you can have a mild depression or a much more severe depression; you can have a not terribly traumatic mental illness or you can have one that is terribly traumatic—and everywhere in between. That is one of the difficulties that governments have faced in the past in grappling with how to reform the disability pension area, because no one group is necessarily alike and no one person will be the same as another.

That is the very reason that we are going to treat people with a disability based on the ability that they have and assess them individually. I was a bit surprised when your leader asked a question yesterday about the assessment of people with disabilities, apparently not being familiar with changes announced in the last budget. I know that it has been a heady year, Senator Stott Despoja, but it should not have been so heady that you missed the last budget.

Senator Stott Despoja—That is exactly what you did in the last budget.

Senator VANSTONE—The announcement that we made then, Senator Allison—Senator Allison interjecting—
Senator VANSTONE—Senator, I am sorry but I am answering the question. If you would like me to sit down and you interject, I am happy for the world to hear your wisdom, but right at the moment I have the call.

The PRESIDENT—Order! I remind senators on both sides, those asking questions and those answering, that questions should be asked through the chair and answers given through the chair.

Senator VANSTONE—Senator Allison, the changes that we announced last year—which, as I say, Senator Stott Despoja apparently missed—were that, instead of the treating doctor doing the whole assessment, your treating doctor will do the medical diagnosis. They will have the institutional memory of your health condition and your records. But other specialists will do the assessment of your work ability. The specialist will vary according to what your disability is. Obviously we are not going to send someone who has a psychiatric illness to a physiotherapist. That would be insane. Clearly people who have a disability are going to have their work ability assessed by people who are specialists in that area and in assessing work ability, not at assessing a medical diagnosis. So, yes, all of these different disabilities will be taken into account. More than that, they will be taken into account not in a bureaucratic way, where there is a form for this disability and a level 1, level 2 or level 3 grading, but based on your specific individual circumstances: a combination of your medical diagnosis and your work ability assessment by specialists in your disability area and work ability.

Senator ALLISON—Madam President, I ask a supplementary question. I thank the minister for her answer to my question, but I did not ask her about the specialisation which will be applied to determining disabilities; I asked her to consider that vulnerable group with specific disabilities that will likely be breached under the proposal which is afoot. I ask: isn’t it the case that disabled people will have the double whammy of needing to spend more of their meagre income on pharmaceuticals that you want to make more expensive? I point out that the McClure report says that there is a need to fund disabled people according to their costs. Has the government considered this question of extra cost for that group of vulnerable people who are currently on the disability support pension, and how are you going to avoid them being breached and ending up with no income support at all?

Senator VANSTONE—I am sorry, Senator, I thought the question that I answered answered your point. It follows that, if specialists in the particular fields have assessed you as being able to work 15 hours or more a week, you are fitting what will be the new definition of disabled. That is what we are looking at; we are looking at saying it is no longer appropriate to say that unless you can work for 30 hours or more a week you are disabled. We are looking at changing that and saying that if you cannot work for 15 or more hours a week then you are disabled. That is the change that we are looking at making. So people who can work for 15 hours or more will be appropriate for the Newstart payment and they will be treated fairly, as those people are. You know full well that Sue Vardon and Centrelink and the government have made significant changes and we are always looking at making more to deal with anybody who is particularly vulnerable. (Time expired)

Education: Australian National University Medical School

Senator CARR (2.35 p.m.)—My question without notice is to the Minister for Health and Ageing. Can the minister confirm that former Minister Wooldridge publicly committed the Commonwealth government to fund 60 places at the new medical school at the Australian National University? Can the minister confirm that, according to Minister Wooldridge, 25 places were to be transferred from Sydney University and 35 additional places were to be funded by the Commonwealth? Can the minister confirm that no budgetary provision has been made for any additional places at the proposed ANU medical school?

Senator PATTERSON—The issue of the school of medicine at the Australian National University is an important one. I have been in discussion with the new dean, who has already been appointed, and I am delighted
that the former minister actually agreed to this. It is one of the important parts to our commitment to increase the number of rural doctors in Australia. One of the things that I should remind the Senate about is that, when we came into government, eight per cent of doctors in medical schools were from rural areas. There are now 25 per cent. One of the aims of having the school at the ANU is to ensure that we have doctors coming from rural areas. We hope that young people will come into the ANU medical school from around New South Wales. Despite what Senator Carr says, it is well on track. There has been a bit of an argy-bargy about where it might be located—I know that is part of what he is on about—but the dean has been appointed and we anticipate taking students into that program at the beginning of next year I think. It is either next year or the year after. It is on track, I have met with the dean and I have met with the vice-chancellor. I do not know what sort of scare tactics Senator Carr is trying to run.

Senator PATTERSON—Senator Carr can shout all he likes from the other side. The ANU medical school is on track and on time.

Taxation: Mass Marketed Schemes

Senator MURPHY (2.39 p.m.)—My question is addressed to the Minister for Revenue and Assistant Treasurer. The minister will recall that, in September last year, the Senate Economics References Committee tabled a unanimous report on proposals for resolution and settlement of the mass marketed tax effective schemes debacle. Those recommendations were developed in consultation with the Australian Taxation Office. In particular, I draw the minister’s attention to recommendations 1.25 to 1.29 of the report which deal with a commercial viability test. Despite agreeing with the committee that it could be done and despite the fact that the ATO has been conducting commercial viability tests when issuing tax product rulings, the ATO still rejected these recommendations in the report. I ask the minister: what is the government’s position on this issue?

Senator COONAN—Thank you, Senator Murphy. This question seems to have a very familiar ring to it, because the whole notion of commercial viability was addressed in a previous answer I gave to a question by Senator Murphy. Senator Murphy has taken a very close interest in this issue. It is an important issue for Australian families, as I think I said yesterday, and the government is concerned about it. Yesterday, I outlined in some considerable detail—and I do not think Senator Murphy was here—

Senator Abetz—No, he wasn’t.

Senator COONAN—You have read the transcript—good. Yesterday, I outlined in some considerable detail an offer that has been made by the commissioner to the investors in mass marketed schemes. I will just repeat it because it is a very generous offer: a tax deduction for the actual amount of cash outlaid, a full remission of penalty and interest and a two-year interest-free period for the scheme debt. I also pointed out in fairly careful detail, I had thought, that if any investor
was not able to make some decision within the time frame that has been offered by the commissioner—which is 29 May—and if they approach the commissioner or the case handlers on this, or even my office, we will arrange, if the circumstances are appropriate, for extensions of time. As to the commercial viability test, that is not something that has been considered in the offer. Senator Murphy, as I understand it, has received a briefing on this matter. It is not in fact an issue that relates to the settlement that is on the table, and it is not something that is currently in the commissioner’s contemplation—and is unlikely to be.

Senator MURPHY—Madam President, I ask a supplementary question. I do not know whether I should thank the minister for her answer. I have never received a briefing, but I certainly have read, and I am very aware of, the circumstances of commercial viability. You would also be aware that the primary reason used by the Commissioner of Taxation for rejecting the recommendations was the issue of law relating to financing techniques. Given that the Federal Court has upheld that financing techniques were not in breach of the law, will the government be now requiring the ATO to revisit the issue of commercial viability in the mass marketed schemes area?

Senator COONAN—I thank Senator Murphy for his supplementary question. It is not really open to the commissioner or the government, or indeed anyone else, to cherry pick through a judgment such as the Bud Plan case, which was delivered in favour of the commissioner, and say, ‘The judge accepted this argument but rejected that argument.’ The fact is that the commissioner won the case. He won the Bud Plan decision, and he has not resiled from the offer that was on the table prior to the Bud Plan decision, notwithstanding the success of that case.

Senator Murphy—Madam President, on a point of order: I asked the minister a very specific question based upon two things. One related to a commercial viability test that the Taxation Office actually conducts and agreed could be conducted. The second related to the issue that the Federal Court had upheld, in the right of the taxpayer, that financing techniques were not in breach of the law. They are two very important points, and the minister is not actually answering the question that I asked her.

The PRESIDENT—There is no point of order.

Senator COONAN—There is very little in the time left available to me to add anything, other than to say that there is an offer on the table. There is a number of investors who have an opportunity to accept or reject that offer or to seek an extension of time, and to try to seek to add by a side wind a commercial viability test is really clutching at straws.

DISTINGUISHED VISITORS

The PRESIDENT—Order! I draw the attention of senators to the presence in the gallery of former Western Australian senator Mr Jack Evans and welcome him to the chamber.

Honourable senators—Hear, hear!

QUESTIONS WITHOUT NOTICE

Budget: Australian Defence Headquarters

Senator LUNDY (2.44 p.m.)—My question is to Senator Hill, Minister for Defence. How is it that the budget papers state only that a ‘proposal’ for the construction of the Australian Defence headquarters at Queanbeyan will be put to the government for ‘approval’ in 2002-03 when former defence minister Peter Reith announced two days before the federal election was called last year that the government ‘will’ build the headquarters?

Senator HILL—The government will build the headquarters—that is absolutely true. It will be built, as indicated at the time of the announcement, because this is a government that keeps its promises, as the honourable senator will know. It is the government’s wish that it be built as soon as possible. It is quite a complex process. It will involve the parliamentary Public Works Committee, apart from other interests. As a matter of interest, I have asked for a time line, and I want to keep the department to that time line, notwithstanding the complexity, because to have that new headquarters will be very im-
important in terms of the ongoing capability of the ADF.

Senator LUNDY—Madam President, I ask a supplementary question which goes further to removing the remaining ambiguity. I ask the minister to clarify exactly when the project will commence, not just reply ‘as soon as possible’ and, further, whether it is the minister’s intention to ensure that all landowners are in fact notified in advance of such announcements being made publicly rather than after the public announcement has been made.

Senator HILL—Not only is it the practice of this government to keep its promises but it is also the practice of this government to consult with affected parties, and we will be doing that in this instance. In relation to the time line, as I said to the honourable senator, it is my wish that the project will commence as early as possible.

Health: Pharmaceuticals

Senator CALVERT (2.47 p.m.)—My question is to Senator Patterson, the Minister for Health and Ageing. Will the minister advise the Senate how the government is ensuring that all Australians have access to affordable medicines now and in the future? Is the minister aware of any alternative policies?

Senator PATTERSON—Senator Calvert has asked me: ‘Will the minister advise the Senate how the government is ensuring that all Australians have access to affordable medicines ...’ With all due respect, Senator Calvert, maybe you should rephrase that question and ask: ‘Will the Senate ensure that all Australians have access to affordable medicines now and in the future?’ I know the majority in the House of Representatives will ensure that, but I am not sure, from what they have been saying on the other side, that the majority in the Senate will ensure that all Australians have affordable medicines into the future. I know the majority in the Senate will ensure that all Australians have affordable medicines into the future. I know that amyloid deposits are one of the markers for Alzheimer’s disease. That is the sort of medication that is coming online day after day. Since we came into government, we have put 300 medicines on the PBS—one a month. That is the rate at which we are seeing medications go onto the PBS.

Since 1990, the cost of the scheme has grown from just over $1 billion to over $4 billion, almost $5 billion by the end of the financial year just gone—$4.8 billion, I think it is. It has increased dramatically. The cost of medicines is increasing at an escalating rate. As I said, we have put 300 new medicines on the PBS, and we want to continue to put new medicines on. There are medicines knocking at the door that are very expensive, but we are not kidding ourselves; we are not taking any money out of the PBS. We are spending the same next year and more in the future. We are putting restrictions and conditions on to ensure that we have more accurate and better prescribing of medications.

I am asking the community to think carefully about the way in which they take those medications. Most of us can say, with our hand on our heart, that we have been to the doctor on a Thursday or Friday, when we have felt unwell, and thought we had better get a script. But, when we got the script, we felt better and did not take it. I said that yesterday. We have most probably all been guilty of that. When we do that, if it is a PBS
subsidised medication, we are taking money from the taxpayer.

At the moment, our expert committee, the PBAC, is grappling with the issue of whether a medication which will cost $50,000 per patient per year—that is about $6,000 or so per month—should be on the PBS. Under the new arrangement, people on the concessional card would get that for $4.60, until they reach the maximum scripts of 52. And they would most probably be taking other medication which they would get for free. I mean, $50,000 for that medication. It is already on for one part of that condition but the committee is looking at it for the other.

If we are to maintain the ability to put those sorts of medications on the PBS, we must have a system that is sustainable. I ask the Democrats and the Labor Party to reconsider the position they have taken—it is a knee-jerk reaction—and look at what it is going to mean for the future when we have these medications, such as this Alzheimer’s medication, coming up for approval on our PBS.

Budget: Disability Services

Senator WEST (2.51 p.m.)—My question is to Senator Vanstone, the Minister for Family and Community Services. I refer to the interview this morning—I understand it was on Radio National—with Mr Patrick McClure, head of Mission Australia, and architect of the government’s welfare reform blueprint. He was being interviewed about the government’s proposed changes to the disability support pension. Is the minister aware that Mr McClure, when asked ‘Has the government in this budget then wielded the stick but not provided the carrot?’ answered:

That’s exactly right. It just doesn’t have the balance and it’s not in the spirit of our report which was that there was no aim to disadvantage people who were on a disability support pension.

Why is the government so intent on disadvantaging the disabled?

Senator VANSTONE—A government that wants to put record amounts of money into disability cannot be characterised as a government that is intent on disadvantaging the disabled. We do not want to cut disability funding, as some of your colleagues intimated we would, saying silly things like, ‘They will cut disability funding to buy boys toys for war.’ We want to do quite the opposite, Senator, and the budget papers make that clear. If we are successful in our disability funding reforms, far more money—hundreds of millions of dollars more—will go to those disabled people who have the highest support needs. Yes, we are asking the Senate to recognise that things have changed and that what was, maybe, an appropriate test of disability—whether you can work for more than 30 hours—is no longer an appropriate test. Mr McClure was asked to do a report on changes to the welfare system, and we have had other people advise us since then. Mr McClure was not simply given carte blanche and told that the government would do everything exactly the way he said. Mr McClure will not walk away from the fact that he did say that we should look at redefining the 30-hour test and amending it to make it more appropriate to current working patterns. He did say that, and the current working pattern is leaning much more towards part-time work than it was before.

As I indicated yesterday, people with a disability want to be judged on what they can do. For people who can work, we are asking the Senate to change the definition of disability—that part of the test—so that if you cannot work for 15 hours or more you can go on the disability pension and, incidentally, get the benefit of hundreds of millions of dollars more that we want to put in at the very high end of disability for those people who have the highest support needs. That is what we are asking. Your opposition may decide to say no. You may decide that you would rather leave it as it is. It is your privilege to do so, but we have made the decision that McClure was right to say that the 30-hour test should be reviewed and brought more into line with current working patterns, which are tilted far more towards part-time work than they were a number of years ago. As I said, there has been about a fourfold increase in part-time work than in full-time work.

Can I just take the opportunity of telling you that one of your colleagues recently
asked me about the intermediate rate TPI. The answer that I had related to the special rate, which is different; the intermediate rate, you might pass on to your colleague—

Senator Faulkner—Madam President, I rise on a point of order. It is a serious point of order. It is fair enough for Senator Vanstone to add further information to another answer she has given. That is proper, but it is not proper at this time. It is proper after question time concludes. I would ask you to rule in favour of that point of order.

The PRESIDENT—Senator Vanstone, you should be answering Senator West’s question at the moment. An answer to another question can be given at a different time.

Senator VANSTONE—I understand that. Since the question did relate to disability, I was simply trying to be more helpful to one of the Labor senators and give him the answer earlier, but I am very happy to give it later.

Senator WEST—Madam President, I ask a supplementary question. Is the minister aware that in the same interview Mr McClure said that, with estimates of 200,000 people being moved across to either work or the dole, he shared concerns that people would fall through the gaps? Does the minister share that concern?

Senator VANSTONE—Senator, you can be assured that, as the minister—and even if I am shifted to some other portfolio—I am concerned to ensure that when people do a work ability test they are the best people possible and they do not let anybody fall through the cracks. I hope that is the case now for people who do the assessment for the 30-hour test, and I certainly hope it may be an improved, more reliable assessment with the changes that we are making by splitting the test into a medical diagnosis and a test by specialists in that area. Do you know anybody who would not be concerned about that point? I do not.

Health: Pharmaceutical Benefits Scheme

Senator LEES (2.57 p.m.)—My question is to Senator Patterson, Minister for Health and Ageing. It follows on from a previous question she was asked today relating to the affordability of medicines. Is Senator Patterson aware of research by Monash University’s Health Economics Unit, which found that chronically ill Australians on low incomes tend to underutilise or skimp on health services, especially where copayments are high? Did the minister consider this issue before deciding to increase the PBS copayments, particularly for health care card holders? In other words, has the government considered that making medications less affordable is not going to assure access, particularly for those with chronic illness?

Senator PATTERSON—I know Senator Lees has a deep interest in health, and I respect her for that, but I have a responsibility as health minister to ensure that we have a PBS which is sustainable into the future. I have just indicated that almost every day we see in newspapers article after article about new medications which cost large amounts of money. Some of them cost $200, some of them cost $2,000 and, as I said, one of them costs $50,000 dollars a year. We have seen 300 new medicines go onto the PBS. We have seen the PBS increase—

Senator Bolkus interjecting—

Senator PATTERSON—Senator Bolkus has become so irrelevant on the back bench that all he can do is interject. The Pharmaceutical Benefits Scheme has increased from just over $1 billion in 1990 to over $4 billion. In 1990, the then Labor government were very concerned about the PBS, and they increased the copayment for people who were not on a benefit from $11 to $15, having doubled it in 1986. So in 1990 they increased it by $4. You could buy a lot more for $4 than you can buy for $6.20 now, which is the increase we are asking non-concessional people to pay. When they were introducing this, they said things like:

The introduction of a charge on prescriptions ... is part of a program which will make the PBS more efficient and encourage more responsible use of medication.

This was in their budget papers.

The government will also maintain a program of education ... develop greater awareness—
I think Senator Lees is going to raise a point of order because she thinks I am not answering her question.

Senator Lees—Madam President, I rise on a point of order. The minister is absolutely correct: I believe that she is not answering my question. I did not ask about Labor Party policies, actions or anything. I asked the minister specifically whether she considered those people with chronic illness before making the decision to basically increase the cost of medications out of their reach.

Senator PATTERSON—I am not taking medications out of their reach; I am making them affordable into the future. People who have a chronic illness will be asked to pay the maximum of $52 a year. I know it is not easy, but it is going to be a damn sight harder in five years time, when I—if I am minister—or whoever else is minister will have to face the fact that we cannot put medications on the PBS. There are medications that reduce pain and suffering, medications that improve people’s quality of life in the end of life, and drugs and medications that cost $50,000 per person per year. The nation has to make a larger contribution, and we are asking people to make a slight increase in their contribution because medication is costing the nation more and it is costing people more. We have to face the fact that medications are rising in cost at a faster rate than any other product and we, as a nation and as a people, have to accept—a long with physicians, for the pharmacists and for the people—

Senator Bolkus—What about your half a million dollar rip-off?

The PRESIDENT—Senator Bolkus, you are warned about your persistent interjecting.

Senator PATTERSON—We have to use our PBS wisely, to ensure that it is affordable into the future. That is my responsibility and I will fight for it. (Time expired)

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

QUESTIONS WITHOUT NOTICE: ADDITIONAL ANSWERS

Education: Australian National University Medical School

Senator PATTERSON (Victoria—Minister for Health and Ageing) (3.05 p.m.)—
Earlier in question time today, Senator Carr asked me a question relating to the funding of additional places at the Australian National University Medical School. Senator Carr is on the ANU council, so he could have discussed this with me before. There are 25 places that are currently funded at Sydney University which will be transferred and 35 places that will come online in 2004. I have been advised that they will appear in the 2003-04 budget. So they are there. They do not need to be there in this budget because they are not coming online until 2004, but we have signed off. We have indicated the amount of money that has been agreed to, and the ACT is involved as well.

QUESTIONS WITHOUT NOTICE: TAKE NOTE OF ANSWERS
Answers to Questions

Senator CARR (Victoria) (3.05 p.m.)—I move:

That the Senate take note of the answers given by ministers to questions without notice asked today.

We have heard many people complain about what is in the budget. My complaint today was about what was not in the budget. The minister said that the government has paid $4.7 million to fund the planning stages of a commitment to establish a new medical school at the Australian National University. In fact, I think the government has paid $5.3 million, but I am sure the minister is able to read that brief more accurately and will correct me if I am wrong. What you will find—and this was the point I made and the minister has now confirmed it—is that there is nothing in this budget to cover the operating costs for student places at this medical school and nothing whatsoever for capital costs. So what we have then is a government committed to a new medical school, but one that has provided no commitment, to this point, on how it is to finance it. The minister has just said, ‘We hope that it will be in the future.’ I take it from that point, Minister, that that is a firm commitment this time—that is, that there will be money available in this budget.

Senator Patterson interjecting—

Senator CARR—I would ask for that point to be clarified. What I need to have is a clear understanding from this government that what they actually say they will do, because on the record what we have seen is a quite sharp contrast to that practice. We can compare the actions the government has taken on the Australian National University with the actions the government took with regard to the funding of a medical school at James Cook University. What is the difference? The main difference is that James Cook was in a marginal seat.

We saw in that case that the government announced the funding and put it in the triennium report for the three years prior to the operation of the medical school. The James Cook Medical School received funding for a total of 60 students. What we have here, it appears to me, is a somewhat vague commitment that into the future funding will be made available for the students. James Cook Medical School got $10 million in Commonwealth funds for capital works, but there has been nothing, from what we have heard today, about how much the ANU will get for capital works.

The whole point of the Townsville medical school and the reason it was a priority for the Commonwealth—and I must say that the proposal was supported by Labor—is that the school is in a regional area. The impetus for the medical school is that there is an urgent need for doctors in regional areas. In this year’s budget, the government moved to address the problems with regard to rural and regional medicine by providing financial incentives for doctors to go out and open up a practice in the country or in outer metropolitan areas. That is a measure that we would encourage.

What really needs to be done is that more doctors need to be trained. The President of the Western Australian Medical Association, Dr Bernard Pearn-Rowe, said today:

I’m very disappointed that the federal treasurer has nothing to really address the chronic under-supply of doctors that exists right across the country.

On 16 August 2000 the former health minister Michael Wooldridge promised that there would be 25 places transferred from Sydney
to the ANU and that an additional 35 places would be funded by the Commonwealth. We have yet to see any budgetary provision made for that commitment. That is the point here. I think we are entitled to see that. We are entitled to know exactly when the government will put its money where its mouth is and ensure that budgetary provision is in fact made and that we do not have to just rely on ministers grandstanding about what is a critical issue with regard to the training of doctors for rural and regional Australia.

What really concerns me is the priorities that the government pursues. We have seen so little done with regard to education spending in this budget. Of the $12 billion program, new measures account for $12 million. That is an appalling situation. It clearly indicates that the government is marking time. The point is that it really does not have a forward program in terms of financial commitment. It is not good enough to big-note yourself about these measures; you have got to put your money where your mouth is. I am calling on the government to ensure that those commitments to the funding of students places are backed up with hard cash. (Time expired)

Senator EGGLESTON (Western Australia) (3.11 p.m.)—Quite a lot of comment was made today about the changes in disability support pensions. I think there is a great deal of misunderstanding concerning what the government is trying to achieve in this area. For the Senate’s benefit, I will refer to the McClure report. The final report of the reference group on welfare reform of July 2000 recommended that there should be a review of the capacity for work criteria, the 30-hour threshold, for people with disabilities ensuring that any such criteria is in line with contemporary patterns of labour market participation.

There has been an enormous change in work patterns over the years and there has been a strong growth in part-time jobs. In fact, since 1981 there has been a 22 per cent increase in full-time employment, a 43 per cent increase in total employment, a 112 per cent increase in the number of people working between one and 15 hours per week and a 117 per cent increase in the number of people working between 16 and 29 hours per week. In other words, part-time employment has grown five times faster—I will repeat that, five times faster—than full-time work.

Let us consider what the government is doing in changing disability support pension criteria in terms of those changing work patterns. The government is trying to achieve a focus on people’s abilities, rather than their disabilities, to give people the opportunity to use the capabilities that they have to rejoin the work force rather than be on a disability support pension. The government is seeking to implement the recommendations of the McClure report on welfare reform and encourage greater participation and self-reliance for people receiving income support payments. In other words, we are trying to give people back their self-esteem and their sense of being a member of the community who is pulling their weight and paying their own way rather than somebody who is put on the scrap heap of life on a pension.

People respond positively to the opportunity, usually, to engage in some kind of work. They see the policy that the government is seeking to establish as very positive. The inference being made by the opposition about what the government is seeking to do is that disability funding will be reduced. In reality, disability funding has been increased not reduced. Not only will all savings from the disability support reforms be spent on people with disabilities with high support needs, but additional money will be put into these programs. The government is rebalancing disability spending to ensure that those with the greatest need receive the best care and support.

Furthermore, the Howard government is providing more services for people with disabilities who have high support needs. It is very hard to argue with the concept that the money should go to those most in need rather than to those who could work part time and need a much lower level of support. We are trying to achieve greater equality for people with disabilities. Many people on disability support pensions want to work and would be able to do so with the right kind of help. We are going to provide extra assistance to help people find jobs and participate
in the community. The Job Network and Centrelink services will be revised to deliver greater individual services.

In conclusion, I would like to make the point that disability support pension reforms will only affect people who can work for 15 hours a week at full award wages—so people with disabilities employed in most business services will not be affected by those changes—and there will be extra places in employment services to help look after those people. Australia has a very fine record, by international comparisons, of looking after people with disabilities, and these programs will simply and surely maintain our record in this area. (Time expired)

Senator MARK BISHOP (Western Australia) (3.16 p.m.)—Before I go into the answer given by Senator Vanstone to the question I asked concerning the intermediate rate of veterans’ disability pay, I will make a few general comments about how Australian veterans are the losers in this budget—for a number of reasons. Firstly, there is absolutely nothing new, over and above what was announced in the election and has been part legislated for earlier this year. Secondly, the government’s promise to exempt the veterans disability pension from the Centrelink means test has again been dishonoured. Thirdly, the repatriation pharmaceutical scheme has been savaged in the same way as the PBS has been. Nothing has been done for young war widows who are ineligible for income support, nor has anything been done for a whole range of other needs areas in this portfolio.

But it gets even worse, because some of the veterans most in need have been singled out for special treatment by this government. The Minister for Family and Community Services has confirmed that ex-service people in receipt of the intermediate rate of pension from the Department of Veterans’ Affairs will be subject to the new rules for the disability support pension and, as she acknowledged in the supplementary answer, so too will recipients of third party insurance payments. A significant number of these people have been assessed by the Department of Veterans’ Affairs as being disabled as a result of their service and not capable of working more than 20 hours a week. Most of them are under retiring age and therefore are more likely to have families to support. As the minister has confirmed, these people will now either be reassessed for their work capacity or be automatically transferred to Newstart because, by definition, they can work up to 20 hours.

It is highly likely that, on transfer to Newstart, there will be a reduction in payments of a minimum of $52 per fortnight. That is just for starters. This is on top of the existing means test applied quite discriminatively to their DVA intermediate rate pension, which has already reduced their DSP by a maximum of $157 per fortnight. But it gets worse, because the Newstart means test is even tougher than the previous tests applied and, because these people receive the intermediate rate pension from DVA, the income free threshold of $62 will apply as well as a 50 per cent taper up to $142 and 70c in the dollar thereafter. The result is that $293 of the intermediate rate of $504 per fortnight will be counted as income, reducing Newstart from $369 per fortnight at the single rate to $75. For the single, disabled ex-service person on the intermediate rate from DVA with no other income, that is a reduction of combined pension of $188 per fortnight.

This is quite critical and quite important, so I will go through again those three critical factors as to how ex-service people have been targeted by the current government with the new disability support pension work rules, how the axe will fall upon them and how they will immediately lose in significant financial terms. The Newstart means test is tougher, as I said, and because these people receive the intermediate rate pension from DVA, the income free threshold of $62 will apply, as well as a 50 per cent taper up to $142 and 70c in the dollar thereafter. The result, as I said, is that $293 of the intermediate rate of $504 per fortnight will be counted as income, reducing Newstart from $396 per fortnight at the single rate to $75. For the single, disabled ex-service person on the intermediate rate from DVA with no other income, that is a reduction of combined pension of $188 per fortnight. Incidentally, it gets worse, because if a person has any sav-
ings over $2,500 then payment ceases completely.

Also lost will be the pension concession card. This is not accidental; this is not something that has happened without thought or without planning. This government, with the new work rules for the disability support pension, has determined to apply a harsh test to people who have been in receipt of a pension—some for many years—(Time expired)

Senator Barnett (Tasmania) (3.21 p.m.)—I would like to make some comments with regard to yesterday's budget, particularly with respect to maintaining affordable access to pharmaceutical products. In 1990, there was a $1.2 billion expenditure on the PBS. In the past 12 months, that has increased to $4.2 billion. The Intergenerational Report was released on budget day, and that is a landmark report. It shows that the cost to the community in terms of the PBS is well in excess of $30 billion to $40 billion. That is quite an extraordinary cost, and it is simply unsustainable.

We need to put in place a system which is affordable and which can be managed. As we have an ageing population, it is vital that we are able to manage the system properly so that we can allow the health system to be provided throughout Australia for all Australians. It is well recognised that we have an ageing population. Compared to other states in Australia, Tasmania has a higher proportion of people aged 65 and over. So it is particularly important in my home state.

The Pharmaceutical Benefits Scheme is growing rapidly. The concessional copayments will increase from $3.60 to $4.60 and the general copayments will rise by $6.20 to $28.60 per prescription. These copayments still cover only a small part of the total cost of the PBS. Safety net arrangements will continue to protect people who need a large number of medicines. These changes will save $1.1 billion over the next four years. With respect to concessional card holders, that is effectively $1 a week if they have 52 prescriptions a year. Once they hit the 52 prescriptions, additional prescriptions are then free. That is obviously good news. There has been a cap put in place to ensure that one prescription per week is available.

With respect to the PBS, the average cost is somewhere around $80 per prescription. As a person with diabetes, obviously I have an interest on behalf of those people with type 1 diabetes. The cost with respect to the provision of insulin is in excess of $200. That is a very significant amount of money. The government is in fact subsidising the bulk of that cost. I want to say how thankful I am to live in a country like Australia that has a system that can provide the support, the subsidies and the arrangements that make it affordable for people on the concessional rates and those on the general rates as well. Certainly the copayments have risen, but this is for the specific purpose of making it affordable.

I would like to compare Australia with other countries around the world. I have had a look at this with respect to diabetes and the USA. The cost of having diabetes in the USA is between 10 and 16 times higher than in Australia. That is a very significant analysis. Again I say I am proud to be Australian. I am proud that we have a strong health system. I am proud we have a strong economy. Without our good approach to managing our economy, this would not be possible and we simply could not have the health system that we have today. I am pleased as a result of that. We need to make sure that this analysis is available to those who would like to consider it further.

With respect to the changes for doctors, a number of budget initiatives will be introduced to clarify the PBS eligibility rules for doctors and to assist them to prescribe within these rules. (Time expired)

Senator Jacinta Collins (Victoria) (3.26 p.m.)—I wish to take note of the responses to questions put to Senator Vanstone today regarding the disability support pension. I was pleased to hear her note that the gate is not closed on the significant impact this measure, as it currently stands, will have on a large number of Australia's working disabled currently in receipt of the disability support pension. I was concerned to hear today from the minister her view that these problems occur only with two per cent of the current disability support pensioners and that she was not able to sustain that claim with
any detail which leads her to that conclusion nor indeed indicate the date or the age of the data which leads her to that impression. I look forward to that information becoming available as soon as possible because these issues are quite significant.

I looked at the fairly extreme case of somebody who might be working just below the threshold of 29 hours per week and is in receipt of the disability support pension as a part payment. That person, if they are under these measures and are shunted over to the Newstart means test, will lose more than $200 per fortnight. Under these arrangements, someone can lose up to $200 per fortnight. This is what the minister has come late to; this is what the minister has now come to understand, and she has said that the gate is not closed. The minister should have been aware of this issue. I was aware of this issue years ago with respect to people who work part time. There is a significant financial effect on people currently working if they are moved from one means testing regime to another. I am astounded that this government had not taken that issue into account.

Perhaps that is why there is such a significant difference in the forecasts made by the disability sector as to how many people are going to be affected by these changes as compared to the minister’s forecast of how many people are going to be affected. If that is the case, and if that is translated into Treasury’s estimates of savings, we are going to have a very interesting time in Senate estimates understanding how the government has estimated its savings and whether it has taken this issue into account. That may not be the case. Certainly the minister gave us no hope that that was the case. But I have to be cynical and reflect on the fact that the minister really gave these people no hope when she said, ‘We’ll deal with the issues of the implementation.’ Anyone who heard the budget speech heard the comments about how we will deal with issues of implementation: ‘We’ll just do it over five years.’ Is that the comfort we give people who are the current working disabled—we just say, ‘Somewhere in the next five years, you’ll be shunted from the disability support pension over to Newstart’? For some people that could mean up to $200 per fortnight less in payments.

That is not even taking into account people who come from families that perhaps involve another disabled person or a disabled spouse. And it is not taking into account the very severe impact of the differential means test on child payments. So the figures could even be much higher than this $200 per fortnight cut that people might suffer. I look forward to more from the minister on this issue, but I cannot say I had a huge amount of satisfaction from her comments in question time.

Who is involved in these cases? I have had a few already since the budget. I refer to one particular email where the person concerned has indicated that she is happy for her comments to be presented publicly. I will start reading from it. I know I will run out of time so I intend to seek leave to incorporate the remainder of it. She writes:

Dear Jacinta,

As a person with a disability I am disappointed with the Federal Governments approach and treatment of people with disabilities in the 2002 Budget.

Presently I am employed part-time, 24 hours a week, in an Information and referral Service for people with disabilities, family members, friends, carers, health professionals and students. I am also receiving part payment of the Disability Support Pension. I have been disabled since the onset of Rheumatoid Arthritis in 1993.

The Disability Support Pension (DSP) requires rigorous assessment to make the payment and without the financial support I receive each fortnight I would find it difficult to meet the costs associated with daily living.

That is why people need this payment: to meet the costs of daily living. I seek leave to incorporate the remainder of the email. (Time expired)

Leave granted.

The document read as follows—

As I am able to do part-time work, access to the DSP is assessed on a routine basis. My doctor—a specialist and Associate Professor in Rheumatology, is in agreement with me that I am best suited to working in a part-time capacity. I would find it difficult to work in a full-time position and would imagine that the stress related in pursuing a full-
time occupation would be detrimental to my health. I find then that the government’s approach to removing me from the DSP onto a Jobsearch allowance would be none other than farcical.

Further to this, as I speak with other people with disabilities in my part-time role, I would like to convey the sentiment that is being shared with me. I have received many phone calls from people with disabilities that are feeling weak and vulnerable. Yesterday I received a call from someone stating that a friend in a wheelchair was on the brink of suicide following the announcements in the budget.

I urge you as a Senator not to support this change to allow the Government to take from the poor to pay for war. I am available for further discussion on this topic at anytime, please feel free to contact me.

Senator MURPHY (Tasmania) (3.31 p.m.)—I wish to take note of the answer given by Senator Coonan to my question today in respect of the commercial viability of mass marketed schemes. As I endeavoured to draw to the minister’s attention in the question, the Economics References Committee tabled a unanimous report in this respect—unanimous from government senators, from opposition senators and from Democrat senators. That report simply recommended that some of the mass marketed schemes could have a commercial viability test applied to them. Indeed, the tax office agreed with that during the discussions that the committee had with them. They agreed, and of course they would agree because the tax office does that: the tax office gives effect to commercial viability tests on nearly every ruling it hands down, whether it is a private ruling or indeed a product ruling. That is a practice they must employ to ensure that the tax revenue is protected. But the commissioner in his response to the committee, and in rejecting the proposition for commercial viability tests for some of these schemes, said:

Issues of law continue to be relevant to these cases given the structure of the arrangements including the financing techniques employed in these arrangements.

He also said:

In schemes the tax office is concerned about only a small proportion (if any) of the amount claimed as a deduction went into what was said to be the underlying business activity.

There are two things about that. Firstly, the court has on a number of occasions now upheld that that is simply not a proposition to be considered. Indeed, in the Budplan case, as was referred to by the minister, Conti J, said:

The commissioner’s contention as to the absence relevantly of ‘commercial value’, an expression used in a different revenue context in Moreau v Federal Commissioner of Taxation (1926) 39 CLR 65 at 70 (Isaacs J), an authority to which the commissioner referred, should not be sustained.

That is the relevant point here.

Secondly, to the commissioner’s contention that it was because only a small amount of money, a small proportion, if any, went into the underlying business activity, I say this: the commissioner and the Taxation Office issue product rulings for any number of plantation schemes and agribusiness schemes in this country where only a very small proportion of the money goes into the underlying business activity. Yet they make a commercial viability assessment that these will generate underlying business activity—as little as 30 per cent sometimes goes into the underlying business activity. The tax office is fully aware of that. As they also know, many of the schemes that were sold through mass marketed projects during the late eighties and early nineties, the ones that the tax office finally became concerned about, have developed into commercially viable businesses in areas where they need that sort of business—in the rural and regional areas of Australia.

The tax office seems to want to apply two sets of rules: one set for those that they deem to be fit for commercial viability and another one for those that are demonstrating they are commercially viable. Yet the tax office wants to deny the opportunity for those investors to claim the money that they committed to those projects as deductible. I acknowledge that, in some instances, not a large amount of money went into the underlying business activity. But in this country you should not be able to apply two different standards of tax law. That is what we should be dealing with, and that is why I asked the minister the question.

The government has yet to respond to that second report which was tabled in September
last year. That is an appalling set of circumstances, because people are being expected to enter into a deed of agreement or settlement with the tax office knowing full well that there are two standards in the law being applied to them. That is simply not acceptable. I say to the minister again: step up to the pad and do the job that you are supposed to be doing, and deal with this issue in the interests of taxpayers generally.

Question agreed to.

COMMITTEES
Rural and Regional Affairs and Transport Legislation Committee

Reference
Senator O'BRIEN (Tasmania) (3.37 p.m.)—by leave—I move:

That the following matter be referred the Rural and Regional Affairs and Transport Legislation Committee for inquiry and report by 27 June 2002:

The introduction of quota management controls on Australian beef exports to the United States by the Minister for Agriculture, Fisheries and Forestry (Mr Truss).

Question agreed to.

Reports: Government Responses

Senator ELLISON (Western Australia—Minister for Justice and Customs) (3.37 p.m.)—I present four government responses to committee reports as listed on today’s Order of Business at item 13. In accordance with the usual practice, I seek leave to incorporate the documents in Hansard.

Leave granted.

The responses read as follows—

GOVERNMENT RESPONSE TO 3RD REPORT—INQUIRY INTO THE AUSTRALIAN LEGAL AID SYSTEM

INTRODUCTION

The 3rd report of the Senate Legal and Constitutional Committee’s inquiry into legal aid in Australia focuses on the changes to the Commonwealth’s legal aid commission funding arrangements since 1 July 1997.

The Government is pleased to highlight initiatives that it has implemented which address many of the issues raised by witnesses before the Committee and mentioned in the Committee’s report. For instance:

• In December 1999, the Government announced that it would provide an extra $63 million over 4 years to help more Australians in need obtain legal aid for matters arising under Commonwealth law. The increased funding has been distributed more equitably than in previous years, using a ‘needs based’ planning model commissioned by the Attorney-General’s Department.

These additional resources are being allocated in the context of new legal aid agreements for 2000-2004. The agreements incorporate the Commonwealth’s revised performance information collection, monitoring and reporting framework, including financial, quality and quality information. They include new Commonwealth legal aid guidelines that are uniform across all jurisdictions and provide increased consistency and equity in the delivery of legal aid in Commonwealth matters.

• The Government has established a fund for expensive Commonwealth criminal law cases. This comprises funding of $9 million over 4½ years. One-off high cost cases can have a large impact on the budget of legal aid commissions in smaller jurisdictions. In practice, the scheme will assist commissions to provide the day to day services that legal aid clients require. In particular, it will free up additional resources in legal aid commissions for family law matters.

• It has been argued that current legal aid fee scales have contributed to a dearth of lawyers willing to take on legally aided cases. To counter this emerging trend, the Government has announced its intention to introduce a new national fee scale for Commonwealth legal aid matters. The aim of this new fee scale is both to attract practitioners to legal aid work and to retain those currently doing this work. The scale will be developed in consultation with key stakeholders.

• In the 1999-2000 Budget, an amount of $3.071 million over 3 years was allocated to increase the availability of primary dispute resolution (PDR) services through legal aid commissions. These funds are being expended on the expansion and enhancement of PDR programs in legal aid commissions and on the implementation of new and specialised program approaches, with a particular emphasis on program enhancement initiatives.

• The Government, at a cost of $8.1 million, has funded 11 new community legal services in rural and regional areas across Australia.
The Government allocated $6.1 million towards the Australian Law Online (ALO) initiative. The service comprises a free national telephone hotline and Internet service with information about where to go for legal information and advice—particularly about family law. The service provides a national gateway to family law legal information and assistance, such as counselling, mediation and other forms of dispute resolution. It also provides a referral service for people living in rural, regional and remote locations who do not have access to existing telephone legal advice services. The ALO was launched in June 2001.

However, the Government finds some aspects of the report disappointing. The report does not provide an informed or comprehensive examination of the legal aid system. Nowhere in the report has the Committee examined in any detail how the State/Territory governments meet their responsibilities for legal aid funding or the operation of Aboriginal Legal Services. Moreover, the Committee has relied on selective anecdotal evidence to criticise Commonwealth policy on legal aid commission funding.

The Government believes that the Senate Committee process is an important part of the Parliamentary system and can make an important contribution to policy outcomes. However, when its reports suffer from a lack of rigour and rely on information which does not have a reliable statistical basis, there is a danger that the Senate Committee process will not be able to make its contribution to the development of policy.

**GOVERNMENT RESPONSE TO 3RD REPORT—INQUIRY INTO THE AUSTRALIAN LEGAL AID SYSTEM RECOMMENDATIONS AND RESPONSE SUMMARIES**

**Recommendation 1**—the Committee recommends that:

- the Commonwealth continue to be a clearinghouse for, and publisher of, detailed information on the operation of all aspects of the Australian legal aid system, not just those parts it directly funds;
- the Commonwealth take steps to collect, analyse and publish more meaningful data on the impact of the changes on the legal aid system and on the continuing operation of the system;
- this data be in a standardised form that enables comparisons between jurisdictions and over time; and
- the Attorney-General’s Department examine, in consultation with National Legal Aid and the individual legal aid commissions, whether there is any continuing need for all of the data presently contained in its Statistical Yearbooks on legal aid in Australia to be collected and published.

The Commonwealth is continuing to maintain its role as manager of a national collection of legal aid data, including data on matters arising under State/Territory law. National Legal Aid has, however, indicated that it would like to have a shared role in the management of the national data collection. Accordingly, the Government has authorised the Attorney-General’s Department to discuss with National Legal Aid options for a cooperatively managed national legal aid data warehouse.

The Commonwealth reviewed its data collection requirements in the context of negotiations on the new legal aid agreements for 2000-2004. That review resulted in a number of data items being dropped from the Commonwealth’s list of data requirements. A small number of additional data items were added in order to better monitor the operation of the legal aid system. The Commonwealth also intends to approach National Legal Aid to see if agreement can be reached on a meaningful set of case outcome measures.

The Commonwealth and legal aid commissions have been working together for some time to standardise data collection. The new legal aid agreements for 2000-01 to 2003-04 incorporate the Commonwealth’s revised performance information collection, monitoring and reporting framework, including financial, quantity and quality information.

The legal aid agreements for 2000-01 to 2003-04 state that:

In order to facilitate management of the Program in a cohesive and consistent manner, the data underpinning the Commonwealth’s performance information requirements must be collected on a common basis by all Commissions. National consistency in relation to data concepts and definitions, collection, processing, and presentation are critical. The Commonwealth wishes to continue to work with all Commissions to improve the consistency and efficiency of data collection.

Reports using data provided by Commissions to the Commonwealth’s Legal Aid Statistical System Information Exchange (LASSIE) are available on request from the Attorney-General’s Department, and will be published on the Attorney-General’s website.
The Commonwealth intends to maintain its active role in promoting coordination and cross-fertilisation of innovations and research, particularly in relation to matters arising under Commonwealth law. The Commonwealth has demonstrated this commitment through:

- Providing funding for a Justice Research Centre study, comparing privately funded and legally aided family law cases. The study, Legal Services in Family Law, compared the level of family law services received by self-funded litigants with those received by people who receive legal aid. While the report identified the fact that legal aid funding will always be limited, it concluded that legal aid clients do not appear to be disadvantaged in relation to outcomes achieved or the quality of the services they receive. The Government will consider the findings of the study and use them to inform the development of future Commonwealth initiatives.

- Providing funding for Australian Law Online, an initiative comprising a free national telephone hotline and Internet service with information about where to go for legal information and advice—particularly about family law. The service, which became operational in June 2001, provides a national gateway to family law legal information and assistance, such as counselling, mediation and other forms of dispute resolution. It also provides a referral service for people living in rural, regional and remote locations who do not have access to existing telephone legal advice services.

- Supporting the Magellan Project. This innovative project, piloted by the Melbourne Registry of the Family Court, introduced intensive case management of matters involving child abuse allegations. The aim of the project was to promote faster and cheaper resolution of difficult cases, as well as more durable outcomes. A final evaluation of the Victorian pilot was released in December 2001. The pilot was extended to Queensland, where it has been completed and to Western Australia where it is known as the Columbus project.

- The Commonwealth was an active contributor and participant at the International Legal Aid Conference which was held in Melbourne from 13 to 16 June 2001.

The Government is supportive of this recommendation but notes that implementation is a matter for courts and tribunals and will depend on the nature of their respective processes. The Government notes, however, that some data collection in this area is already occurring, for example the Migration Review Tribunal publishes data on unrepresented parties in its Annual Report.

While the report identified the fact that legal aid funding will always be limited, it concluded that legal aid clients do not appear to be disadvantaged in relation to outcomes achieved or the quality of the services they receive. The Government will consider the findings of the study and use them to inform the development of future Commonwealth initiatives.

Recommendation 2—the Committee recommends that the Commonwealth retain an active role in promoting coordination and cross-fertilisation of innovations and research among the various legal aid bodies in Australia, notwithstanding its decision to fund only Commonwealth matters.

The Government agrees that it is important to know whether unrepresented litigants are ultimately more costly to the justice system than represented litigants. In recognition of this, the Government asked the Family Law Council to report on this matter. In August 2000 the Council released its report, Litigants in Person. The report found that despite gaps in the availability of data and a lack of detailed evidence, it is clear that the number of unrepresented litigants in family law matters is increasing. The report also noted that the increase in unrepresented litigants was causing a strain on the court system, legal service providers, opposing parties and the unrepresented litigants themselves. However, it concluded that there was not one distinct cause for this increase, emphasising that there are many reasons why people choose to proceed through litigation without representation, some of which may not readily prompt sympathy e.g. the vexatious, persistent or relentless litigant.

In addition to this report, the Australian Law Reform Commission’s (ALRC) report, ALRC 89 Managing Justice, also considered the issue of unrepresented litigants.

The Government is considering the findings and recommendations of both reports.

Recommendation 3—the Committee recommends that, in order to assist in measuring how well the legal aid system is operating, the Government should collect, analyse and publish annual data on unrepresented litigants appearing in the Family Court, the Federal Court, the state and territory Supreme Courts and District/County Courts, and the courts hearing appeals from those courts.

Recommendation 4—the Committee recommends that the Government examine and report on whether savings made by denying legal aid are outweighed by the extra costs imposed on the public purse by unrepresented litigants.

The Government notes, however, that some data collection in this area is already occurring, for example the Migration Review Tribunal publishes data on unrepresented parties in its Annual Report.

The Government asks the Family Law Council to report on this matter. In August 2000 the Council released its report, Litigants in Person. The report found that despite gaps in the availability of data and a lack of detailed evidence, it is clear that the number of unrepresented litigants in family law matters is increasing. The report also noted that the increase in unrepresented litigants was causing a strain on the court system, legal service providers, opposing parties and the unrepresented litigants themselves. However, it concluded that there was not one distinct cause for this increase, emphasising that there are many reasons why people choose to proceed through litigation without representation, some of which may not readily prompt sympathy e.g. the vexatious, persistent or relentless litigant.

In addition to this report, the Australian Law Reform Commission’s (ALRC) report, ALRC 89 Managing Justice, also considered the issue of unrepresented litigants.

The Government is considering the findings and recommendations of both reports.

Recommendation 5—the Committee recommends that:
• the rates of payment to practitioners be set by the legal aid commissions at sufficiently high rates to ensure that competent representation continues to be provided to those receiving legal aid;
• the Commonwealth provide sufficient funding to the commissions to enable them to do this; and
• greater efforts be made to continuously monitor the quality of representation provided under legal aid funding.

In announcing its decision in December 1999 to allocate an additional $63m to legal aid over 4 years, the Government recognised that there was evidence to show that some experienced private lawyers were unwilling to take on legal aid cases. Further evidence that private firms and individual solicitors appear to be abandoning legal aid work is provided by the Justice Research Centre’s recent report on legal services in family law. It has been argued that current legal aid fee scales have contributed to the dearth of people willing to take on legally aided cases.

To counter this emerging trend, the Government is examining the introduction of a new national fee scale for Commonwealth legal aid matters which aims both to attract practitioners to legal aid work and to retain those currently doing this work. Legal aid commissions, the Law Council of Australia, law societies, bar associations and other interested stakeholders have been consulted about the proposal. Quality of service delivery is one of the areas targeted for ongoing monitoring and review under the new legal aid agreements for 2000-2004.

Recommendation 6—the Committee recommends that the Government monitor the expenditure on the various categories and subcategories of legal aid matters it funds under its general legal aid funding to determine if disproportionate expenditure in one priority area is having the effect of depriving another of appropriate funding.

Under the new legal aid agreements, legal aid commissions provide detailed performance information to the Attorney-General’s Department. This information is analysed and compared to predetermined performance targets, with commissions being required to advise on variations and discrepancies in the services provided. Any such variations or discrepancies are the subject of discussion at regular meetings with commission representatives.

Recommendation 7—the Committee recommends that the data currently collected on the number of applications for legal aid that are refused be expanded to show how many are for applications that meet all the criteria and are refused solely for lack of Commonwealth funds.

The Commonwealth and National Legal Aid are working together to review the response options for individual data items in the national data collection. The addition of a response option to identify applications that are refused solely for a lack of funds is being considered in that context.

Recommendation 8—the Committee recommends that:
• the Government ensure that the means test income and asset levels are set at the same amounts for all parts of Australia, unless regional variations can be shown to be justified by differing economic conditions;
• to achieve this, the Government must provide sufficient legal aid funding to alleviate the position of those legal aid commissions that impose more stringent means tests due to inadequate funding; and
• the Government should, in the light of the new funding arrangements, institute a review of the appropriateness of the means test levels that currently apply.

The National Means Test provides a common basis for the setting of income and asset levels for all jurisdictions for both Commonwealth and State/Territory matters, except where there are regional variations, for example in relation to housing costs, which are justified on the grounds of differing economic conditions. The Government is not aware of any evidence to suggest that commissions tighten the means test to limit eligible applications for assistance. Consequently, the Government does not consider that a review of the appropriateness of the means test levels that currently apply is necessary. However, under the Commonwealth legal aid guidelines, the Commonwealth’s strong preference is for commissions to use the simplified means test developed for Legal Aid Queensland, and for this test to be adopted nationally. The question of additional funding in this area is a matter for Governments at both Commonwealth and State/Territory levels.

Recommendation 9—the Committee recommends that criteria setting out when recourse to a primary dispute resolution service is not appropriate in family law matters be amended to include situations in which there is no service available that can accommodate any particular language and cultural barriers faced by the legal aid applicants.

Under the Commonwealth legal aid guidelines, consideration must be given to resolving family law matters through the use of a primary dispute
circumstance where the applicant law matters to seek an interim order or injunction guidelines provide for assistance in urgent family Commonwealth-funded legal aid. Moreover, the order of the Family Court can receive Com-
mists of violence who seek protection pursuant to Under Commonwealth legal aid guidelines, vic-
matters arising under State or Territory law is a
rights under the law. Any shortfall in funding for
is the responsibility of the jurisdictions that enact
Laws relating to domestic violence are usually the
responsibility of State or Territory governments. Those governments have enacted laws to ensure that people are able to obtain redress against dom-
estic violence. In the Commonwealth’s view, it is the responsibility of the jurisdictions that enact
those laws to support legal aid funding, where it is required, for people to assert and maintain their
rights under the law. Any shortfall in funding for matters arising under State or Territory law is a
matter for the State or Territory concerned.

Under Commonwealth legal aid guidelines, vic-
tims of violence who seek protection pursuant to
an order of the Family Court can receive Com-
monwealth-funded legal aid. Moreover, the
guidelines provide for assistance in urgent family
law matters to seek an interim order or injunction
where the applicant’s safety is at risk. A ‘special
circumstance’ provision has been included in the
guidelines. This enables commissions to treat, as a
Commonwealth priority, family law matters
where there is, or is a likelihood of, domestic
violence (especially if allegations of domestic
violence have been made). Guidance for legal aid
commissions in relation to the handling of dom-
estic violence considerations is provided. The
intention of the latter is to ensure consistency of
treatment for domestic violence matters, whether
State/Territory or Commonwealth, rather than to
arrogate to the Commonwealth matters which are
properly classed as State or Territory matters.
Additionally, a specific provision that addresses
domestic violence considerations in the context of
family law property matters has also been in-
cluded.

Recommendation 10—the Committee recom-
mends that the Government should:

• either provide an adequate level of funding for legal assistance for actions taken under State/ Territory law against domestic vio-

• or enhance the remedies available under Commonwealth law against domestic vio-

• If it pursues the latter option, it should as an interim measure, provide adequate funding to the States/Territories until the new Common-

mestic violence to access those remedies,

Laws relating to domestic violence are usually the
responsibility of State or Territory governments. Those governments have enacted laws to ensure that people are able to obtain redress against dom-
estic violence. In the Commonwealth’s view, it is the responsibility of the jurisdictions that enact
those laws to support legal aid funding, where it is required, for people to assert and maintain their
rights under the law. Any shortfall in funding for matters arising under State or Territory law is a
matter for the State or Territory concerned.

Under Commonwealth legal aid guidelines, vic-
tims of violence who seek protection pursuant to
an order of the Family Court can receive Com-
monwealth-funded legal aid. Moreover, the
guidelines provide for assistance in urgent family
law matters to seek an interim order or injunction
where the applicant’s safety is at risk. A ‘special
circumstance’ provision has been included in the
guidelines. This enables commissions to treat, as a
Commonwealth priority, family law matters
where there is, or is a likelihood of, domestic
violence (especially if allegations of domestic
violence have been made). Guidance for legal aid
commissions in relation to the handling of dom-
estic violence considerations is provided. The
intention of the latter is to ensure consistency of
treatment for domestic violence matters, whether
State/Territory or Commonwealth, rather than to
arrogate to the Commonwealth matters which are
properly classed as State or Territory matters.
Additionally, a specific provision that addresses
domestic violence considerations in the context of
family law property matters has also been in-
cluded.

Recommendation 11—the Committee recom-
mends that the Government should act to ensure that the necessary data on the operation of the caps in its legal aid guidelines is collected, ana-
lysed, published and acted upon, so as to ensure
that capping does not deny justice in particular
cases.

Data on the operation of the legal aid guideline on
cost management is provided to the Common-
wealth by commissions on a quarterly basis. This
data is monitored with a view to ensuring equity
and consistency of practice across commissions.

Recommendation 12—the Committee recom-
mends that the Government provide an additional
fund administered by the Attorney-General’s De-
partment to meet the extra costs involved in pro-
viding legal aid in exceptionally expensive crimi-
inal cases involving Commonwealth matters.

The Government has accepted and implemented
this recommendation. It recognises that one-off
high cost criminal cases can have a large impact
on the budget of legal aid commissions, particu-
larly those in smaller jurisdictions. Accordingly it
has established an Expensive Commonwealth
Criminal Case Fund with funding of $2m per
annum. The fund commenced operation on 1
January 2000.

Recommendation 13—the Committee recom-
mends that the guideline in relation to the provi-
sion of legal aid in discrimination matters be
amended to remove the condition that there be a
substantial benefit to the public or a section of it
in order for aid to be granted.

The Government agrees with the Government
senators’ view that discrimination matters that
only provide a benefit to the individual, if merito-
rious, would attract assistance from the private
profession on a conditional fee basis. Accord-
ingly, legal assistance from commissions is only
available if the benefit extends beyond the indi-
vidual. However, many discrimination matters
may have ramifications for the community or
sections of the community, in which case the con-
ting the condition in the guideline would be satisfied. The
Government considers that the guideline should
remain unchanged.

Recommendation 14—the Committee recom-
mends that the Commonwealth implement more
effective arrangements for maximising consulta-
tion between the providers of legal aid in Australia. To this end, it is recommended that the Commonwealth sponsor the establishment of a National Legal Aid Council, headed by a Legal Aid Commissioner. This independent permanent body would meet bi-annually or as required, and would provide advice on legal aid matters at the Commonwealth and State/Territory level.

The Government remains of the view that adequate consultative mechanisms exist for the Government to receive advice from stakeholders on the legal aid system. It regularly consults with the Law Council of Australia, legal aid commissions and National Legal Aid, community legal centres and other bodies.

In relation to more broadly focussed consultation within the legal aid community, following a National Legal Aid Forum in April 1999, the Australian Legal Assistance Forum (ALAF) was established with the objective of promoting communication between service providers and policies in relation to access to justice and enhancing service delivery. It includes representatives of commissions, the Law Council of Australia, community legal centres and Aboriginal and Torres Strait Islander Legal Services and provides an effective vehicle for communication in the legal aid sector.

Recommendation 15—the Committee also recommends the creation of Legal Aid Councils in each State and Territory. Membership of the councils would comprise representatives of all members of the legal aid community, as well as community groups and government agencies. Each council would provide a representative to the national council. The creation of this system would provide a vehicle for communication between users and providers of legal aid. The Committee believes that there is no adequate mechanism currently in place and argues that its existence would offer a low cost means to continually refine the focus and policies of the legal aid community, as well as a means of sharing information and ideas reflecting current best practice.

Refer to response to Recommendation 14.

Recommendation 16—the Committee recommends that legal aid agencies, and legal aid commissions in particular, review their arrangements for community representation on their management boards and committees. The Committee believes that strong consultation with key stakeholders is a sound method of ensuring the legal aid agencies remain focused on their objectives as social service providers, and maintain a clearer sense of the nature and extent of community need for legal aid services.

This recommendation is a matter for consideration by legal aid agencies and, in relation to legal aid commissions, by State and Territory governments under whose legislation commissions are constituted.

Recommendation 17—the Committee recommends that the Attorney-General formally addresses the issue of independence of the legal aid commissions, and reports on the measures taken to reinforce and guarantee such continued independence.

Legal aid commissions are statutory bodies established under State and Territory legislation. The independence of legal aid commissions is enshrined in their establishing legislation. Legal aid funding arrangements do not in any way affect that independence.

Legal aid commissions are responsible for making decisions about granting legal aid in individual circumstances, including for litigation against the Commonwealth. Like any other government organisation, they must do this in accordance with policies, in this case, Commonwealth legal aid guidelines, which set out the parameters governing the provision of assistance.

Recommendation 18—that the special arrangements preventing the Environmental Defender’s Offices undertaking litigation be revoked. Commonwealth funding should be available to provide assistance for all legal services, including advice and litigation.

Commonwealth funding is intended to purchase selected environmental legal services from existing EDOs, and to fund positions for environmental lawyers in existing Community Legal Services in those States where EDOs did not previously exist. The role of the new positions is to provide advice and assistance on a broad range of environmental matters. Accordingly, resources are quarantined from costly and time-consuming litigation.

The Commonwealth Community Environmental Law Program (CCELP) was established from 1 July 1997 to clarify the purposes of Commonwealth funding for environment law activities. Under this program, services are purchased from EDOs for community legal education, the provision of information about legal rights and responsibilities relating to the environment and legal advisory services for people dealing with environmental matters.
Recommendation 19—the Committee recommends that the National Legal Aid Council drafts guidelines to cover the terms and conditions under which elements of the legal aid community provide legal aid and related services.

Refer to response to Recommendation 14.

The Commonwealth legal aid guidelines relating to the expenditure of Commonwealth funds on Commonwealth law matters, are a matter for the Commonwealth. Terms and conditions governing the provision of legal aid and related services already exist in the form of agreements between the Commonwealth and State/Territory governments or legal aid commissions.

Recommendation 20—the Committee recommends that there be full recognition of the contribution made by the legal aid community to the provision of legal services for the community, especially within the past 2 years.

The Government recognises the important contribution made by all parts of the legal aid community to the provision of legal services for the community. While the provision of services by legal aid commissions and community legal services is, of course, crucial in this regard, the Government also recognises the valuable contribution made by the private sector to the provision of legal services to the community.

Recommendation 21—the Committee recommends that Commonwealth and State and Territory Governments give priority to the provision of appropriate legal aid services to meet the specific needs of different communities.

Equity and access to services is one of the areas targeted under the new legal aid agreements for monitoring and enhancement. The priority accorded by State and Territory Governments is a matter for those Governments.

Recommendation 22—the Committee recommends that the availability of tax deductibility for litigation expenses be reviewed in order to ensure just and equitable tax treatment of those expenses.

The Government does not support this recommendation. The current taxation treatment of legal expenses is consistent with the established principle that only outgoings incurred to gain or produce assessable income should be deductible. The Government considers that this principle is fair and reasonable, and notes that litigation costs (including court costs) are treated in the same manner as other business expenses.
took a review and restructure of the Investigative and Enforcement process resulting in a centralised enforcement and investigative structure with national uniformity of investigative processes and functions.

CASA is committed to taking strong enforcement action when it may be conclusively proven that action is required. Its investigation and referral process has resulted in increased matters referred for prosecution. In addition to matters that have been referred to the DPP, CASA is committed to taking strong Administrative action against operators who act in contravention of the Act, Orders and Regulations.

A response to each of the recommendations is attached.

### RESPONSE TO RECOMMENDATION 1

<table>
<thead>
<tr>
<th>Recommendation 1</th>
<th>Section 12(2) of the Civil Aviation Act states that the Minister can only issue directions to CASA in general terms—he cannot lawfully tell the authority to refer a specific company to the DPP.</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Committee recommends that the actions of Mr Sears and employees and staff of ARCAS in apparently acting in deliberate breach of airworthiness safety rules (notably CAR 50) be referred to the Director of Public Prosecutions for examination of all the circumstances of the case and for appropriate action.</td>
<td>In its response to the Committee’s report issued on 12 October 2000, the CASA Board indicated that it had accepted this recommendation and that CASA was in the process of collecting all relevant papers relating to this recommendation.</td>
</tr>
<tr>
<td>Recommendation 2</td>
<td>On 19 October 2000, the Director of Aviation Safety Mr Mick Toller notified Mr Damien Bugg, the Director of Public Prosecutions, of this recommendation, and advised Mr Bugg that the relevant papers would be forwarded to the DPP as soon as possible.</td>
</tr>
<tr>
<td>The Committee recommends that CASA, having regard to this Committee’s findings in relation to Mr Foley’s administration of the ARCAS matter, consider whether any appropriate action should be taken against any CASA officers, including Mr Foley, as the senior CASA officer involved in the case.</td>
<td>These papers were provided to the Office of the Director of Public Prosecution on 22 November 2000.</td>
</tr>
<tr>
<td></td>
<td>Since that time, there have been ongoing discussions with the DPP on this matter, and further investigations have been undertaken.</td>
</tr>
<tr>
<td></td>
<td>The Director of Aviation Safety wrote to the Australian Federal Police in February 2001 seeking assistance with this matter to ensure objectivity and openness in the investigative process. The Australian Federal Police agreed to work with CASA on this matter, and officers from the two agencies worked co-operatively on the investigation. A number of meetings have been held between CASA and the AFP to review and discuss the evidence and investigation.</td>
</tr>
<tr>
<td></td>
<td>On 25 May 2001, a brief of evidence was provided to the DPP for its assessment. On 7 August 2001, the DPP advised CASA that due to a lack of evidence, the DPP could not initiate a prosecution.</td>
</tr>
</tbody>
</table>

### RESPONSE TO RECOMMENDATION 2

<table>
<thead>
<tr>
<th>Recommendation 2</th>
<th>The Government expects CASA staff to act with complete probity and to take vigorous action against companies breaching the air safety laws.</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Committee recommends that CASA, having regard to this Committee’s findings in relation to Mr Foley’s administration of the ARCAS matter, consider whether any appropriate action should be taken against any CASA officers, including Mr Foley, as the senior CASA officer involved in the case.</td>
<td>On 19 October 2000, the Director wrote to the Chairman of the Committee advising that following the release of the Committee’s report into matters relating to ARCAS Airways, Mr Laurie Foley had agreed to step down from the position of Assistant Director, Aviation Safety Compliance and would no longer be a member of the Authority’s Executive. A copy of the letter is at Attachment 1.</td>
</tr>
<tr>
<td></td>
<td>On 2 December 2000, the Civil Aviation Safety Authority advertised the position of Executive Manager, Aviation Safety Compliance.</td>
</tr>
</tbody>
</table>
The Executive Manager of Aviation Safety Compliance, according to CASA’s job statement, is ‘ultimately accountable to the Chief Executive (Director of Aviation Safety) for compliance to the Chief Executive (Director of Aviation Safety) for compliance of all Air Operator’s Certificate (AOC) holders, or equivalent in all fields for which standards have been prescribed, including entry control, surveillance and enforcement of the application of these standards.’

On 22 December 2000, Mr Foley resigned from the Authority.

On 14 March 2001, the Director of Aviation Safety announced the appointment of Mr Mike Williams as Executive Manager, Aviation Safety Compliance Division. Mr Williams commenced with CASA in May 2001.

**RESPONSE TO RECOMMENDATION 3**

**Recommendation 3**

The Committee recommends that CASA take steps to recommit itself to strong action through prosecution or suspension of those operators who deliberately breach maintenance, airworthiness and reporting and recording requirements, thereby compromising air safety. The Committee notes the advice from CASA, following a request from the Committee Chairman, Senator Crane, that it has recently undertaken significant reform of its investigative and enforcement processes.

On 22 November 2000, the then Chairman, Dr Paul Scully-Power DSM wrote to all holders of Air Operators’ Certificates, Certificates of Approval, Licensed Aircraft Maintenance Engineers and licensed pilots re-iterating CASA’s strong stance against deliberate breaches of aviation safety regulations. A copy of this letter is at Attachment 2.

**RESPONSE TO RECOMMENDATION 4**

**Recommendation 4**

The Committee recommends the creation of a new position of Deputy Director of Aviation Safety within CASA with special responsibility for the administration of investigative and enforcement processes as they relate to regional airlines, low-capacity RPT operators and charter service providers in rural and regional Australia.

On 9 November 2000, the Director announced a change in the reporting arrangements for CASA’s Investigations and Enforcement Branch.

In order to provide a consistent approach to all legal activities involving CASA, and to provide sensible checks and balances between legal and administrative action, the Manager, Investigations and Enforcement Branch is now reporting to the General Counsel, Office of Legal Counsel, instead of to the Executive Manager, Aviation Safety Compliance.

On 2 December 2000, the Civil Aviation Safety Authority advertised the position of Deputy Chief Executive Officer (Deputy Director of Aviation Safety).

The position of Deputy Chief Executive (Deputy Director of Aviation Safety) is a newly created role within CASA. The broad objectives of this role are to support the Director of Aviation Safety by playing a significant role in the leadership, management and strategic direction of the Authority and assume responsibility for a combination of areas including Regulatory Compliance.
On 14 March 2001, the Director of Aviation Safety announced the appointment of Mr Bruce Gemmell, as Deputy Director of Aviation Safety. Mr Gemmell commenced with CASA in April 2001.

In addition, the Deputy Prime Minister and Minister for Transport and Regional Services announced on 5 June 2001 the appointment of Mr Ted Anson AM, as the new Chairman of the CASA Board.

The Deputy Prime Minister and Minister for Transport and Regional Services asked Mr Anson to co-ordinate a series of field visits with representatives of the General Aviation sector. These have been undertaken.

ATTACHMENT 1
CIVIL AVIATION SAFETY AUTHORITY AUSTRALIA
OFFICE OF THE DIRECTOR
Trim: C00/28524
19 October 2000
Senator Winston Crane
Chairman
Senate Rural and Regional Affairs and Transport Legislation Committee
Parliament House
CANBERRA ACT 26000
Dear Senator Crane

I am writing to formally advise that, following the release of the Committee’s report into Matters Relating to ARCAS Airways, Mr Laurie Foley has agreed to step down from the position of Assistant Director, Aviation Safety Compliance, and will no longer be a member of the Authority’s Executive.

In the interim, Mr John Leaversuch will act as Assistant Director, Aviation Safety Compliance and Mr Foley will act in the position of General Manager Airline Operations.

The Chairman and I would welcome an opportunity to meet with you and your colleagues. We are advising all staff who work with the Committee that the organisation’s objectives can only be met by providing the highest level of transparency and openness to the Committee. We would like to provide this assurance in person and respond to any residual concerns.

I will arrange for my office to contact the Secretary of the Committee to make arrangements for a meeting with you.

Yours sincerely
(signed)
Mick Toller
Director

ATTACHMENT 2
CIVIL AVIATION SAFETY AUTHORITY AUSTRALIA
OFFICE OF THE CHAIRMAN
CASA REF: C00/33752
22 November 2000
T0: Air Operator’s Certificate Holders
Certificate of Approval Holders
Licensed Aircraft Maintenance Engineers
Licensed Pilots

Deliberate breaches of aviation safety regulations

I am sure you are aware that aviation safety is again at the centre of public and political attention. The public is demanding Australia’s high aviation safety standards are maintained and improved. This letter is a reminder to you that the Civil Aviation Safety Authority (CASA) is committed to putting safety first at all times and to providing safe skies for all.

CASA seeks to work closely with the aviation industry to deliver the safety the travelling public expects and deserves. We are developing new rules, with the help of the industry, that are simpler and easier to meet. But at the same time CASA must enforce the existing rules in a fair and appropriate way.

Enforcement action for serious breaches

The CASA Board has made it very clear that taking a strong stand against organisations and people who deliberately and continuously break the rules and put the travelling public at risk is a high priority. There is no change to this policy.

Where people in the aviation industry deliberately and repeatedly break the rules there will be swift and firm action from CASA. This will include prosecution and/or suspension or cancellation action for serious and deliberate breaches of safety regulatory requirements.

This policy is strongly supported by the Senate Rural and Regional Affairs and Transport Com-
mittee, which recently made recommendations in relation to air safety. One recommendation said CASA should:

"...take steps to recommit itself to strong action through prosecution or suspension of those operators who deliberately breach maintenance, airworthiness and reporting and recording requirements, thereby compromising air safety."

CASA supports that statement and continues to commit itself to tough action.

**CASA’s commitment to safety**

CASA’s duty is to ensure that everyone in aviation has the skills and commitment to deliver safety outcomes every day in their normal operations. That is the responsibility you accept as someone working in the aviation industry.

But if CASA believes an organisation or individual is no longer living up to their safety obligations then we will take action. CASA will always err on the side of safety.

Once action has been taken it is up to the organisation or individual concerned to satisfy CASA that their operations can continue safely. This is entirely consistent with the requirements of the Civil Aviation Act and Regulations which place responsibility for safety compliance with the licence/certificate holder. In the case of corporate holders of Air Operator’s Certificates the Act places a corresponding responsibility on each director of the corporation.

CASA wants a vibrant and dynamic aviation industry in Australia, central to economic growth and development. But we will ensure it is safe by enforcing the rules to protect the travelling public. People who deliberately and consistently break the rules cannot expect to stay a part of the Australian aviation community.

(signed)

Dr Paul Scully-Power DSM
Chairman

---

**RESPONSE OF THE FEDERAL GOVERNMENT TO THE REPORT OF THE SENATE RURAL AND REGIONAL AFFAIRS AND TRANSPORT REFERENCES COMMITTEE**

**‘INQUIRY INTO THE DEVELOPMENT OF THE BRISBANE AIRPORT CORPORATION MASTER PLAN’**

THE HON JOHN ANDERSON MP, DEPUTY PRIME MINISTER,
MINISTER FOR TRANSPORT AND REGIONAL SERVICES

May 2002

The following provides the Commonwealth’s response to recommendations made by the Senate Rural and Regional Affairs and Transport References Committee report to the Government concerning the development of the Brisbane Airport Corporation’s Master Plan.

Each of the Committee’s recommendations is addressed in turn.

**Recommendation 1**—That the Airports Act 1996 be amended to include an object and purpose statement for airport master plans.

Section 71 of the Airports Act 1996 currently sets out clearly what is to be contained in a draft or final airport master plan. While there has been no evidence of any misunderstanding by airport operators as to the matters required to be covered in an airport master plan, the Government acknowledges that there has been confusion in the public’s mind as to the purpose of such a document. Accordingly, the Government considers that a purpose statement in the legislation could prove helpful and an appropriate amendment to the legislation will be prepared.

**Recommendation 2**—That the Airports Act 1996 be amended to specify the relationship a major development plan has to a master plan.

The Government considers that some of the public concern associated with the development of the Brisbane Airport master plan reflected a lack of understanding of the status of the master plan and its relationship to major developments on airport, such as the proposed new runway. Accordingly, the Government will prepare an amendment to the legislation to clarify the relationship between airport master plans and major development plans.

**Recommendation 3**—That the Airports Act 1996 be amended to include more prescriptive requirements for community consultation by airport owners and airport-lessees.

The Government recognises the legitimate expectations of communities to be consulted on the planning and development of airports and the benefits which can result from such consultation by way of better informed decision making.

The requirements under sections 79 and 92 of the Airports Act 1996 ensure that airport operators undertake a structured public consultation process as part of the master planning and major devel-
opment planning process. The current framework also provides for certainty and clarity in the manner in which community comment is to be incorporated into those planning processes and reflected in the submissions to the Minister. In addition, the public is entitled to (and does) make its views known directly to the Government on particular airport planning matters. In making a decision on an airport master or major development plan the Minister takes into account comments from all the stakeholders including the community.

The Government is conscious of the costs that would arise from a highly prescriptive regulatory process covering the level, means and detail of public consultation to be undertaken and the depth and level of associated information disclosure. Moreover, stakeholders are likely to have different levels of knowledge on, and expectations about, these matters and this in itself can give rise to different impressions of how well consultation has been undertaken.

In that regard, to facilitate and improve consultation on issues that involve aircraft noise impacts, the Department has developed and released a discussion paper entitled ‘Expanding Ways to Describe and Assess Aircraft Noise’. The Discussion Paper outlines a range of new graphical presentations designed to advance the way in which aircraft noise exposure is conveyed to the lay person.

The Department has also developed and made available to all major airports computer programs that enable the graphical material presented in the Discussion Paper to be readily produced for dissemination by an individual airport.

This work is designed to provide for a more inclusive and meaningful consultation process that enables affected individuals to make more informed judgements and comment. Continuing in that vein, the Government will also develop, in consultation with airport lessees, major stakeholders and public interest groups, a standard set of guidelines to promote a shared understanding for how consultation processes should be managed.

**Recommendation 5**—That BAC conduct more open consultation with affected groups, including community groups.

Brisbane Airport has met the statutory requirements of the Airports Act 1996 in relation to the preparation of its master plan.

The public perception that consultation had been inadequate was largely based on concerns that approving the master plan meant that the proposed parallel runway would be built regardless of the merits of alternative options or the noise and environmental impacts on the community.

As noted by the Committee, it is the major development plan process that provides the focus for detailed scrutiny and associated community consultation in relation to individual major development proposals.

In approving the master plan, the Minister for Transport and Regional Services has emphasised his expectation that any subsequent development by Brisbane Airport of a draft major development plan for a new parallel runway would need to fully explore alternative runway options. This requirement is to provide the community with a complete and transparent process for understanding the issues arising, including the impact on local communities affected by prospective flight paths.

The Department has drawn this Recommendation to the attention of Brisbane Airport and will reflect its intention in the drafting of airport consultation guidelines.

**Recommendation 6**—That the Airports Act 1996 be amended to place a responsibility on airports to disclose draft flight path information prepared by AirServices Australia to the public as part of draft master plans.

The Government is conscious of community concern about the lack of flight path information related to possible future runways in airport master plans. To provide a clear picture of aircraft noise exposure patterns, flight path information extending well beyond the Australian Noise Exposure Forecast (ANEF) contours would have to be provided.

The Airports Act 1996 requires that a draft master plan assess the extent of likely significant noise impacts by reference to ANEF contours. Preparing ANEF contours requires broad assumptions to be made about the location of flight paths within the immediate environs of an airport. It is proposed that in future the ‘close in’ flight paths that have been used to develop the ANEF contours will have to be shown in master planning documents and that the relationship between flight paths and ANEF contours will need to be discussed to provide a better community understanding of issues. The Government will give effect to this through amendments to the Airports Act 1996 Regulations.

The flight path assumptions which provide an acceptable basis for forecasting noise impacts on, or close to, an airport (i.e. constructing ANEF contours), however, will generally not be an accurate basis for describing the likely environmental impacts on areas further away from the airport. A
set of ‘outer’ flight paths is required for this purpose.

While it may be possible to discuss the ‘outer’ flight paths in broad conceptual terms in a master plan, it becomes unrealistic to attempt to depict where these may be in the future due to the significant uncertainties in the key factors that determine the location, and level of use, of flight paths. Those uncertainties, which increase as the time horizon is extended, include climatic changes, advances in future technology (both for aircraft and navigation equipment), changes in fleet mixes and traffic demand and aircraft operating standards, and airspace design and structure.

These practical limitations mean that meaningful ‘outer’ flight path information should only be produced at the time when actual changes are being proposed to such flight paths such as when a draft major development plan is being prepared for a new runway. To ensure that this information is available to the public for the consultation phase in preparing such plans, the Government will amend the Airports Act 1996 Regulations to require detailed ‘outer’ flight path information to be produced for any future major development plan that could substantially affect aircraft flight paths.

Recommendation 7—That BAC investigate different community consultation models in order to identify the various ways in which more effective community consultation can be conducted.

This matter will be taken up in developing airport consultation guidelines to assist airport operators in better managing their consultation processes.

Recommendation 8—That the dual roles of Airservices Australia of government adviser and external consultant be critically examined to determine whether there is potential for conflict of interest.

The Government announced in November 1999 its intention to corporatise Airservices Australia and to introduce some measured competition to the provision of airport based air traffic control services and aviation rescue and fire fighting services.

As part of that process the Government is reviewing Airservices Australia’s two regulatory functions (airspace and environmental management) to determine how they might be best undertaken post-corporatisation. This examination will take into account potential conflicts of interest and the need for any protocol arrangements to separate commercial from regulatory functions. In the meantime Airservices has initiated its own internal procedures to formalise its approach to the avoidance of conflict of interest situations.

Recommendation 9—That a noise amelioration program, similar to that announced by the Minister for Transport and Regional Services for Sydney Airport, should be considered.

Eligibility for both the Sydney Airport Noise Amelioration Program and the Adelaide Airport Noise Insulation Program is based on aircraft noise exposure calculated under the Australian Noise Exposure Forecast (ANEF) system. These programs involve the insulation of existing residences within the 30 Australian Noise Exposure Index (ANEI) contour and insulation of certain existing public buildings (schools, preschools, hospitals, nursing homes and churches) within the 25 ANEI contour. In the case of Sydney the program also involved voluntary acquisition of existing residential properties and a church within the 40 ANEI contour. Since there are no properties subject to similar levels of aircraft noise exposure in areas surrounding Brisbane Airport, the Government does not intend to extend the program at this stage.

GOVERNMENT RESPONSE

SENATE SELECT COMMITTEE ON INFORMATION TECHNOLOGIES

“COOKIE MONSTERS? PRIVACY IN THE INFORMATION SOCIETY”

The report by the Senate Select Committee on Information Technologies (the Committee) titled Cookie Monsters? Privacy in the information society was tabled on 9 November 2000. Some of the Committee’s recommendations concern matters that were canvassed during the development of the Privacy Amendment (Private Sector) Bill 2000 (the Bill). The views of the Committee and two other Parliamentary Committees that conducted inquiries in relation to the Bill were taken into consideration when the Bill was debated in Parliament. A number of amendments were made to the Bill. The Bill was passed by Parliament on 6 December 2000.

The Privacy Amendment (Private Sector) Act 2000 received Royal Assent on 21 December 2000. The amendments to the Privacy Act 1988 contained in the Privacy Amendment (Private Sector) Act 2000 commenced on 21 December 2001. The delay in commencement was to allow private sector organisations time to develop privacy codes and to put appropriate practices into place to comply with the legislation. Some small businesses have an additional 12 months before the private sector amendments come into operation in respect of their acts and practices.
As private sector organisations implement their new privacy obligations they need certainty about those obligations. Any change to those obligations in the short term would not assist compliance with this legislation.

When introducing the Bill into Parliament on 12 April 2000, the Attorney-General stated that because this legislation establishes a unique approach to the protection and handling of personal information in the private sector, it would be useful to have a report on the operation of the legislation in due course.

The Attorney-General indicated that he will ask the Federal Privacy Commissioner to conduct a formal review of the operation of the legislation, including the exemptions, in consultation with key stakeholders after the legislation has been in operation for two years. The terms of that review have yet to be determined. It is likely that some of the matters of concern to the Committee will be revisited as part of that review.

The Government’s response to each of the Committee’s recommendations should be viewed against this background.

Recommendation 1

The Committee recommends that the Federal Privacy Commissioner develop and authorise for display a privacy webseal. The webseal will assure consumers at a glance of the privacy credentials of a particular organisation, and will offer at least the following information and services to consumers. It will:

- enable consumers to opt out of any direct marketing communication from the outset of the customer relationship;
- provide advice on how to obtain access to and correct one’s personal records;
- facilitate the complaints process by identifying the code adjudicator and providing either a complaints form, or advice about how complaints should be submitted;
- provide details on the industry privacy code, if any, that applies to the organisation;
- provide the complaints statistics of the applicable code, including information about the average time taken to process complaints, and details of the number, nature and outcome of the complaints;
- provide clear and unambiguous advice about the information handling practices of the organisation; and
- provide a link to the website of the Federal Privacy Commissioner.

The privacy webseal will benefit both consumers and online businesses. It will assist consumers to protect their own privacy by informing them of their privacy rights and empowering them to take action to protect them. Online businesses will be able to demonstrate their commitment to consumer privacy, providing them with a valuable market advantage. [Chapter 5]

Not accepted.

The Government acknowledges that webseals or trustmarks can play a valuable role in assuring consumers of the privacy credentials of a particular organisation. They are one of a variety of options for building consumer confidence in electronic commerce. There are already a number of trustmarks operating in Australia. They operate without Government involvement.

The private sector amendments to the Privacy Act establish a co-regulatory scheme. The amendments allow for the development of privacy codes by private sector organisations. A privacy code approved by the Federal Privacy Commissioner operates in place of the National Privacy Principles to regulate the acts and practices of organisations that consent to be bound by that code. A process that authorises the display of a privacy webseal could be incorporated into a privacy code for the mutual benefit of those organisations that are bound by that code and consumers that choose to conduct business with those organisations.

Private sector organisations that became subject to the Privacy Act on 21 December 2001 (or, in the case of some small businesses, will do so as of 21 December 2002), are responsible for ensuring that their acts and practices comply with their new privacy obligations. An organisation may choose to be bound by an approved privacy code. An organisation that is not bound by an approved privacy code is subject to the National Privacy Principles. Should an organisation wish to do so it can engage experts to assist it to comply with its privacy obligations, including engaging the services of an entity that can offer a webseal audit and authorisation process.

The development and authorisation of the display of a privacy webseal is not an appropriate function for the Privacy Commissioner to undertake given that the Commissioner is also the independent regulator under the Privacy Act. The Commissioner’s involvement in a privacy webseal process could compromise the independence of his complaint handling function.

Recommendation 2

The Committee recommends that the Federal Privacy Commissioner review the August 1994 ‘Advice for Commonwealth agencies considering
contracting out (outsourcing) information technology and other functions’, paying specific regard to security and privacy functions, including:

- risk assessment of privacy threats arising from outsourcing; and
- procedures for monitoring and ensuring the privacy compliance of an external service provider.

The Committee recommends that the Federal Privacy Commissioner issue similar guidelines for private sector organisations that are involved in outsourcing IT functions to external service providers. [Chapter 4]

Accepted in part.

The Government acknowledges that a review of the August 1994 Outsourcing Guidelines could assist Commonwealth agencies to comply with their obligations relating to outsourced government functions contained in the Privacy Amendment (Private Sector) Act 2000. In this context, the Government is supportive of the Committee’s recommendation.

The Privacy Commissioner is an independent statutory officer and is responsible for determining how the resources allocated to his Office are utilised and how projects are prioritised. It would be inappropriate for the Government to require that the Commissioner undertake a review of the Outsourcing Guidelines or dictate the timing of such a review. It would be similarly inappropriate for the Government to require that the Commissioner issue similar guidelines for private sector organisations that are involved in outsourcing functions.

To assist both Government agencies and contracted service providers to understand the new obligations that came into effect on 21 December 2001, the Office of the Federal Privacy Commissioner has released an information sheet explaining the obligations: Information Sheet 14—2001 Privacy Obligations for Commonwealth Contracts.

Recommendation 3

The Committee recommends that the media exemption in the Privacy Amendment (Private Sector) Bill 2000 be amended to prevent media organisations from publishing bulk records about Australian citizens that include details of names and addresses, and to enable consumers to obtain access to information about themselves that is held by a media organisation. [Chapter 3]

Not accepted.

The scope of the exemption for acts done and practices engaged in by media organisations in the course of journalism has been endorsed by Parliament through the enactment of the Privacy Amendment (Private Sector) Act 2000.

The ordinary meaning of the word ‘journalism’ applies to determine what acts and practices are exempt. Media organisations are required to meet an additional condition before the acts and practices done or engaged in by the organisation in the course of journalism are exempt. A media organisation is required to have publicly committed itself to observing published standards that deal with privacy before it can rely on the exemption for the media. This additional condition seeks to ensure an appropriate balance is found between the public interest in allowing the free flow of information to the public through the media and the public interest in providing adequate safeguards for the handling of personal information.

Recommendation 4

The Committee recommends that information collected through the use of new technologies such as cookies and web bugs, which may indirectly identify consumers, be regulated by the Privacy Act 1988. In order to ensure this outcome, the Attorney-General could amend the definition of ‘personal information’ in the Privacy Act 1988 or, alternatively, the Federal Privacy Commissioner could issue guidelines to specify that the information is ‘personal information’ for the purposes of the Privacy Act 1988. [Chapter 3]

Not accepted.

An amendment to change the definition of ‘personal information’ to effectively implement the Committee’s recommendation was rejected during Parliamentary debate on the Privacy Amendment (Private Sector) Bill 2000. At that time the Government indicated that it would give further consideration to the reasons put forward by the Opposition in support of the amendment.

The Government considers that the current broad definition of ‘personal information’ in section 6(1) of the Privacy Act is adequate to protect the privacy of consumers using electronic media at the present time.

If non-identifiable data in cookies is aggregated with other data (such as an individual’s details given while shopping online) so that the resulting data falls within the definition of ‘personal information’, the restrictions that apply to the storage, use and disclosure of that information would be covered by the Privacy Act.

Under National Privacy Principle 5, organisations are required to have a policy on their management of personal information and to make that policy available to anyone who asks for it. An individual is able to find out what information an organisation collects online and whether it combines that
information with other information that may identify the individual. This enables the individual to make an informed choice about whether to do business with that organisation.

The definition of ‘personal information’ has not changed since the Privacy Act was enacted and the same definition is used in other Commonwealth legislation. It is also consistent with the technology-neutral approach of the Privacy Act. Any change to that definition would require extensive research and consultation. The Government does not consider it appropriate to undertake such research and consultation at a time when private sector organisations need certainty in relation to their new privacy obligations.

The Government will continue to monitor the adequacy of the current definition of ‘personal information’ in the context of new technologies.

Recommendation 5
The Committee recommends that the Attorney-General report on whether the privacy regime established by the Privacy Amendment (Private Sector) Bill 2000 will be approved by the European Commission. If, in its current version, the Bill would fail to meet the Commission’s standards, the Attorney-General should table in the Parliament a report outlining the necessary changes so that approval could be secured. [Chapter 3]

Not accepted.

The Government is engaged in ongoing discussions with the European Commission (EC) in relation to the adequacy of Australia’s private sector privacy legislation for the purposes of the 1995 European Union (EU) Directive on Data Protection. The EU’s concerns relate to the implications of Australia’s legislation for EU citizens. The Government’s primary concerns are that Australia’s legislation addresses the privacy interests of Australians and balances those interests against the interests of Australian business. The ongoing discussions between Australian and EC officials are intended to increase the EC’s understanding of Australia’s law.

In March 2001 the EC’s Article 29 Working Party released an Opinion on Australia’s private sector privacy legislation. The Article 29 Working Party is comprised of data protection commissioners from EU Member States. The release of that Opinion was the first formal step in the process towards adequacy.

Following a further period of consultation between the EC and Australia about resolving the issues identified by the EC, a further Committee called the Article 31 Committee will consider the legislation. That Committee will prepare a draft recommendation for the EC to consider and the EC will then make a recommendation on adequacy. That recommendation is then taken to the College of Commissioners and the European Parliament. The College of Commissioners makes the final decision about adequacy. The role of the European Parliament is to scrutinise the process. There is no time limit in which the whole process is to occur.

The Attorney-General may wish to report to Parliament at any stage about the state of the negotiations with the EC.

Recommendation 6
The Committee recommends that the exemption for small business in the Privacy Amendment (Private Sector) Bill 2000 be amended so that small businesses that accept payment for goods and services over the Internet are excluded from the small business exemption. [Chapter 3]

Not accepted.

An amendment to the small business exemption that would have implemented the Committee’s recommendation was rejected during Parliamentary debate on the Privacy Amendment (Private Sector) Bill 2000. The current form of the exemption for small business operators was endorsed by Parliament through the enactment of the Privacy Amendment (Private Sector) Act 2000.

Recommendation 7
The Committee recommends that the Federal Privacy Commissioner be given the power to conduct random privacy audits of private sector organisations that are subject to the National Privacy Principles, in order to monitor their compliance with the Principles. [Chapter 4]

Not accepted.

The Government acknowledges that privacy audits can play a valuable role to assist private sector organisations comply with privacy obligations. Should an organisation wish to do so it can engage the services of appropriate experts to conduct a privacy audit to monitor compliance with their obligations. The conduct of random audits is not an appropriate function for the Privacy Commissioner to undertake in respect of private sector organisations. It is not consistent with the light touch co-regulatory approach of the legislation.

The complaints-based privacy scheme for private sector organisations was endorsed by Parliament through the enactment of the Privacy Amendment (Private Sector) Act 2000. Amendments were made by the Parliament giving the Privacy Commissioner a review function in relation to the de-
cisions of code adjudicators under approved privacy codes.
In addition to complaint handling and review functions, the Commissioner has other functions that allow him to provide guidance to private sector organisations to assist them to comply with their privacy obligations. Apart from providing guidelines the Commissioner has the power to provide (on request or on the Commissioner’s own initiative) advice to an organisation on any matter relevant to the operation of the Privacy Act.

DOCUMENTS
Auditor-General’s Reports
Report No. 50 of 2000-01

The DEPUTY PRESIDENT (3.37 p.m.)—In accordance with the provisions of the Auditor-General’s Act 1997, I present the following report of the Auditor-General: Report No. 50 of 2000-01—Performance Audit—A preliminary examination into the allocation of grant funding for the colocation of national general practice organisations.

Tabling
Senator ELLISON (Western Australia—Minister for Justice and Customs) (3.38 p.m.)—I table the following government documents: report to Mr Moore-Wilton, Secretary, Department of the Prime Minister and Cabinet, outlining the process that involved the Department of Finance and Administration in the allocation of the funding to the Royal Australian College of General Practitioners for GP House; and report to Mr Moore-Wilton, Secretary, Department of the Prime Minister and Cabinet, into the process which occurred in the then Department of Health and Aged Care in the allocation of funding to the Royal Australian College of General Practitioners for GP House.

COMMITTEES
Legal and Constitutional Legislation Committee

Erratum
Senator FERRIS (South Australia) (3.38 p.m.)—On behalf of the chair of the Legal and Constitutional Legislation Committee, Senator Payne, I present an erratum to the report of the committee on the provisions of the Proceeds of Crime Bill 2002 and a related bill.
Ordered that the document be printed.

Legal and Constitutional References Committee
Report
Senator LUDWIG (Queensland) (3.39 p.m.)—I present the report of the Legal and Constitutional References Committee on outsourcing of the Australian Customs Service’s information technology, together with the Hansard record of the committee’s proceedings and submissions received by the committee.
Ordered that the report be printed.
Senator LUDWIG—I seek leave to move a motion in relation to the report.
Leave granted.
Senator LUDWIG—I move:
That the Senate take note of the report.
This inquiry was referred to the committee in July last year following a series of concerns which emerged during the estimates process and hearings. The main concern was to determine whether the Australian Customs Service had dealt fairly with the Tradegate company while implementing its processes of cargo management re-engineering. This cargo management re-engineering process is required under the Customs Legislation Amendment and Repeal (International Trade Modernisation) Act 2001. Tradegate is a not-for-profit industry based organisation which was established more than 10 years ago as a partnership between Customs and industry in order to facilitate electronic transactions between Customs and the import-export industries. In that time, it has exclusively provided the gateway for transactions between Customs and industry. Evidence and submissions received by the inquiry contained great praise for the way Tradegate provided this service.
In 1999, as part of a wider program of updating Customs information technology and cargo management systems, Customs proposed to implement an open gateway allowing users to communicate directly with Customs rather than communicating via Tradegate. The committee’s main concern was to
determine whether the development of this gateway, the Customs connect facility, was undertaken in a proper manner. The committee found that, from a technical and procurement perspective, Customs acted properly. However, the committee heard from a number of representatives of industry who were disappointed with the process of consultations undertaken by Customs. In particular, the committee heard that communications between Customs and Tradegate had not met Tradegate’s expectations, given the 10-year history the two organisations had as partners in e-commerce.

The committee heard of general dissatisfaction with the way Customs had conducted its consultations. While it is clear to the committee that Customs had undertaken a range of consultative processes, it is also clear that it would have been beneficial for Customs to have had better communications with Tradegate and to have utilised this relationship to assist the successful implementation of the Customs connect facility. The committee has therefore recommended that Customs review its consultative processes with a view to developing a consultation strategy. This strategy should inform the implementation and operation of the Customs connect facility.

A further issue raised with the committee was a concern held by some industry members that if the Customs connect facility is not in place by the statutory due date in July this year, they may be unable to meet their administrative requirements and may end up in breach of the act, facing offences which carry strict liability. Clearly, it would be inappropriate for the Customs community to face such a risk. However, the Customs Legislation Amendment and Repeal (International Trade Modernisation) Act 2001 contains provisions designed to operate if the Customs system is inoperative. The committee has recommended that these provisions should come into force if the Customs system is not up and running by the due date. It is likely that this would already be the effect of the legislation. However, industry is clearly anxious about this issue. The committee has therefore made its recommendation in order to provide the necessary certainty that industry requires. Fourteen months remain until the Customs connect facility must be operative. The committee’s view is that this can only be achieved if Customs develops and implements a consultation strategy that encourages communications and partnerships between Customs and its stakeholders, including Tradegate.

I might also say that the committee itself had a difficult time during the last seven weeks. There was an extremely heavy workload for both the Legal and Constitutional Legislation Committee and the references committee, but particularly the legislation committee, with something in the order of 11 bills to examine during that period, and the resources were stretched thin. But I am pleased to be able to say that the secretariat provided a wonderful service. I think their service to the Senate, and particularly this committee report, should be mentioned. I should also mention the government members of the committee who participated well in the inquiry and contributed to the outcome. I thank the Senate.

Senator McKIERNAN (Western Australia) (3.44 p.m.)—I would like to follow on from the words of Senator Ludwig, who in my recent absence overseas acted as chair of the Legal and Constitutional Committee on this particular reference. I also want to speak because this is probably the last opportunity I will have to address the chamber in my capacity as both a member of the Senate Legal and Constitutional Committee and chair of the references committee. I want to endorse all Senator Ludwig’s words about the report that has just been presented to the chamber on the Proceeds of Crime Bill 2002 and in particular the comments he made about the workload that was imposed on the secretariat and members of both committees by decisions of the Senate in the last few weeks.

It was an extraordinary effort to deliver the reports with only minor extensions of time. I think the reports as presented have stood any test that can be imposed upon them about the rigour with which all members of the committee addressed the references that were placed in front of them or about meeting the somewhat impossible deadlines which were imposed. As I said the
day before yesterday when presenting yet another report, had I been in the parliament at the time I probably would have expressed my opposition to the number of inquiries and the deadlines that were imposed on the committee and would certainly have fought against it or raised my concerns. I think it is the wrong way to approach this very detailed scrutiny that the Senate imposes upon its committee. It is wrong not only for the members of the committee—although we are well paid for the job that we do—but also for the secretariat: people who have got homes of their own and who do not want to be here for 12 hours a day, seven days a week, weekend upon weekend. That is wrong; it is asking far too much of those people.

It is also wrong on the public. The public have got a great interest in most of the inquiries we conduct here. In one of the recent reports we presented, there was very severe criticism made directly to the committee by way of submission, and it has continued to be made, about the lack of time that was provided for members of the public and community to express their views on matters coming before the Senate. I am speaking about the security bills, the antiterrorist legislation, which yet again has not reached the chamber despite the supposed urgency that was placed on these bills in March this year when those bills passed through the House of Representatives. All those people who were making representations to me and to members of the House of Representatives failed to realise that members of the House of Representatives have actually endorsed those draconian laws. The members of the government have voted for them. With those few cautious words about the future, I just hope that things will improve.

In complimenting the work of the Senate Legal and Constitutional References Committee and the work that we have done over the years, certainly in the years I have been a member and in the years when Senator Cookey and Minister Ellison were the chair, we always approached our work with a rigour which, unfortunately, is not present in the Attorney-General’s office or the Attorney-General himself. We have just witnessed that in the response to the report that has been delivered by the Minister for Justice and Customs, Senator Ellison. A short while ago he presented a government response to the Senate Legal and Constitutional References Committee inquiry into the Australian legal aid system—the third report on the legal aid system. If you glance through the government response, you will not find when that report was presented to this chamber. But let me inform the Senate that it happened in June 1998. The good Attorney-General has now taken three years and eight months to reply to it. That is damming in itself—it is pretty appalling—but the criticism of the committee contained in the report is even more damming of the Attorney-General, because the criticism is inaccurate. I regret that the usual courtesies have not been shown in this instance in providing an advance copy to the chair of the committee when this report came in. I can understand why, after reading through the first part of the introduction, a copy was not presented to me. Fortunately, I have the opportunity—by virtue of the fact of this other report from the Legal and Constitutional References Committee coming before the chamber—to say a few words about it. On page 3 of the introduction the Attorney-General makes the point:

However, the Government finds some aspects of the report disappointing.

This is three years and eight months after the report has been delivered. It goes on:

The report does not provide an informed and comprehensive examination of the legal aid system. Nowhere in the report has the Committee examined in any detail how the state and territory governments meet their responsibility for legal aid funding or the operation of the Aboriginal Legal Services.

The Attorney-General, or the advisers to the attorney, have not looked at report No. 1 or report No. 2 of that particular inquiry. I wonder why they have not done that. The other equally important thing is the terms of reference of the inquiry. One of the things that the Legal and Constitutional Committee examined in any detail how the state and territory governments meet their responsibility for legal aid funding or the operation of the Aboriginal Legal Services.

The Attorney-General, or the advisers to the attorney, have not looked at report No. 1 or report No. 2 of that particular inquiry. I wonder why they have not done that. The other equally important thing is the terms of reference of the inquiry. One of the things that the Legal and Constitutional Committee has been very diligent about—including the time when the minister, Senator Ellison, was chair of the committee—has been examining the terms of reference and fulfilling the obligations that the Senate itself had imposed on the committee. The Senate
on that occasion—and I have the terms of reference here from that third report of the Legal and Constitutional References Committee—did not ask the committee to undertake a review in detail of how the various state and territory governments meet their responsibilities for legal aid funding or the operation of the Aboriginal Legal Service.

The attorney’s response goes on to say that the government believed the Senate committee process is an important part of the parliamentary system. If the Attorney-General believes those words, why does he not fulfil his obligations in regard to them, in response to this chamber, and not wait three years and eight months to respond to a very important inquiry that was conducted on behalf of this Senate by the Legal and Constitutional References Committee? Part of the introduction includes a series of dot points of events which have occurred after the presentation of the report, after the analysis that the committee undertook into the operations of the Australian legal aid system. For example, it says:

- In December 1999, the Government announced that it would provide an extra $63 million over 4 years …

I would argue that the government’s decision to provide that extra money was in fact a part response to the comments and recommendations that were contained in the Legal and Constitutional Committee’s report that was presented in June 1998. I am very disappointed in Mr Williams. I am very disappointed in this response. I am particularly disappointed that he has waited three years and eight months to come forward with a very inaccurate response to a report which a lot of work was put into—with the same rigour, with the same investigative authority that we give to any other report. I really regret that the contents of the minister’s response were factually and accurately wrong.

Senator Ellison (Western Australia—Minister for Justice and Customs) (3.53 p.m.)—I am advised by the Parliamentary Liaison Office that an advance copy of the report was delivered to Senator McKiernan’s office at midday today. It may be that it was not seen by Senator McKiernan, but I am advised by the PLO that they had put in place delivery of this advance copy.

Senator Cooney (Victoria) (3.54 p.m.)—Senator McKiernan made some remarks which I heard from around in my room. He was talking about the energy and the work that the Legal and Constitutional Committee secretariat puts in. I have come around to add some words to that and take the opportunity to thank those people who over the years have guided me through the treacherous paths, if that is the word, onto the righteous paths. Those are the people who have formed the secretariat of the committee over the years. I think the sorts of things I am about to say would be endorsed by Senator McKiernan and by the Minister for Justice and Customs at the table, Senator Ellison. This is a committee that deals with great essentials of life. They are matters of justice and of establishing the right relations between citizens and between people within Australia and overseas and between the state and the people. Answering problems which arise within those relationships relies on the great values of life for their proper solution: fairness between people and between institutions; justice, but compassion as well; wanting the law as written to be obeyed; and wanting to see that, nevertheless, that law is administered in a way that is in conformity with our human nature.

One of the great functions of the law is to establish what the truth is. The law—whether the black-letter law or the common law—should apply to an accurate set of facts. Indeed, one of the great issues that will arise with the terrorism legislation that is coming on is to ensure that terrorists are punished and terrorism is suppressed and also to ensure that the people we punish are in fact terrorists. It is an outrage if people who have not done something are nevertheless punished for a crime they have not committed. Any community needs a proper legal system. A proper legal system demands that only those people who are actually at fault are punished. That is why we have rules of evidence.

When I became chairman of this committee, Bronwyn McNaughton and Stephen Argument were on the secretariat. They would
be well remembered by people here. I think they set the standard in this area. They were people who had the sort of vision of the law that I have just described and who had the intellect to drive the committee forward. They produced some great reports. They also had the energy to do that and the dedication to ensure that all the reports were accurate in the sense that I was talking about—the law having to be accurate—that the facts that they got were correct and that the principles they established in the light of those facts were true and that they married those two things, facts and principles, together. That has been the sort of thing that people who came after them did.

When I was last chairman of this committee, Neil Bessell was the secretary. I think Neil Bessell was the secretary when you were heading the committee, Senator Ellison. I think you would agree that if we wanted to say something bad about him—not that we would want to—we would not have any grounds. He was a person who had the intellectual ability, the drive and the enthusiasm to produce some great reports. Not only did he have that capacity; he used it, and we did get great reports. I am not sure whether the last one he produced might not have been *Trick or treaty?* That was certainly a seminal report, given what has resulted from that work.

_Senator COONEY*_—These are great people that we are talking about and these are great principles that are at issue, Madam Deputy President. May I, through you, Madam Deputy President, thank you, Minister, for reminding me about Paul Griffiths because he is one that I would like to mention. I think they were all on the same level, all of the same sort. They were all full of enthusiasm, all knowing what it was all about and all dedicated to ensuring that the principles that they came forward with in the end and that we signed off on were accurate. We could have made some terrible blunders if they had written things up which we signed off on. Not only did they conduct the inquiries well, where we got all of the evidence, but they looked after us well and guided us in the way that they should.

I will have an opportunity to return to this theme before I finally get out of here. Madam Deputy President, these reports have had great effects that you do not realise. The person sitting in front of me here, Senator Carr, used to be quite cynical about the law. He is a hard man looking to push through things of a political nature without the finesses of the law. He has become, may I say, one of the most outstanding advocates—

_Senator Ludwig*_—Is this valedictory lane?

_Senator COONEY*_—Be careful, Senator Ludwig, because I will turn on you in a minute. Senator Carr has become dedicated to the principles of civil liberty.

_Senator Carr*_—Absolutely, and human rights.

_Senator COONEY*_—Human rights. You have. You and Senator Ludwig will I hope, when I depart from here, continue the good remarks. You both had rapid rises when you came in here. Anyway, let us get off the topic of you two because I am talking about the people who have supported this committee over the years. I would like to thank them all. I am glad to see that Neil Bessell is now Senior Clerk and I have to congratulate him on that; I think that is an office that is well and truly deserved. I am glad the minister is here because he had much to do with this committee over the years. Madam Acting
Deputy President Crowley, I am glad that you are now here too to hear these remarks because I know that you appreciate the work that this committee has done. You have done, on other committees, plenty of work.

Senator Carr—What about the scones—the amount of scones that you eat?

Senator COONEY—That is one other thing: they always provided us and the witnesses with good afternoon tea. I seek leave to continue my remarks later.

The ACTING DEPUTY PRESIDENT (Senator Crowley)—We thank the senator for his erudition.

Leave granted; debate adjourned.

DOCUMENTS

Research and Development Corporations

Senator TROETH (Victoria—Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry) (4.04 p.m.)—I seek leave to speak to a report which has been tabled out of session. It would normally appear in general business, but I think it is unlikely that we will get to that today.

Leaf granted.

Senator TROETH—I thank the Senate. I would like to speak to an important new report called Innovating rural Australia: Research and development corporation outcomes, 2001. This report provides a summary of the many significant achievements of Australia’s rural R&D corporations. As you may be aware, over the past decade Australia’s rural R&D corporations have helped shape the direction and outcomes of our national research and development efforts. This is one of the longest standing and most successful government commitments to Australian industry and the prime reason our rural sector uses processes and technologies that are among the most advanced in the world.

The report clearly demonstrates that the partnership between government and industry is making a significant contribution to the competitiveness of our rural industries which, in turn, is helping to boost national prosperity. It also highlights the importance of maintaining our investment in R&D and, perhaps more importantly, ensuring the results reach those who really count: our industries, our farmers and our rural communities. The report shows that the returns from rural R&D are independently estimated to be, on average, more than seven to one with significant implications for productivity growth. For example, in the decade to 1999 productivity in the rural sector grew by an average of 2.2 per cent a year and this is even more impressive when you consider the extremely difficult trading and world economic conditions of the time.

Our rural industries are at the cutting edge of change, largely because they are innovative, forward looking and willing to diversify. Many of them have made a commitment to take advantage of the latest scientific and technological advances, which is the key to boosting productivity. The Commonwealth government’s commitment to rural R&D started more than 50 years ago and has evolved into the unique and effective RDC model we have today. The model represents a true partnership between government and industry based on the government’s commitment to match industry contributions dollar for dollar up to 0.5 per cent of each industry’s gross value of production.

In 2000-01, rural industries and the government each invested $173 million by way of industry levies, matching funds and appropriations. With those moneys and drawing on reserves and other income sources, the rural research and development corporations funded more than $364 million worth of rural related R&D projects. There have been a number of success stories in this report Innovating rural Australia. The Cotton RDC invested $12 million in plant breeding, the Fisheries RDC’s investment in Western Australia’s western rock lobster fishery has helped it achieve a world-first certification as a sustainable, well-managed fishery and the Grape and Wine Research and Development Corporation funded the development of partial root zone drying technology that halves the water consumption of grape vines without affecting grape quality or yields, substantially easing the pressure on rivers and irrigation systems. That work was supported by Horticulture Australia Ltd and Land and Water Australia.
Our investment allows rural industries to invest in research and development that contributes to a wider public good, particularly in areas such as sustainable natural resource use, environmental quality, improved food safety and improvements in occupational health and safety. The "Innovating rural Australia" report has been very enthusiastically received, and I am very pleased that the decision has been taken to make it an annual publication. I trust that senators and other people who read this report will find it an interesting and informative account of the research and development corporations’ achievements. I commend the report to the Senate.

COMMITTEES

Membership

The ACTING DEPUTY PRESIDENT (Senator Crowley)—The President has received letters from party leaders seeking appointments and variations to the membership of various committees.

Senator BOSWELL (Queensland—Leader of the National Party of Australia in the Senate and Parliamentary Secretary to the Minister for Transport and Regional Services) (4.09 p.m.)—by leave—I move:

That senators be discharged from and appointed to committees as follows:

Economics Legislation Committee—

Substitute members:

Senator Calvert to replace Senator Chapman on 6 June 2002
Senator Heffernan to replace Senator Chapman from 3 June to 5 June and on 7 June 2002 (if required)

Employment, Workplace Relations and Education Legislation Committee—

Participating member: Senator Ludwig

Substitute members:

Senator Ferguson to replace Senator Barnett on 5 June 2002
Senator Heffernan to replace Senator Barnett on 6 June and on 7 June 2002 (if required)

Employment, Workplace Relations and Education References Committee—

Participating member: Senator Ludwig

Finance and Public Administration Legislation Committee—

Substitute member: Senator Herron to replace Senator Brandis from 3.30 pm till 6 pm on 16 May 2002.

Question agreed to.

Environment, Communications, Information Technology and the Arts Legislation Committee

Extension of Time

Senator McGauran (Victoria) (4.09 p.m.)—by leave—On behalf of Senator Eggleston, I move:

That the time for the presentation of the report of the Environment, Communications, Information Technology and the Arts Legislation Committee on the provisions of the Broadcasting Services Amendment (Media Ownership) Bill 2002 be extended to 18 June 2002.

Question agreed to.

GREAT BARRIER REEF MARINE PARK (BOUNDARY EXTENSION) AMENDMENT BILL 2002

Second Reading

Debate resumed from 21 March, on motion by Senator Bartlett:

That this bill be now read a second time.

Senator BARTLETT (Queensland) (4.10 p.m.)—The Great Barrier Reef Marine Park (Boundary Extension) Amendment Bill 2002 was introduced by me on behalf of the Australian Democrats on 21 March this year. My second reading speech was incorporated into Hansard, but the Senate kindly granted me leave to continue my remarks so that I could speak further on the bill rather than just have the speech incorporated. For full details of the speech, I refer people to page 1201 of Hansard of 21 March this year.

On behalf of the Democrats, as the party’s environment spokesperson, and as a senator for Queensland, it is important to expand on the significance of this bill in relation to one of the many threats currently presenting themselves in relation to the survival of the Great Barrier Reef and the Great Barrier Reef Marine Park. It is a World Heritage area and easily Australia’s best known World Heritage area. It is, without doubt, one of the most important tourist magnets to bring peo-
ple to Australia, particularly to Queensland and especially to Northern Queensland. In that sense, it is worth an incredible amount of money and jobs to Queensland, and to Northern Queensland in particular. It is also a region of extraordinary biodiversity, extraordinary ecological and natural values and extraordinary beauty and an extraordinary source of scientific knowledge, much of which is still being developed.

Since this bill was introduced by the Democrats a couple of months ago, we have seen a report by Four Corners on ABC television. This was a Four Corners report that Mr Kroger did not seek to influence or curtail—at least not as far as we are aware. It outlined in some detail the very many threats that the reef and the marine park face at the moment. This bill addresses just one of those, but an important one and one that is of significant public concern. It addresses the threat of oil exploration and oil exploitation in areas outside the marine park but adjoining the marine park.

There is currently a proposal to conduct seismic testing just outside the marine park boundary by a company called TGS-Nopec. That exploration proposal has triggered the Environment Protection and Biodiversity Conservation Act, the strengthened version of the federal environment laws, which the Democrats were instrumental in passing, and the matter is now being subjected to a full environmental impact assessment and a further assessment by the Minister for the Environment and Heritage. Whilst that is appropriate and desirable, the Democrats are concerned that the minister will only consider the issue of the testing itself and its impacts on World Heritage values of the marine park and not the obvious flow-on consequence of allowing testing, which is increasing the pressure from oil companies to allow drilling and exploitation just outside the marine park. That is something that the Democrats oppose, and we believe the vast majority of Australians, particularly Queenslanders, would oppose. We have put this bill forward to address that matter.

There is no doubt that exploration, both seismic and drilling, has occurred in a wide number of areas outside the marine park boundary, adjoining it and within the marine park itself. My speech on the second reading on 21 March outlined a chronology of the range of exploration that has occurred since 1975, when the marine park was declared. Some of this exploration has occurred inside the marine park boundaries under the guise of scientific research, but there is no doubt that the extent of activity highlights that there is significant interest from a range of oil companies in the oil reserves in that area. There is also no doubt—as a result of those explorations—there are major oil reserves which are almost definitely far in excess of any other oil reserves in Australian ocean areas. As Australia’s imports of oil continue to rise, the pressure on future governments to open up areas adjoining the marine park will increase.

It is ironic that one of the other great threats to the marine park and the reef itself at the moment is global warming and climate change, which are causing significant and potentially irreversible coral bleaching. Yet here we are potentially allowing exploration for the exploitation of further amounts of fossil fuel—one of the most carbon intensive emitters, which would add to the global emissions of greenhouse gases and further exacerbate the threat to the reef. On that theme, I note with some dismay the decision, adjoining the budget, by cabinet to provide significant financial assistance to the shale oil mine that is operating at the southern end of the marine park, directly abutting the marine park, and producing a greenhouse gas-intensive product. That, again, sends a pretty poor signal about this government’s commitment not just to the marine park but to the broader issue of reducing greenhouse gas emissions.

There is no doubt that the amount of seismic testing that has occurred in the region cannot be just explained away as being scientific research, and it can be even less explained as being needed for the management of the Great Barrier Reef Marine Park Authority. It is important to emphasise the legal regime that operates and that this bill addresses. Currently, it is prohibited to drill for oil inside the Great Barrier Reef Marine Park, and the Democrats accept that the gov-
The government will not change the law to allow such drilling to occur. So the most immediate concern is exploration, both drilling and seismic, outside and adjacent to the Great Barrier Reef Marine Park where there are no prohibitions at all in place on oil exploration or drilling.

The specific aim of the bill, which is quite a simple one, is to extend the Great Barrier Reef region out from the existing boundaries of the marine park to the boundaries of Australia’s exclusive economic zone, which would encompass significant areas of oil deposits. An area within the Great Barrier Reef region is not automatically within the Great Barrier Reef Marine Park under the law. The inclusion within the park occurs under a specific section of the Great Barrier Reef Marine Park Act, which allows the Governor-General, by proclamation, to declare an area specified within the Barrier Reef region to also be part of the Great Barrier Reef Marine Park. Currently, mining and petroleum drilling are not permitted under any part of the Barrier Reef region, regardless of whether or not that region has also been declared part of the marine park. That prohibition exists under the Barrier Reef region prohibition and mining regulations.

The effect of this bill would be to extend the Barrier Reef region boundaries out further to the edge of the exclusive economic zone to the east of the existing marine park. That would automatically prevent oil exploration and exploitation in the Barrier Reef region, thus protecting some of the natural values of the Coral Sea. There are extensive reef areas in the Coral Sea that are well outside the boundaries of the marine park as it currently exists and the World Heritage area. By extension, the bill will protect the existing marine park from the effects of oil drilling and the prospects of spills being carried into the park, and extra tanker traffic and the like into areas to the east of the marine park. It is a simple measure, a cheap measure and would not add to the area that the marine park authority has to manage.

The Great Barrier Reef Marine Park Authority, as the name implies, has responsibility for overseeing and managing the Great Barrier Reef Marine Park. It does not have responsibility for overseeing the Great Barrier Reef region. It would simply widen the area that is covered by the prohibition under regulations that prohibit oil exploration and drilling. It would cost nothing and it would not add extra responsibilities to the Great Barrier Reef Marine Park Authority, although it would obviously add to its ability to protect the marine park from one of the threats that it is currently facing, namely, oil exploration and drilling outside and adjacent to the marine park boundaries.

It would solve the minister’s problems once and for all—both the current attempt to conduct seismic testing and any future attempts to conduct seismic testing just outside the marine park. It would make it unnecessary to conduct expensive and drawn out environmental impact assessments purely in relation to the exploration permits and then have to run through the same process again if there were a proposal to actually drill and exploit oil reserves that are found and which clearly exist in this area. So it is a simple move and a timely move, and it is an issue which is of public concern at the moment.

As well as the Four Corners show that I mentioned earlier, there has been other significant press coverage in relation to this issue, in particular. I know that the Australian, for example, and its environment reporter Amanda Hodge, who is now based in Far North Queensland, has been exploring this issue in depth. That paper has outlined in some depth not just the nature of the threat but the detail of the information that has been obtained—through freedom of information, of course. The information has been obtained through Democrat motions in the Senate. That is certainly an issue the Democrats will continue to follow up on to try to get further information relating to research and exploration proposals in this region by overseas interests—the various satellite data, work plans and correspondence relating to release of land in the Coral Sea for purposes of oil exploration or drilling.

There is still a lot of documentation that has not been made publicly available in relation to that area, and that is something the Democrats will continue to pursue. We will try to shine the light of public scrutiny and
accountability on the matter. I am sure that media outlets such as the ABC and journalists such as Amanda Hodge will continue to follow that through, as I am sure many in the general community will do.

Coming from Queensland, as I do, and having lived there all my life, it is quite clear that one of the things that we Queenslanders are most proud of is our reef—not just the coral reefs themselves but the extraordinary ecological values in the entire marine park. Any threat to the future of that reef is something that will I am sure be strongly opposed by all Australians and by Queenslanders in particular. One thing I am quite sure of is that, if you were to ask all Queenslanders whether they supported oil exploration or drilling anywhere to the east of the Great Barrier Reef, the vast majority would say they did not. This bill would implement the wishes that I am sure the Queensland people have and would make life easier for the federal government. It is a clean, neat and absolutely free solution. I urge all other parties in this chamber and indeed the government more broadly to give it their support.

**Senator CARR (Victoria) (4.24 p.m.)—**

The Great Barrier Reef is one of Australia’s great national treasures, and yet this national icon is under enormous pressure. The recently released *State of the environment* report has demonstrated that:

The pressures on Australia’s coral reefs continue unabated from downstream effects of land use and other human activities.

Coral reefs are under great pressure globally, and a recent assessment from the reef monitoring network, an assessment made in 2000, suggests that about 20 per cent of the world’s reefs are seriously degraded or may even be lost. Reefs such as the Great Barrier Reef are rich and yet fragile ecosystems that are sensitive to subtle changes. Maintaining their health is important to not only our environment but also our economic prosperity. As a result, the Labor Party supports this *Great Barrier Reef Marine Park (Boundary Extension) Amendment Bill 2002* receiving a second reading.

The bill extends the boundaries of the Great Barrier Reef region to the boundaries of the Australian economic exclusion zone. This bill does not include this new area within the Great Barrier Reef Marine Park itself, and consequently it does not extend to this new area the full protection that the park itself enjoys. It is designed to prevent oil exploration and exploration in the area described in schedule 1 of this bill, and it will rule out other mining activity as well. Having said that, the opposition reserve the right to examine the detail of the bill in committee, particularly detail relating to the precise area to be included in the region. Further, the opposition make it clear that, while we maintain our commitment to excluding exploration and mining operations in the area, we also say that the bill should not support the exclusion of other economic activities, including fishing and tourism, in this whole region.

What I am suggesting is that there needs to be added value, affording a greater degree of protection to a number of pristine reefs in the Coral Sea—reefs such as the Osprey, Marion and Lihou reefs, which are currently located well outside the boundary of the marine park. This is an area of overwhelming environmental and cultural significance, but it is beset by predators. Oil exploration and other exploration—prominent among the latter, seismic testing, far beyond the needs of scientific research or what might be called reasonable park management—is occurring on the margins of the marine reef, notably in the Townsville Trough. To the south, shale oil leases impinge on the Great Barrier Reef, with the prospect of mining and ground water pollution potentially threatening the reef. The chairman of Southern Pacific Petroleum has indicated during stage 3 of the Rundle project near Gladstone that they wish to mine that part of their Stuart leases that extends into the Great Barrier Reef World Heritage area, despite the opposition of the Great Barrier Reef Marine Park Authority.

Further, the various environmental impact statements about the Rundle project have failed to alleviate concerns about the quantum increase in the possibility of ground water and marine pollution. Because the methodology and information necessary to satisfy the environmental impact statement terms of reference is incomplete, the protec-
tion of the environmental values of the Great Barrier Reef has not been demonstrated and cannot be taken for granted. Despite the universally acknowledged significance of the Great Barrier Reef and its environmental and economic importance, the Howard government has done very little to protect it from the potentially devastating impacts of oil drilling and climate change. When it comes to protecting the reef from the twin threats of oil exploration and drilling, this government has shown little resolve. International experience has shown that seismic exploration does harm marine life. The potential for damage to the reef from highly mobile oil spills as the result of exploration and of any subsequent drilling is also significant.

This government has chosen to sit back and wait for the results of an environmental impact assessment to determine whether a proposal to explore for oil or gas in the Townsville Trough may have a significant impact. Our concern is that this is a gamble that need not be taken. There is nothing stopping the minister, Dr Kemp, from protecting the reef now, extending the boundary of the Great Barrier Reef region and curbing such exploration. Such inactivity can only lead to the conclusion that this government is keeping its options open, with a view to exploiting such resources at some future stage. The government’s approach treats oil exploration in a piecemeal fashion, treating each new application as an isolated event to be determined at ministerial whim. But the protection of an asset of such importance as the Great Barrier Reef demands a more considered, decisive approach. The window of opportunity for exploration near the reef continues to be left open by this government. For the sake of the reef and for the future generations who will wish to enjoy it as we do, it is time for this loophole to be closed permanently. For this reason, as I have already indicated, Labor supports this bill receiving a second reading.

Senator LIGHTFOOT (Western Australia) (4.30 p.m.)—The two previous speakers, Senator Bartlett and Senator Carr, raised some ambiguity about the government’s position with respect to the Great Barrier Reef. Let me make it absolutely clear. There will be—unambiguously—no drilling on the Great Barrier Reef. There will be no mining on the Great Barrier Reef. There are no ‘ifs’ or ‘buts’—there will be no drilling or mining on the Great Barrier Reef. This private member’s bill, the Great Barrier Reef Marine Park (Boundary Extension) Amendment Bill 2002, seeks to widen, by four or five times, the boundaries of what is already one of the world’s greatest national parks—and a World Heritage listed national park, at that. At the moment, the national park, the Great Barrier Reef Marine Park, runs from Fraser Island, just north/north-east of Brisbane, up to and beyond the tip of the Cape York Peninsula—over 2,000 miles in length. It has within those boundaries 2,900 reefs and nearly 1,000 islands and its area is 348,000 square kilometres.

The private member’s bill proposes that the boundary should be taken out to our exclusive economic zone, 200 miles, that it should be enlarged to over 1.3 million square kilometres and that within those boundaries there should be no mining or exploration of any kind whatsoever. If that were to happen, and this chamber were to give its imprimatur to the private member’s bill, the next items on the list would be Australia’s part of the Timor Sea, the Gulf of Carpentaria, Spencer’s Gulf, other parts of the Great Australian Bight that are not already in the World Heritage List or otherwise in marine parks, and areas off the coast of Western Australia. You will recall, Madam Acting Deputy President, that Western Australia is the largest producer of petroleum and petroleum products in the nation today. You would also recall that Australia is only about 75 per cent self-sufficient with respect to those products.

Senator Bartlett is one of those chaps who wants to be able to dictate to people what they should do, but that is not going to stop him from wearing his plastic sandals or his polyester suits or shirts or the other products that he uses every day that come from petroleum. It is not going to stop him driving his motor vehicle, that belches out particulates of a nasty nature. It is not going to stop him getting employment, because he was elected last year to serve another six years
after 30 June, from 1 July. So he is looking pretty comfortable. But there is not much comfort for other people, with children coming on, or for university students who want employment if this ridiculous suggestion by Senator Bartlett, manifested in his private member’s bill, should ever come into force.

We heard Senator Carr asking a moment ago: why should the government wait for an environmental impact assessment? The government is obliged by law to wait for it. The government cannot stop the legal process, and the legal process is that if someone wishes to conduct exploration surveys over areas other than the World Heritage listed areas they are quite entitled to do so and then report to the minister. Then the minister can assess those surveys, agree with the application, make some change or recommendation or otherwise reject the application. I also heard Senator Carr talking about—no doubt people will read this in the Hansard—the multibillion dollar shale oil development in southern Queensland that could, at its peak, make Australia self-sufficient in oil products, saving the need to import the billions of dollars worth of oil that come into Australia each year.

What I find bizarre about this is that the reef is protected. Senator Ludwig will probably take me up on an issue later, so let me declare my position. I am, and have been, a longstanding member of the Geological Society of Australia.

**Senator Boswell**—And proud of it.

**Senator LIGHTFOOT**—Indeed; exceedingly proud of it, Senator Boswell. At the same time, and for the same period of time, I have been a member of the Australian Mining and Petroleum Law Association. I am also a past member of the Association of Mining Exploration Companies, and a few other companies associated with those industries that produce the wealth of Australia. We are not saying that there should be mining or other disturbance of the Great Barrier Reef as it is already delineated—348,000 kilometres, which is an enormous area. People would agree that it is extraordinarily generous. But one thing will follow after another and, if wacko suggestions like this private member’s bill come into force, entry to the whole continental shelf of Australia will be prohibited to those who wish to conduct exploration so that we can sustain ourselves, not just with the excellent standard of living which has been raised by this government during the past eight years or so but in the future. And it is the future that worries me. If you say that that boundary can extend to the exclusive economic zone, as the bill indicates, that represents a staggering amount of land—1.325 million square kilometres, which is a phenomenal area of land.

But what is going to replace the wealth of Australia if extraordinary and silly suggestions like this are able to be brought into law and thus inhibit such exploration? Having declared my position, my view is this: the position of these areas on the World Heritage List is sacrosanct; the government has declared that. But areas outside those should not be set aside and prohibited from exploration of any kind; it is a matter of how you do it. The bill does not take certain matters into consideration, if drilling is banned in these areas.

We have a fringing reef—not a barrier reef—of world standard in Western Australia. It is one of the world’s best kept secrets. It is called Ningaloo Reef. It is a most magnificent natural structure. I have dived on it and I have travelled the length and, in most instances, the breadth of it, too. It is a wonderful asset to the tourist industry in Western Australia.

In areas that are not World Heritage listed, we should be asking ourselves: how do we extract oil from those areas in a sustainable fashion and in a fashion that does not do any harm to those areas? It can be done. It is done in all parts of the world. It is done in the block that is encompassed by the exclusive economic zone of the newly independent East Timor. It is done in the North Sea. It is done in the Bay of Mexico. It is done in the Irish Sea. It is done in other areas that are far more sensitive than those areas that are outside the World Heritage listed areas mentioned in this bill.

This bill is a clear indication of the Democrats’ inability to understand modern, third millennium economics. This bill, if it were
Senator Lightfoot—When did he say that?

Senator LIGHTFOOT—He said it while I was in the chair, Senator Boswell. I think he even mentioned that battery hens should have a vote. I refer you to the Hansard of last night, and the debate which occurred between 6 p.m. and 7 p.m. This bill represents another of those wacko suggestions. It is an appalling piece of economic vandalism. If I understood what Senator Carr was saying, the bill also places in jeopardy the multibillion dollar oil shale development in Queensland—and the state is lucky to have world-class developments of that nature.

The following activities take place inside the reef now: swimming—and so it should—snorkelling, scuba diving, recreational fishing, commercial fishing, sail boating, motor boating and motorised water sports. Research takes place every day of the year along the length of that beautiful reef. There are floating hotels, commercial shipping etc.

Let me talk briefly about commercial shipping and one of the great dangers for the reef in Western Australia. Oil exploration within that reef has been banned—and I agree with that; I am something of a right-wing greenie, if I can perhaps promote that rather contradictory statement—but it does not say anything about, and cannot stop, the travel of millions of tonnes of shipping just outside the boundaries of the Ningaloo Reef Marine Park. It cannot prevent the tankers that travel there from carrying hundreds of thousands of tonnes of oil past the reef.

World Heritage marine parks are not in danger from exploration, survey or the extraction of oil or gas. They are in greater danger from the advent of oil tankers passing over them, contiguous to them or through them. The more that we ban oil and gas exploration in Australia, the more that we have to import; and the more that we have to import, of course, the greater the danger that one of those tankers will run aground on a reef, and that will cause disaster. There has not been a serious spill from an offshore oil platform in the developed world in memory. There have been some spills, but they were not serious spills. They inflicted nowhere near the damage that has been inflicted by tankers that empty their ballast tanks, or tankers that wash their ballast tanks, out in our waters.

This is a very disappointing message for us to send to overseas investors and companies on which we rely for our standard of living, for the exploration and the expertise they bring to extract and exploit oil and gas deposits. As I said, it is okay for Senator Bartlett. He gets his $100,000-odd a year. He gets his car and his driver. He is still going to buy his plastic sandals and his polyester suits. It is okay for him; he can afford to do it. But what about the rest of those Australians that are not in Senator Bartlett’s position, that cannot bring down economically irresponsible bills of this nature? Even if this bill is not enacted—and I pray to God that it is not—it still sends a bad message to overseas companies that want to invest, and indeed have over many decades and generations invested, in Australia. I am very disappointed about this. I cannot tell you the damage that this will do if it is enacted.

As a result of being a member of a committee in the Western Australian parliament that inquired into the Ningaloo Marine Park and the reef that is associated with that, I visited several countries of the world to inspect their reefs. There is some damage being done, particularly in Third World countries but not limited to Third World countries at all. Mauritius, for instance, has an enormous phosphate run-off from the island and probably two-thirds of their coral is damaged or has died. I found that very disturbing. We have offered some advice to Mauritius. I have also inspected reefs off the east coast of South Africa. One of the great wonders of the world is not in a developed country but in an undeveloped country—Egypt. I travelled along the coast, diving off the reefs from
Sharm el-Sheikh further north along the Sinai Peninsula, in the mid-nineties. It is a wondrous thing to behold because the land surface of that particular area is something like a moonscape. I have never been to the moon, but I have certainly seen photographs of it. It is something like a moonscape, but once you—

Senator Crossin—You act like you are on the moon.

Senator LIGHTFOOT—Yes, you have been to the moon, I understand. Is that what you said, Senator Crossin? You are very lucky. Madam Acting Deputy President, once you get underwater it is like a fairyland. It is so beautiful it is indescribable. That is the thing that we want to preserve; but denying economic progress, denying 6.5 billion people in this world the right to work and the right to a standard of living, with wacko suggestions like this—that we should enact legislation to extend the boundaries of this marine park out to our exclusive economic zone into the Coral Sea—is just touched with a bit of madness. It goes beyond being irresponsible; it is unbalanced, if I can put it that way.

Could I impress upon the Senate again before I sit down that the danger is not in modern exploration; the danger is in making Australia depend on oil imports. If we depend on imports, there is more shipping. Sure as God made little apples, if we are going to have more shipping come past these reefs, there is the probability that there will be more disasters with tankers and ships. That is the problem. If they have to then circle around this area in our exclusive economic zone into the Coral Sea—is just touched with a bit of madness. It goes beyond being irresponsible; it is unbalanced, if I can put it that way.

The Great Barrier Reef Marine Park (Boundary Extension) Amendment Bill 2002 is a very important bill. I do not think Senator Lightfoot and others understand that large parts of the Coral Sea do in fact have coral reefs which are outside the boundaries of the Great Barrier Reef Marine Park. The Democrats acknowledge and accept that the current rules of the marine park do not allow for drilling within the boundaries of the marine park. Our concern is that a lot of the exploration interest and a lot of the current research activity is occurring around the fringes of the park and, in particular, affecting some of the isolated reefs in the Coral Sea, such as the Lihou Reef and other reefs as well.

There is quite a lot of evidence to indicate that there are in fact significant reserves of oil adjacent to the Great Barrier Reef, particularly in the Townsville Trough area and other areas which are very close to the boundaries of the marine park and underneath it. There has also been a significant amount of exploration by industry and by the Australian government over the last 30 years and, indeed, in the last few years. It is significant also that the federal government, whether it was the previous Labor government or the coalition, has been very aware of
oil prospects in this area and has continued to allow exploration to occur under the guise of scientific research and other various terms. Whether it is scientific research or not, it does mystify us that many of the vessels which have been going in as scientific research vessels have included in their passengers oil company executives and oil company exploration experts. It is very difficult to see how the presence of such people assists Australia in its research on the impact of global climate change on the Great Barrier Reef and its areas.

We are quite disappointed in some respects that the Great Barrier Reef Marine Park Authority has been failing in its obligations to protect the park, either through complicity or disregard for the evidence that a lot of this exploration work is in fact not for scientific purposes. Dr Kemp has in his media release again confirmed that there will be no oil drilling within the marine park itself and he has said further that research that has occurred there has only been scientific research and mapping and that there has been no oil exploration. We welcome the commitment, but of course it reflects the current law. There are three problems. The current law does not prohibit oil exploration, including seismic testing and drilling under the guise of science. GBRMPA continues to issue permits for such research, with no impact assessment and public input. The commitment and other comments by the minister make no mention of protecting the areas outside of the park.

Last year the JOIDES’ Resolution, a deep sea drilling vessel, part of the ocean drilling project, drilled 16 holes inside the park. The permit was issued by the authority without any public input or impact assessment. The claim is made that it was purely scientific research, but we do know that there were at least half a dozen employees of the oil drilling and petroleum industries on board that particular vessel. We know that the same vessel in 1990 drilled in the Great Barrier Reef Marine Park north and east of Cairns. We know that the findings were highly significant for the petroleum industry, which became quite excited about the petroleum prospects. We know that there are approximately five billion barrels of oil in the region and that it all has been discovered through secret trips disguised as science. At what point does all of this start to become scientific drilling? The pending TGS Nopec permit application is to conduct seismic surveys east of the Great Barrier Reef and is perhaps the first undertaken in this area ever. TGS Nopec admit that they do work for petroleum interests. What about the CSIRO survey in the area in 1999: where are those findings and who was interested in them? What about the trips of the Rig Seismic sent by the Bureau of Mineral Resources in the 1980s? What was the purpose of the cruise and did the oil industry get access to the data? There have been trip after trip and vessel after vessel going into this area under the guise of science but which have obviously been serving commercial interests.

It is all very well for the minister to say that there will be no drilling within the reef, because that is not saying anything new. More importantly, the minister needs to answer why there is so much exploration by oil industry interests inside the Great Barrier Reef area, both within the park and on its fringes. Why won’t he protect the reef from this sort of research and ensure that far more rigorous regulation on scientific research is actually put in place? Why won’t he talk about the threat to the Coral Sea? What about protecting the reefs of the Coral Sea outside of the marine park zone itself? What we need is a buffer zone around the Great Barrier Reef particularly to deal with the threat of oil drilling and exploration to the reef park. That is what this bill is about—ensuring that there is an adequate buffer zone and ensuring that the fringe reefs in the Coral Sea are also protected.

We also want to see some honesty and accountability in this debate. The coalition and the previous ALP governments have allowed all this to happen in secret—25 years of secret oil exploration. Some of the documents the Democrats have revealed through the work of my colleague Senator Bartlett have only just begun to get to the bottom of the story. But this debate should be public and should be open. It is also worth noting some of the correspondence between the Queen-
sland government and the Australian government over the course of the last couple of years. In 1997, for example, the Queensland Department of Mines and Energy under the Borbidge government wrote to the federal department suggesting that areas east of the Great Barrier Reef in the Queensland Plateau and the Townsville Trough ‘could be legitimate exploration target areas. Could we impose on you to review both the Queensland Plateau and the Townsville Trough areas and see if the Bureau of Resource Science are interested in releasing areas here.’ The response from DPIE indicates that the department would write separately about ‘the possible release of areas of the Coral Sea in future bidding rounds’. The ministerial brief then prepared for the Borbidge government indicates that ‘a number of large international oil and gas company representatives have shown interest in exploring for petroleum in waters offshore of Queensland’.

It is very difficult to see how all these activities and the actual wholesale exploration which would follow from this small-scale scientific research could not at some future time actually pose a threat to the Great Barrier Reef. This is an extremely fragile environment and any increase in heavy traffic, oil tankers or other traffic constructing a rig, the threat of actual leaks out of the rig itself or any pipelines created would all pose potential threats to a very delicate area and a very delicate environment. We cannot understand how a government which says it is not going to allow oil drilling, exploration and mining within the marine park, extends to a wider area which picks up all of the buffer zones and all the areas that could be under threat if the interest from the oil companies actually is taken a step or two further.

Senator Lightfoot also spoke about the incredible reliance of Australia on imported oil and imported petroleum products. The Democrats acknowledge that this is a concern. As Senator Boswell on the other side of the chamber would know, there are ways of actually dealing with and reducing that reliance. Ethanol from sugar cane is a classic example of renewable energy that could meet our needs, actually provide a new growth industry in regional Australia and reduce our reliance on oil and petroleum. We could look at other issues, such as wind power and solar power. We could look at efficiency issues, such as hybrid electric cars, which could significantly reduce our contributions to greenhouse gas emissions and our reliance on fossil fuels.

All of these things are things that the government could be doing more about. If right-wing greenies like Senator Lightfoot, self-confessed, are concerned about Australia not being able to meet our petroleum needs of the future, then they should be asking why the federal government cut the funding to the Australian Greenhouse Office, which is supposed to be ensuring that research is being done on finding alternatives to fossil fuels. They should be asking questions about why
we have not done more to promote the Australian ethanol industry and why the government knocked off the ethanol bounty some five years ago and has put in nothing sufficient to replace it. They should be asking why we have not come back and re-viewed the issue of petroleum excise in-dexation and should ensure that reliance on petroleum products is reduced over time by appropriate economic instruments, which would then encourage the development of renewable energies.

All of these things are very important because, until we reduce the reliance on fossil fuels and reduce the reliance on petroleum, the pressure will be there. Economic pressure from the big oil companies will be there to turn the scientific research that is being done on the Townsville Trough and other parts of the Coral Sea into exploration, drilling and, eventually, mining permits. By ensuring that we bring out the boundaries of the marine park, we ensure that it is much more difficult for some future government—whether it be coalition or ALF—to succumb to this pressure to allow mining or oil interests to get into the Barrier Reef area. That is what this bill is about. It is about making sure that governments of the future cannot make bad decisions about the Great Barrier Reef. It is about bringing out the boundaries of the marine park, so that it is much more difficult for any future government to allow oil prospecting and drilling.

Senator McLucas (Queensland) (5.02 p.m.)—As a North Queenslander, many of whose communities rely on the Great Barrier Reef for their livelihood in a variety of ways, it is with great pleasure that I support this private member’s bill this afternoon. This legislation, if it is supported in the House of Representatives, will protect the Great Barrier Reef from oil prospecting and, ultimately, oil drilling. In essence, the legislation extends the boundaries of the marine park area, so that oil prospecting and drilling will be ‘ruled out’—the words that I have been calling for for over 12 months.

Labor has been calling for oil drilling and prospecting to be ruled out from the areas in and around the Great Barrier Reef for over 12 months. It is particularly pleasing, then, to be supporting this legislation, given the government’s lack of desire to protect the Great Barrier Reef. We have been calling for the government to think laterally, to think differently and to try a little harder to develop a method to protect the reef from oil drilling. In fact, on 21 February this year, in a press release from Dr David Kemp—which is part of the ongoing discussion that Dr Kemp and the Labor Party have been having about how we might be able to protect the reef—he said, in part, ‘I cannot legally make any decision or allow or prevent any such exploration.’ I suggest to Dr Kemp that this is his chance. This is his real chance to do something to outlaw oil drilling on or near the Great Barrier Reef.

It is clear that the marine park act says that, within the boundaries of the marine park area, oil drilling is precluded. We are not talking about that area; we are talking about the area between the eastern boundary of the marine park and the Exclusive Economic Zone, and that point needs to be made clear. That is where enormous prospectivity exists, and that is where damage will occur to the reef unless something is done to manage it. As I said before, Dr Kemp can legally make a decision to prevent exploration in the Townsville Trough region, which is in that area between the eastern boundary and the EEZ. He can support this legislation in the House of Representatives and then we will have ruled out oil prospecting and drilling, and protected the reef, I believe, for all time.

It is important to note that under the Great Barrier Reef Marine Park Act 1995 the Great Barrier Reef region and the marine park area exist as separate entities. It should also be noted that mining and petroleum drilling are not permitted in any part of the Great Barrier Reef region, under the Great Barrier Reef Region (Prohibition of Mining) Regulations 1999. The extension of the region boundary will protect the whole area from oil drilling. Further, the adoption of this legislation will have no other effect than ruling out oil prospecting and, subsequently, drilling—no ef-
fect on any fishing, commercial or recreational interests, and no effect on visitation, whether it be private or through tourist operators.

Labor has consistently opposed oil prospecting and drilling on or near the Great Barrier Reef. We have pursued the issue consistently since TGS-NOPC expressed its interest in exploration rights. At the last election, Labor’s policy entitled ‘Caring for the Great Barrier Reef’ included these words:

To preserve the health of the reef, Labor will:

Prohibit all mineral, oil and gas exploration and operations in Australian waters offshore of the Great Barrier Reef region.

We also said that:

Labor will ... extend the Great Barrier Reef Marine Park boundaries to include the pristine reefs in the Coral Sea, including Osprey, Marion and Lihou Reefs.

This legislation provides an alternative measure to this, but, in my view, the outcome will be the same. As recently as April 16 this year, in Townsville, Labor’s leader, Mr Simon Crean, and Dr Stephen Martin, our shadow minister for tourism, gave a commitment to protect Australia’s greatest natural tourism asset—the Great Barrier Reef—from two devastating environmental threats by banning oil drilling and exploration both on and off the reef, and ratifying the Kyoto Protocol to tackle the disastrous impacts climate change would have on the reef. That commitment from the Labor Party is testimony to the ongoing desire that Labor has had to protect the reef from oil drilling. They announced further:

Labor has already announced it will not allow mineral, oil and gas exploration in Australian waters off the Great Barrier Reef. The fact that the Howard government will even consider an offshore oil project near the Reef shows that it is not serious about protecting Australia’s natural wonders and the industries which depend on them.

If the Government introduced legislation to prevent mining and exploration on the Great Barrier Reef and in Australian waters off shore from the Reef, Labor would guarantee its support.

The government has not done that so this is an opportunity that we have taken to ensure the protection of the Great Barrier Reef and the assets that come from it. The Great Barrier Reef is one of the most significant listings on the World Heritage register. There are not many other icons in the world that have that level of significance. It is the international icon of all coral reef systems. It is the largest listing on the World Heritage register. It was listed in 1981. The listing of the Great Barrier Reef Marine Park area on the register complies with all four natural heritage criteria: geological phenomena; ecological and biological processes; ascetics and natural beauty; and biological diversity, including natural processes.

It has the potential to be renominated for its cultural heritage values. I take this opportunity to say that I would support such a nomination. As well as its natural values, the Great Barrier Reef has enormous social and economic values. The social values include the fact that the Great Barrier Reef is a place that provides the people who live in that region and the visitors to that region with a sense of naturalness that is not able to be experienced or achieved in many places in our modern society. It provides recreation values: snorkelling, diving, recreational fishing and boating, which are enjoyed by many people who live in northern Queensland. The education values that flow from the reef are enormous. It is recognised that there is untapped potential for research, notably with new pharmaceuticals in the organisms that live on the Great Barrier Reef. Social values, by their very nature, are not easy to quantify, but it is important in any assessment of such a wonderful icon that we do not overlook those values.

However, the economic values are much easier to quantify. The value of the Great Barrier Reef is estimated to be in the order of $1.5 billion annually to the state of Queensland. Well over half of this value is from the tourism industry with more than 2 million visitors travelling to the reef every year. In employment terms, the Great Barrier Reef is vital to the ongoing economic health of North Queensland. There are workers in the tourism, fishing and associated industries and in hotels, tackle shops, restaurants and on tour desks—the list goes on. There are an enormous number of workers who depend on the viability and sustainability of the Great
Barrier Reef for their jobs. It is clearly evident to me that the Liberal Party is prepared to jeopardise those values—the social values, the economic values and the environmental values—through its blind pursuit of its oil agenda and through its lack of ability to think laterally about how to protect this valuable asset.

The history of oil in the Great Barrier Reef is a long one. I do not intend to give a complete chronology today of those interactions, but it is true to say that in 1968 Mr Joh Bjelke-Petersen, the then Premier of Queensland, issued 16 licences to prospect for oil in the waters east of Queensland. In 1970, two companies, Ampol and Japex, postponed drilling near Whitsunday Island after significant opposition from the community. In 1974, a royal commission into oil drilling on the Great Barrier Reef concluded. The commissioners were split on whether oil drilling should be allowed on the Great Barrier Reef. In 1981, the coalition government passed the act opening the Coral Sea to oil drilling. The government claimed that it would not allow oil drilling within 30 miles of the Great Barrier Reef. In 1990, oil exploration adjacent to the Great Barrier Reef was again proposed. The then Liberal shadow environment minister, Fred Chaney, said on ABC radio:

I’m certainly in favour of continued oil exploration in prospective areas just as I’m firmly of the view that we make sure the Great Barrier Reef is protected.

I would have said to Senator Chaney—although I was not here then—and I do say now: you can’t have your cake and eat it too in this issue. Fortunately, then Prime Minister Hawke intervened to stop oil exploration. Then on 28 December 2000 the Howard government listed the US based company TGS-NOPEC Geophysical’s application for oil and gas exploration in the Townsville trough, 50 kilometres from the Great Barrier Reef world heritage area, on Environment Australia’s web site. It is interesting to note that it was 28 December. Not many environmental activists or environment watchers are very active around 28 December—

Senator Mclucas—You are quite right, Senator. The lesson that we can learn from that short chronology is that the issue is not going to go away until the Australian government makes its position patently clear. The position that we need to establish is that we, as a nation and as a community, are not prepared to compromise the values of the Great Barrier Reef—not at all, not in any way. Oil prospecting and drilling on or near coral reefs and the sustainability of those coral reefs are conflicting notions. Oil prospecting and drilling provide a risk that cannot be managed. Surely sensible risk management principles would tell the government that any spill at all—I say any spill at all to Senator Lightfoot who said a minute ago that they were only little spills—is an unacceptable risk. Of course there is the very real and damaging potential risk of an oil spill to the natural processes at work on the Great Barrier Reef—loss of coral, loss of fishes, loss of turtles. To imagine such damage is almost inconceivable.

A risk that is less able to be quantified but equally as real is the risk posed to the tourism industry by simply having the oil rigs there. Tourism is an industry dependent on perceptions. Oil rigs, even 50 kilometres from the marine park boundary, do not promote a perception to potential visitors of a pristine ecosystem that is valued by its community and by its government. The ongoing desire of the oil industry to exploit the oil that is clearly present in the Townsville Trough is not going to be averted until clear direction by government is established. It has been said that TGS-NOPEC, the current proponent, is not an oil company, is not a company that wants to exploit the resource and is only a prospector. I suggest that is a spurious argument and that it shows limited understanding of political processes. It is simple: as soon as TGS-NOPEC has its information about prospectivity in the region, it will be selling that information to the oil companies in order to recoup the outlays that it has made. That is when the next round of political pressure will come to the fore; that is when the political pressure will be truly played out.
Let us also be very clear about what impacts will result from the proposed extension of the boundary of the Great Barrier Reef region. It will have no impact on current users of the area between the eastern boundary of the marine park area and the boundary of the exclusive economic zone. Support for the ruling out of oil drilling is strong in northern Queensland. Stephen Gregg, Tourism Queensland’s Chief Executive Officer, said: Queensland tourism operators want to see a permanent ban on exploration or any potentially harmful activities anywhere near the reef.

I do not know how much clearer you need to be to make your point. John Olsen, President of the Queensland Seafood Industry Association, formerly the Queensland Commercial Fishermen’s Association, said: It would be ridiculous for the Federal Government to give the go ahead for a seismic survey—that is, the seismic survey required for the EIA—that if oil was discovered, would inevitably lead to full-scale drilling.

Mr Olsen can work it out. Why can’t the government? Guy Lane, an environmental scientist, said: If they find petroleum reserves in the Townsville Trough it’ll create this enormous political and economic vacuum and there’ll be great pressure to start drilling. It really should be nipped in the bud at this stage.

Everyone in North Queensland has a view that oil drilling should be ruled out. There will be enormous support for this legislation, and I suggest that members of the House of Representatives take note.

I would like to report that the Queensland government is opposed to oil drilling on or near the Great Barrier Reef. There is also strong support in North Queensland for the extension of the boundaries of the marine park from an unusual quarter, and that is from the member for Herbert, Mr Lindsay. On 25 February this year, the Townsville Bulletin reported:

Herbert MP Peter Lindsay said the outermost reaches of the reef region needed protection and flagged a future marine park expansion.

He said Australia had slipped behind international standards in marine conservation.

“I think we can do a lot more and we can do it in a way that allows people to use and enjoy the environment without damaging it,” he said.

I could not agree more. He then, I understand, consulted with the North Queensland Conservation Council and their coordinator, Mr James McLellan, is reported as ‘pushing for the change to prevent oil exploration and drilling’. The article goes on to say:

Mr Lindsay, who requested the conservation council’s input on the matter, said he could foresee a future boundary change.

So I put this to Mr Lindsay: you have a real opportunity here. You have a real opportunity when this legislation gets to the House of Representatives to do the right thing, to do the thing that you have been calling for in north Queensland down here. We are a bit tired of people who say something at home and then turn up in the chamber and do not quite deliver, so we will be watching very closely, Mr Lindsay, to see what you do. However, I do not suggest that we will have the same response from his northern Liberal neighbour. Mr Entsch, the member for Leichhardt, suggested that Mr Lindsay’s comments were ‘foolish’. This is Mr Lindsay’s chance, I suggest. It is a great opportunity for him to deliver on his commitment and, as I said, I will be looking closely to see how he votes in the House of Representatives.

In the early 1990s, I was fortunate to go to Alaska as part of a delegation. We went to Valdez Sound, and I met with the manager of the clean-up operation after the oil spill in 1989. I told him I was from north Queensland and I told him about the Great Barrier Reef, of which he was very aware. I asked him for his advice on how to manage an oil spill, and he was very clear. He said, ‘Keep potential hazards away from areas that need protection.’ He was very clear. This is the man who cleaned up Valdez Sound after that dreadful oil spill. This bill provides the answer. It is a clear message to the oil industry, and that message is that oil exploration and exploitation conflict with management of a World Heritage listed coral reef system.

Senator CHAPMAN (South Australia) (5.21 p.m.)—The Great Barrier Reef Marine Park (Boundary Extension) Amendment Bill
2002, which we are debating today and which has been put up by Senator Bartlett on behalf of the Australian Democrats, is entirely unnecessary. It is based on a false premise, and that false premise is that the government will allow oil drilling on the Great Barrier Reef. I do not know whether that false premise arises because of a genuine misunderstanding on the part of Senator Bartlett and his Democrat colleagues, whether they simply want to put up a straw man they can knock down or whether they want to attempt to create the false perception in the community — in order to do this government some damage — that there is some likelihood of drilling on the reef being permitted by the present Howard government. I do not know which of those informs their decision to bring forward this legislation, but it is based on a demonstrably false premise.

The Minister for the Environment and Heritage, Dr Kemp, has made it crystal clear that the Howard government will not allow drilling on the Great Barrier Reef. In all of the time I have been in this parliament — both in this place and in my earlier period in the House of Representatives — all governments have made it clear that they would not allow drilling on the Great Barrier Reef. Indeed, I remember one very celebrated question time, which lives in the annals of those of us who were in the House of Representatives at the time, in which the then minister for the environment, David Thomson, in answer to a question, made it very clear by repeatedly stating, ‘There will be no drilling on the Great Barrier Reef.’ It was made crystal clear at that time, and it has been made crystal clear ever since. It has been made very clear by the present minister, David Kemp.

The legislation, which proposes to extend the Great Barrier Reef Marine Park to the boundaries of Australia’s economic exclusion zone, is ill-conceived and entirely unnecessary. It is worth noting that extending the region as this legislation proposes would increase the size of the marine park from its present 345,000 square kilometres to approximately 1,325,000 square kilometres. The legislative and policy framework that we already have in place provides very strong protection for the Great Barrier Reef, and that is backed up by the minister’s own determination on this issue.

The Great Barrier Reef Marine Park Act and the Environment Protection and Biodiversity Conservation Act 1999 provide the government with the capacity to protect the reef from activities occurring both within and outside the park. The Environment Protection and Biodiversity Conservation Act protects the Great Barrier Reef World Heritage area, which is the Commonwealth marine area that surrounds the reef; all whales and dolphins that inhabit the reef and its surrounding waters; and all the listed species, including migratory species. The minister and the government have made it crystal clear that there will be no drilling on the reef, there will be no mining on the reef, there will be no mining in the World Heritage area around the reef and there will be no mining outside the World Heritage area that might significantly impact on the World Heritage values of the reef.

It has been suggested that this bill, as proposed by Senator Bartlett on behalf of the Democrats, will provide protection for the Lihou Reef. Again, that is unnecessary. Already the government has provided strong protection for this important area in the Coral Sea through strong management arrangements for Lihou Reef Nature Reserve and the Coringa-Herald Nature Reserve. Both of these reserves have IUCN category 1A status. The management plans explicitly state that no mineral or petroleum exploration will be allowed in these reserves.

It is absolutely clear that, under the existing legislation and the administration of this government, there will be no drilling, there will be no mineral exploration, and there will be no mineral development on the reef. This government and governments as far back as the Fraser government have recognised the importance of the Great Barrier Reef as an environmental and tourist asset. There is no threat of drilling on the reef. There can be no oil or gas drilling or mining in any form in the marine park, nor can it take place outside the park if that drilling has any likelihood of impacting on the heritage values of the reef itself.
It does not matter where any proposed activity may occur. Even if it is outside the World Heritage area, the Environment Protection and Biodiversity Conservation Act gives the minister the power to stop any activity that would damage the World Heritage values of the reef. The oil companies and mining companies can do all the planning and all the lobbying that they want to, but it has been made crystal clear by this government that there will be no mining or oil drilling that impacts detrimentally on the Great Barrier Reef—either within the park or outside the park—or in any form that is likely to damage the World Heritage values of the reef. That is guaranteed by those two pieces of legislation that I have referred to, as well as the government’s and the minister’s determinations.

There has been some controversy generated by the opposition as to why there has been an environmental impact statement undertaken for a proposal for a seismic survey in the Townsville Trough, near the Great Barrier Reef. This has been raised by opposition senators in the debate this afternoon. The fact is that the Environment Protection and Biodiversity Conservation Act requires that due process be followed. The minister cannot say yes or no to a project until there has been a full and proper environmental assessment under the terms of the act. It needs to be clearly understood that the fact that an environmental impact statement is being undertaken does not mean that the government favours a project; on the contrary. It actually reinforces the fact that the Minister for the Environment and Heritage thinks there is likely to be a significant impact and that he may be required to use his powers to stop the project. That is the purpose for which an environmental impact statement is being undertaken. It is important that I reinforce the fact that the minister cannot say yes or no to a proposal until the facts have been established, in this case by an environmental impact statement.

Draft guidelines for the environmental impact statement were issued for public review between 5 April and 3 May. In that time span, 11 individuals and groups have made suggestions. Those suggestions will be taken into account when revising the guidelines. The legislation is not necessary because of the legislation we already have in place and because of the government’s position on the issue.

It is important to understand that, apart from the government’s determination to ensure that drilling does not occur on the reef, or outside the immediate reef area if there is any likelihood of damage to the reef resulting from drilling, it is also important to understand that the Howard government is focusing on issues that are critical to the Great Barrier Reef World Heritage area: water quality, coastal development, fisheries management, tourism and the conservation of biodiversity.

Let me reinforce to the Senate the initiatives that the government has taken since it was elected in 1996 with regard to protecting and ensuring the continued benefits for the whole Australian community of the environmental uniqueness of the Great Barrier Reef. We have published the Great Barrier Reef Catchment Water Quality Action Plan, which recommends minimum targets for pollutant loads, with the objective of halting the decline in the quality of water entering the reef. We have introduced regulations for the management of aquaculture effluent which may impact on Great Barrier Reef waters. We have strengthened the protection of the marine park by tightening controls on the discharge of sewage and increased penalties for a person who negligently operates a vessel in the Great Barrier Reef Marine Park.

We have negotiated management agreements for the Queensland East Coast Trawl Plan that will set the fishery on the road to ecological sustainability. This includes a cap and a reduction in fishing effort—achieved in part by a Commonwealth contribution of $10 million to a structural adjustment plan for the Queensland trawl fishery—the closure of more areas to trawling and the mandatory use of by-catch reduction devices and turtle excluder devices on trawl nets within the World Heritage area. The government increased the size of the marine park by about 4,800 square kilometres, adding 28 new coastal areas. Areas of important habitat for species such as dugong and turtles are
now much better protected as a result of that initiative.

The government established the world’s first chain of dugong protection areas in the southern Great Barrier Reef. We have worked with Queensland to amend legislation relating to the use of mesh nets in dugong protection areas to further reduce the threats to dugong. Work by the government has ensured the identification of some 70 bioregions in a comprehensive review of the biodiversity of the World Heritage area as part of the Great Barrier Reef Marine Park Authority’s Representative Areas Program. This will ensure much improved protection for all major habitats in the marine park. The government has extended the prohibition of mining to the entire barrier reef region through regulations under the Great Barrier Reef Marine Park Act 1975. I have already referred to those initiatives in some detail.

Enhanced surveillance and enforcement has been implemented which has led to significant increases in prosecutions for illegal activities in high conservation areas. The government has introduced plans of management for the most heavily visited areas off Cairns and the Whitsundays. We have established accreditation standards with the Whitsundays bareboat industry, which operates one of the largest bareboat fleets in the Southern Hemisphere. The government has also established a reef protection program, with 60 public moorings and reef protection markers already in place in the Whitsundays. Importantly, there has been funding provided to address infestations of crown-of-thorns starfish. There has been finalisation of a reef-wide cruise ship policy which guarantees access to designated cruise ship anchorages, particularly in the Whitsundays. The compulsory pilotage area has been extended in the Great Barrier Reef and there has also been publication of a comprehensive reef-wide review of whales and dolphins in the marine park and policies have been developed based on that review.

That is quite a substantial and extensive list of initiatives, decisions and outcomes that have occurred over the last six years under this Howard government since it has been in office. When you look at the legislation, when you look at the statements made by ministers for conservation, environment and heritage over that six years, no-one can be in any doubt that drilling and mining will not occur on the Great Barrier Reef and will not occur in areas adjacent to reef if there is any likelihood of damage being done to the reef as a result of that activity. As I said at the outset, this legislation is based on a completely false premise. It is completely unnecessary; the legislation we have in place is adequate and this legislation should not be further considered by the Senate.

Senator HOGG (Queensland) (5.34 p.m.)—I rise to speak on the Great Barrier Reef Marine Park (Boundary Extension) Amendment Bill 2002, firstly, because I am a Queenslander and, secondly, from the fact that, whilst I am not directly involved in the environment portfolio in my party at this moment, I nonetheless maintain a very strong interest. I have some credentials in this area because I was part of the Senate Environment, Recreation, Communications and Arts References Committee which did a substantial inquiry back in 1997 into marine and coastal pollution. One of the things that we took a fair deal of time to look at was the effect of coastal pollution in areas near and adjacent to the Great Barrier Reef. I believe that this bill today goes to address those issues and the concerns that the committee on that occasion found necessary to address. This bill we are looking at today specifically addresses those issues.

The reef is a national icon and, as a person who travels from time to time up and down the coast and has visited the reef itself, I have seen that it is an area that is very sensitive to change: to climate change, to change because of land use—not just land use adjacent to the coast but it can be land use that is quite remote from the coast in the catchment areas—to change caused by tourists and to change caused by other activities that take place, even such as natural disasters. It is important that we preserve this icon not only for the current generation but also for the generations of Australians to come. Over a long period of time, this icon has been an attraction that has generated not only jobs
and wealth for people in the state of Queensland but it has also been a natural barrier that has provided a wealth of breeding grounds for fish and other seagoing creatures. So it is a very important area that needs to be taken into consideration.

I will refer briefly back to the inquiry that I was involved in and then I will come to the report *State of the Environment 2001*. Whilst the inquiry did talk with people from the Great Barrier Reef Marine Park Authority, and I understand this legislation extends the area to the east and makes it a greater area that is going to be protected, it is interesting to note that back in 1997 our inquiry report found—and I am referring specifically to the Marine Park Authority at this stage—that it:

... is not a conventional national park but a multi-use protected area. Tourism and fishing are the major commercial uses of the marine park, with a value of approximately of $1,000 million per annum.

That was at page 120 of the report. Then on the same page, at point 5.140, evidence was adduced:

What is partly and poorly addressed under the legislation—
that is, the legislation that we were considering—
is the impact of land and river sourced pollution on the marine environment. Constitutional limitations constrain the approaches which may be adopted by the Commonwealth to remedy this and reliance must be placed on a cooperative approach involving Queensland legislation and authorities.

But the report went on to say, at 5.141, that Dr McPhail, who at that stage was the director of GBRMPA—the Great Barrier Reef Marine Park Authority:

... noted that land based sources of marine pollution have no respect for the jurisdictional and geographic boundaries that often separate land and sea, and that the GBRMPA model is effective only in regulating marine pollution within the Marine Park.

The concern, as stated rightly there, is that pollution knows no boundary and that the control of the pollution knows no boundary. I recall that on that occasion we took expert evidence in North Queensland at the marine park authority, where we were shown the effects of problems in the catchment areas from poor land use and poor practices that had developed over a period of time. Whilst we were not given total joy, in a sense, there nonetheless was an indication that programs and projects had been put in place that were seeking to curb the effluent and the nutrients that were going out onto the reef. These were affecting the fragile ecosystems that were sensitive even to the soil that was washed down some of the major streams that were flowing out into the area of the Great Barrier Reef.

If it can be achieved that greater protection is afforded the reef, then this will be a great thing. It will preserve something not only for the people who use the reef for recreational purposes or for commercial reasons—for tourism, which is a very important part of the Queensland economy—but also for future generations. However, when I looked at the *State of the Environment 2001* report, and I looked specifically at the issue of coasts and oceans, there is not necessarily good news there. Under the heading ‘Unfavourable news’ on page 6 it says:

Australian waters are more susceptible to exotic marine pests than previously thought, with threats to tropical habitats as well as to temperate habitats.

It goes on to say:
The management of the coastal environment, including catchments and estuaries, is still fragmented among many agencies at a local and state level.

Further loss of coastal habitat has occurred through the encroachment of human settlements and growth in pressures due to tourism in the coastal zone.

So the recognition was there of things that were looked at in the fairly extensive inquiry back in 1997 by the Senate environment committee I was involved in. While I should make it clear that inquiry did not solely focus on the Great Barrier Reef—it focused on the broader issue of marine and coastal pollution throughout Australia—it was nonetheless a significant and important issue that we addressed when we looked at the Great Barrier Reef.
The finding in the *State of the Environment 2001* report certainly does not surprise me at all. That report goes on to say:

Pressures on Australia’s coral reefs continue unabated from downstream effects of land use and other human activities.

I think this is one of the tragedies: that people have, over a long period of time, drawn attention to the fragility of the ecosystems in those areas but unfortunately we have been slow to react and slow to protect the fragile systems that do exist. Still under the heading ‘Unfavourable news’, the report goes on:

Large nutrient loads of nitrogen and phosphorous are still being discharged to coast and estuarine waters from both point sources and non-point sources.

Our national ability to measure the condition of coastal and marine waters through a system of standard indicators has not improved since SoE (1996).

That of course is another thing that had been drawn to our attention in the 1997 inquiry: there was a lack of baseline data from which to measure progression or regression over a period of time and without that baseline data, without the proper information, looking at the degradation in the system was difficult indeed. It was important therefore on reading the *Australia State of the Environment 2001* report to find that there is still a lack of suitable indicators. This raises real concerns for me.

The proposed act has a number of lengthy descriptions, which does not help poor souls such as me. Having said that, Senator Bartlett’s second reading speech does outline a substantial number of reasons which I think are valid and bona fide reasons for the consideration of the extension of the boundary to protect the integrity of the reef and its future. It does concern me, as a senator from Queensland, that there have been rumours—more than rumours—and moves to explore parts of the reef for both gas and oil. I think that to do so would be a tragedy indeed because, at the end of the day, what we as Queenslanders or as Australians need to do is to make every effort to preserve the integrity of the reef. Once destroyed one will not replace it and that is something that many people take a very passing attitude towards.

Returning for a moment to the *Australia State of the Environment 2001* report, it does talk about uncertain use in respect of the coasts and oceans. It says:

Our knowledge of the marine environment remains limited, particularly the status of many marine species and habitats and the deep-sea environment.

The environmental effects of aquaculture activities are still not fully understood. Some activities have the potential to adversely affect the marine environment.

If one looks at areas along, particularly, the Hinchinbrook Channel and the like, one will find that there are a number of aquaculture ventures and this was drawn very much to our attention. As part of that inquiry we visited the Australian Institute of Marine Science near Townsville where they were doing some lengthy research on the effects of aquaculture, particularly the cultivation of prawns in aquaculture. One study found that the greatest difficulty that they had in the aquaculture industry was the removal of the contaminants—the pollutants—in the holding bins or trays where these prawns were bred. One of the unfortunate aspects was that there was a possibility that this effluent would reach the water system and then affect the reef—that could be quite deliberate—or inadvertently could find its way out into the normal ecosystem. Until the effects are fully understood, one can only say that one needs to take every step that is necessary to protect the barrier reef.

The *Australia State of the Environment 2001* report goes on to say:

The coastal population continues to expand and the use of coastal resources is increasing. There is uncertainty in the ability of coastal ecosystems to absorb rising levels of sediment and pollutants from land uses in the coastal zone.

Of course, that confirms again nothing more or nothing less than what I had experienced in the 1997 inquiry. I note that Senator Bartlett, in his second reading speech, has to his credit taken us through a fairly lengthy history of concerns and issues affecting the reef. The reef will need to be looked at in a very close way over the years to come so that we maintain the jobs in Queensland that are essential for the Queensland economy. We
need to maintain the reef for future generations, so we can use it for recreational needs and so we are not labelled in the future as the destroyers of something that has such an iconic place in our society. I do not know if Senator Bartlett’s bill will resolve all the problems on the barrier reef. I think he wishes it would.

Senator Bartlett interjecting—

Senator HOGG—He has admitted it: he is not that good. It would be, nonetheless, a step in the right direction to see the best protection that can be afforded to the reef.

Senator CALVERT (Tasmania) (5.52 p.m.)—One could ask why I, a Tasmanian senator, would be talking about the Great Barrier Reef Marine Park (Boundary Extension) Amendment Bill 2002 this afternoon. It is a question I have been asking myself for the last 10 minutes. It is probably because it is 10 minutes to six and my backbench colleagues are attending meetings and have other duties. Nevertheless, I do recognise the importance of the Great Barrier Reef. It is one of our national icons. As a Tasmanian, I know that we also have a national icon in our World Heritage areas. I have listened to debates about our World Heritage areas in Tasmania, and I hear a lot of similar language used about the Great Barrier Reef—the sort of sensationalist language that I often hear about the cutting down of the last great trees in the forests. In this particular case, I can understand Senator Bartlett’s concerns about the Great Barrier Reef Marine Park and why he brings forward this bill.

I read with interest a whole heap of press releases that the Minister for the Environment and Heritage, David Kemp, has put out answering the sensationalist types of claims that have been made by Senator McLucas and Kelvin Thomson. I found it rather interesting to see the number of times that Dr Kemp had to try and answer the misinformation that has been peddled by the Labor Party on this particular matter. I find it quite unusual. There are pages of it where he has tried to correct Mr Thomson—one a Sunday, a Monday, a Tuesday; it goes on. It is like Blue Hills. I would hope that the shadow minister for the environment would get his facts straight.

It seems that Senator Bartlett is proposing that the size of the Great Barrier Reef be increased nearly four times to 1.3 million square kilometres. We believe, and I know Dr Kemp believes, that this is a totally unnecessary change because strong protection already exists under the Environment Protection and Biodiversity Conservation Act 1999. I might remind this place—and it has already been said earlier, I am sure—that the Howard government has already increased the size of the marine park by around 4,800 square kilometres to protect the dugongs and turtles living in the 28 coastal areas surrounding the reef. There is no need for further extension. The Environment Protection and Biodiversity Conservation Act 1999 protects the Great Barrier Reef World Heritage area and this protection extends to the marine area that surrounds the reef as well. All whales and dolphins, all species, are listed under the act.

The government has made it quite clear that no mining will occur on the reef, in the World Heritage areas surrounding the reef or in fact in areas outside the World Heritage area that would significantly impact on the World Heritage values of the reef. To suggest otherwise is totally misleading. I referred earlier to the misleading press releases that are being peddled by Senator McLucas and Kelvin Thomson. On 9 March 2002, our Minister for the Environment and Heritage, the Hon. David Kemp, made a statement which is quite clear. It says:

If any oil company has secret plans to drill for oil and gas on the Great Barrier Reef, it will be sorely disappointed.

They can do all the mapping they like but there will be no mining on the Reef; there’ll be no mining in the World Heritage Area that surrounds the Reef and there’ll be no mining outside the World Heritage Area if it is going to significantly impact on the Reef.

The minister had to further clarify the meaning of ‘significant damage’. As outlined in the Environment Protection and Biodiversity Conservation Act 1999, it means damage. It is not a loose term that is subject to interpretation. It is also important to remember that our beautiful Great Barrier Reef is
protected by the Great Barrier Reef Marine Park Act 1975 as well. These two acts protect this park. There is no need for a third. Our current legislation is effective and ensures that our great beauty is protected from drilling and damage of any kind.

Senator Bartlett has suggested this bill will provide protection for the Lihou Reef. However, the government has already ensured strong protection of this important area in the Coral Sea by management of the Lihou Reef National Nature Reserve and the Coringa-Herald National Nature Reserve. This legislation will not offer this reef further protection. The Great Barrier Reef Marine Park Authority is doing a great job, and Senator Hogg referred to that. In Tasmania, in Hobart, there is a section of the CSIRO that has carried out work on the Great Barrier Reef, and I know there is great cooperation between CSIRO and the Great Barrier Reef Marine Park Authority. That authority is critical. The Howard government is focusing on these critical issues through the Great Barrier Reef World Heritage area with things such as looking at the water quality and coastal developments, fisheries management, tourism and conservation of biodiversities.

Since 1996, the government has published the Great Barrier Reef catchment water quality action plan. It has introduced regulations for the management of agriculture effluent. It has strengthened protection of the marine park. It has negotiated management arrangements of the Queensland east coast trawl plan. It has increased the marine park, as I said earlier, by 4,800 square kilometres. It has established the world’s first chain of dugong protection areas in the Great Barrier Reef. It has worked with the Queensland government to amend legislation relating to the use of mesh nets in dugong protection areas to further reduce the threats to the dugongs. There have been a lot of other things—for instance, an enhanced surveillance and enforcement program leading to a significant increase in prosecutions for illegal activities in high conservation areas.

Debate interrupted.

Sitting suspended from 6.00 p.m. to 7.30 p.m.

BUDGET

Statement and Documents

Debate resumed from 14 May, on motion by Senator Minchin:

That the Senate take note of the Budget statement and documents.

Senator CONROY (Victoria) (7.30 p.m.)—Tonight we want to do something different. The Australian people want to hear an alternative vision for the nation. We are offering one. As well as securing our nation’s borders, we have to secure our nation’s future. We want Australians to do what we did during the Second World War. Chifley and Curtin were able to win the war and plan for the future. Let us do it again. We want Australians to be confident. We want a budget based on hope, not a budget frightened of the future. We want a budget that looks at the future as an opportunity, not as a cost. We want modern Labor to be known for what we propose, not just what we oppose. Modern Labor’s goal is simple: a strong economy for a fair society. We want a modern Australia. That is why we are determined to modernise Labor: a modern Labor for a modern Australia, a party of ideas, a party that listens to the whole community, a party with a plan to strengthen the nation, a party that will relieve the pressures on working families and a party that is true to the Labor ideal of a fair go for everyone. The Australian spirit of looking after the battler is disappearing under this government; modern Labor will restore it and build opportunity for all.

Tonight I want to tell you about new ideas to strengthen the nation and make life better for hardworking families. Budgets are not just a balance sheet; budgets are about choices and how they impact on people. One choice governments have to make is about taxes. During the next parliament $6 billion per year will be raised in bracket creep. Labor wants to give some of it back through tax credits: Labor’s tax cut for working families. Tax credits will take into account things like total family income and children when determining the amount of tax families pay. It is a tax cut tailored to the needs of each family. It is a tax cut that rewards work. Labor’s policy means working families with children
will pay less tax, boosting their take-home pay.

Australian families work hard. They deserve every cent they earn. Collapses like One.Tel, HIH and Ansett have brought home to everyone the need to protect employee entitlements. Australians get angry when we see company executives awarded multimillion dollar bonuses just before their company goes broke, robbing their employees of their accumulated sick leave, long service leave and holiday pay. That is why Labor will guarantee every last cent of your entitlements through an insurance scheme that will cost large companies only 0.1 per cent of payroll, and under Labor’s plan small businesses will not have to pay. The government’s plan only protects eight weeks of redundancy pay and lets rogue employers get away scot-free. It punishes loyal employees the most. Only Labor will protect all of your entitlements.

Labor has a plan to lift the burden of BAS red tape on small businesses. We will replace the current complex procedures with one simple calculation based on your turnover. This will leave more time running the business or the farm, more time with the family.

For families to get ahead these days they usually need two incomes to help them buy a house, pay off a mortgage and give the kids a decent education. Women especially must cope with the joint demands of work and family. Paid maternity leave, together with greater flexibility at work for mums and dads, will make it easier for families to keep those two incomes for as long as possible. That is why Labor will introduce paid maternity leave. We cannot understand why this government will not—and Labor will make sure that small business does not bear the cost.

Australians worry about whether their children are safe. Earlier this year, following national controversy concerning the mishandling of child abuse allegations by the Governor-General, Peter Hollingworth, we promised to do something to address the problems of the victims of child sexual abuse in a lasting way. That is why we have a plan to make sure that our children are safer when they are under the care of others. We will insist on a national voice to help protect children and young people and advise government on their needs, and we will insist on checks on everyone who works with kids to ensure their good character.

Madam President, as part of his budget the Treasurer has released his so-called Intergenerational Report. It painted a bleak picture of what would happen in 40 years time if the Treasurer’s policies continue: lower economic growth, lower employment growth and lower productivity. The Treasurer’s only answer as our population ages in the future is to cut health and aged care today. That is not a plan for the future. It is an excuse to destroy Medicare. It is a trick to end access to affordable medicines. It is a gimmick to make the Treasurer look like he is a visionary. Some vision!

Labor has a better vision for the future of our nation. It starts with raising productivity. We want a more productive work force to create more wealth so we can look after our parents and grandparents. Lifting productivity is a Labor goal. It is good for growth and secures jobs and industries into the future. We must invest in the good ideas of our people because that is the path to wealth and opportunity. We must boost the education of all our children. That means better schools, better universities, better TAFE colleges and more apprenticeships. The Treasurer’s budget rejected this productivity and education road to our future. The Treasurer wants to pay for the future by slugging Australians today. We want to meet the challenges of the future by investing today.

A vision for the future must also include a comprehensive population policy that sets targets so that we will have a work force capable of supporting the aged and a population policy that provides a viable future for South Australia, Tasmania and regional Australia and that takes the population pressure off Sydney.

We believe in building a sustainable future by tackling long-term environmental problems like salinity and climate change. All Australians deserve to live in a healthy environment, with clean air, clean water, safe food, healthy wildlife and plenty of green space for our children to play in. We will
achieve this by halting land clearing and combating salinity; tackling climate change by ratifying the Kyoto protocol and reducing greenhouse gas emissions; protecting Australia’s unique wildlife and World Heritage areas like Kakadu, the Great Barrier Reef and the Tasmanian wilderness; and leading the world in environmental goods and services. With vision and leadership, Australians do not have to choose between a clean environment and a strong economy: we can have both.

Another challenge facing Australia is how to make sure that everyone has enough money to retire on. The answer is superannuation. Before Labor spread superannuation through the community, only the well-off enjoyed the luxury of a comfortable retirement and the ability to do things like travel and pursue new interests. People should remember that the Treasurer fought to stop everyone getting access to superannuation. The budget contained what the Treasurer claimed was a plan to boost incentives to investment in superannuation. In truth, it is a plan to benefit the very well-off, whilst leaving middle Australia with nothing. His proposal is to reduce the high-income superannuation tax surcharge for the richest three per cent of Australians.

Labor has a better plan. Instead of a superannuation tax cut for the richest three per cent, we want to give everyone a superannuation tax cut. At the moment, the government imposes a 15 per cent tax on contributions made to superannuation funds. This reduces your retirement income. We think a superannuation tax cut should go to reduce this burden on everyone, not just the top three per cent. How can it be fair for the Treasurer to vote himself tens of thousands of dollars when he retires when an average wage earner will receive nothing from this proposal? Labor will vote against it.

Our alternative propositions for the use of this money are these: we can redirect the money earmarked for the few into cutting the superannuation tax for all Australians from the present 15 per cent to 13 per cent; or we can cut the tax to 11.5 per cent for people over 40 years of age, the age when most people start getting serious about planning for their retirement. This last option would mean a cut of more than 25 per cent in superannuation contributions tax. It would add many thousands of dollars to everyone’s retirement income, whilst still being economically responsible. It would be a powerful incentive for Australians to invest in their own future, helping us to cope with our future needs. It is a fairer alternative.

We have concentrated tonight on the positive approach that the new-look Labor Party will bring into politics. Until we are the government, though, part of our job is to stop things we think are not in Australia’s interests. Tuesday’s budget is cruel and unfair. It is a budget that gives us a deficit when the Treasurer guaranteed it would not. It is a budget that will push up interest rates and hurt ordinary families, it is a budget that will hurt the poor, the sick and the elderly, it is a budget that will not reduce unemployment and it is a budget that fails to plan for future generations. It did not have to be this way.

Elections are about trust. The Australian people trusted the Treasurer when he guaranteed that he would deliver a surplus, they trusted him when he guaranteed no new taxes to pay for the war on terror and they trusted him when he guaranteed that no-one would lose their benefits. In Tuesday’s budget he betrayed your trust. Now we know that the budget is $3 billion in deficit—one story before the election and another story afterwards. Labor supports the war on terrorism and protecting our borders. We honour the men and women of the Australian Defence Force who are providing outstanding service, but we do not believe that securing our borders should make us feel insecure at home.

This budget is not in deficit because of border protection or the war on terror. This year’s deficit is $3 billion. The total new defence spending on the war on terrorism, border protection and domestic security is just $400 million this year. Tuesday’s budget is in deficit because of the Treasurer’s poor economic management. In the lead-up to the last election, the government spent $20 billion of your money, jettisoning the surpluses for the next five years to try to win the election. And it is in deficit because the Treas-
urer gambled on currency swaps and lost $5 billion of your money. Now he wants you to pay his gambling debt. During the election campaign, the government claimed a $200 million deficit would push up interest rates. If $200 million puts pressure on interest rates, how much pressure does $3 billion put on them? Interest rates rose last week, one week before the budget, and now we know why. Economists warn that more rises are on the way. It is the highest taxing, highest spending government ever.

This is the highest taxing government in Australia’s history. Revenues have surged. Last year, each man, woman and child in Australia paid $800 more in tax than they did before the introduction of the GST. This week’s budget increased that burden further. But the Treasurer is still in deficit and still fiddles the books. His economic policy is all smirk and mirrors. Some in this place will remember the Treasurer once using his budget speech to say that the budget was ‘back in the black; back on track’. Well, Madam President, there I was on Tuesday night listening and waiting for him to mention the biggest news story of this budget, maybe with a similar flourish. Let me say it for him: ‘You’re in the red; you’ve lost your cred.’

It is a great Australian tradition that, in times of military conflict, we all pull together, that everyone bears the burden. It is the principle of shared sacrifice. But that is not how things work under this Treasurer. The old, the sick and the poor will shoulder the burden while the well-off get a big superannuation tax cut. The government promised to keep a 10 per cent GST off medicine, and yet now it effectively puts a triple GST on it. If the Treasurer gets his way, families will pay $28.60 for each prescription, an increase of $6.20 per script—up by 30 per cent. And pensioners and cardholders will pay $4.60 per prescription—up by 30 per cent. We know one million pensioners and concession cardholders will pay the maximum of $52 extra per year, and 300,000 Australians belong to families who will pay the maximum $190 extra. In some cases that will mean food off the table. These are real people. They are members of our families and our neighbours, and they cannot afford it. We will vote against these unfair measures in the Senate.

The Treasurer is also going to shift the goalposts for what it means to have a disability. Disabled people, even those with severe disabilities who are assessed as being able to work more than 15 hours per week, are going to be kicked off the disability pension and onto unemployment benefits. Take two hardworking Australians, David and Tannia Smith. David suffers from spina bifida and Tannia is a virtual quadriplegic. Both are in wheelchairs. On Tuesday they said, ‘We love working; we’re proud to be making a contribution as taxpayers in society.’ But this Treasurer is going to take up to $52 per fortnight out of their pockets when they have done nothing wrong except try to get ahead. He will tax them 80c for every dollar they earn. There is no incentive in that. We should reward people for working, not punish them. The Treasurer should examine his values. They are the wrong values. The Treasurer says he needs to cut David and Tannia’s pension to pay for the war on terrorism and border protection. The Treasurer should be defending these fine Australians, not attacking them. What he is really doing is using the war on terrorism to cover up for his budget deficit. They are not reforms, Treasurer; they are cuts.

The government’s own adviser on welfare reform has rejected the Treasurer’s proposals. This government’s welfare reform agenda was born in fanfare, promoted at the election and killed in the budget. Labor supports real reform of the Pharmaceutical Benefits Scheme and the disability support pension. And because we are economically responsible, we know the money has to come from somewhere. We support tightening the administration of the Pharmaceutical Benefits Scheme with measures that prevent misuse, fraud and control costs.

The budget papers say that such measures announced by the government will save $800 million over four years. Subject to the fine print, Labor will support these measures. In fact, we proposed many of them ourselves at the last election. At the same time, the Prime Minister was adding further pressures to the
scheme by widening access. He claimed then
that the scheme was sustainable; now he says
it is not. But at the last election Labor prom-
ised more.

Labor will also support tighter adminis-
trative controls on the Pharmaceutical Bene-
fits Scheme—measures such as increased
focus on the cost and prescribing patterns of
new drugs in their first year on the PBS; the
inclusion of the full cost of the medicine on
the label so that consumers are aware of that
cost; tighter controls on direct to consumer
advertising; and greater scrutiny of industry
marketing. It is an important list of options,
and I will be seeking leave to table it. I invite
the Treasurer to take up these constructive
suggestions. In the 48 hours since the budget
has been handed down, we have not been
able to cost them. My challenge to the
Treasurer is to get them costed before the
parliament returns in two weeks time. I know
they will save money; I want to know how
much.

Labor will also take a constructive ap-
proach to reform of the disability support
pension. The measures the government has
proposed do not yield any savings until next
year’s budget. That means we have time to
get this aspect of welfare reform done prop-
erly. Labor is developing proposals that will
genuinely help people move from welfare to
work, not simply dump them on the unem-
ployment scrap heap. My suggestion to the
government is to freeze the measures they
have proposed and work with us to develop
new policies to reform disability support,
based on our suggestions and the McClure
report. The government’s existing measures
are unfair to Australians with disabilities and
we will vote against them in the Senate.

But we offer constructive proposals of our
own. The government has challenged Labor
to come up with alternative savings. In addition
to the above measures, I will also seek
leave to table tonight further measures we
had costed by Access Economics in the lead-
up to the last election that can provide fur-
ther savings. We have had only 48 hours to
examine this budget, and we do not have the
full resources of government behind us.

But we want to start tonight setting out
examples of this government’s waste and
mismanagement and wrong priorities, from
which savings could come. We will save
nearly half the cost of the increased cost of
medicines simply by cutting wasteful gov-
ernment advertising, travel and consultan-
cies. We will double the government’s big
business tax compliance measures to make
sure they pay the tax they owe. We will can-
cel some unjustified big business tax conces-
sions proposed in this very budget. We will
abolish the outrageous tax deductions to the
Liberal Party’s wealthy donors. And we will
stop people using the first home owner grant
to buy million dollar properties.

These measures collectively would enable
us to meet the government’s budget out-
comes without slugging the vulnerable. My
challenge to the Prime Minister is to take
these measures seriously, have our measures
costed by the Treasury and come back when
the parliament sits again in two weeks with a
fairer set of proposals. There is a better way.
We all support the war on terrorism, but La-
bor believes that everyone should pay their
fair share, not just the poor, the sick, the eld-
ery and Australian families.

Last night on the 7.30 Report the Prime
Minister told the Australian people six times
that he had ‘nothing further to add’. Well,
Prime Minister, if you have nothing further
to add, it is time to go. Tuesday’s budget is
unfair and offers no future. It does not have
to be that way. It can be made fairer through
the proposals I have outlined tonight, and our
future can be strengthened. Australia needs a
new direction, a modern direction. We need a
strong economy for a fair society. We need
modern Labor for a modern Australia. I seek
leave to table the documents referred to in
my speech.

Leave granted.

Senator STOTT DESPOJA (South Aus-
tralia—Leader of the Australian Democrats)
(8.02 p.m.)—As we respond tonight to the
2002 federal budget, we should acknowledge
its important historical context. Treasurer
Costello has the privilege of being at the
helm at a unique point in our history. Aus-
tralia is in the midst of a once in a generation
economic boom. We have had 10 good years
of economic growth. The Australian econ-
omy keeps defying the business cycle: stay-
ing buoyant when popular wisdom would have expected a slump. It has been resistant to world trends, continuing to grow as economies around the world are slipping into recession. We might not feel it now, but people in the future will look back on these as the economic boom times.

It is in this context that we come to the Treasurer’s shock deficit on Tuesday night—and it is a shock. The economy, we are told, is going gang busters, and we are in deficit—a deficit that is much bigger than the Treasurer would have us believe. The Treasurer keeps trying to point to the easily fudgeable cash balance, instead of the fiscal balance. He wants us to ignore what has previously been—his description—the preferred measure and the most accurate indicator of the government figures. The fiscal balance is a $3 billion deficit this year, and only scraping in a balance next year.

Mr Costello would have us believe that this deficit is all due to the tragic events of September 11, but the spending stemming from our contribution to the war on terror is only $330 million in the last financial year. It is about 10 per cent of the fiscal deficit, so what is the other 90 per cent? We are not paying for the war; we are paying for the coalition’s election pork-barrelling. We are paying for a government that has abandoned its commitment to its own performance benchmark: a balanced budget.

Government revenue is running at 38 per cent of GDP. This compares to 32 per cent of GDP when the government came into office. These numbers, when combined with the growth rates, mean that this government is spending in the order of $40 billion more per year than they were when they came to power. The government is not simply trying to cover up a pre-election spending spree; they are actually trying to justify a cruel, unnecessary attack on some of our most disadvantaged Australians. Last year, the government used ‘children overboard’ and those claims to railroad the election campaign; now, they are using border protection to highjack this budget.

The Treasurer wants people to believe that he has no choice in making these cuts. He says that these are difficult times. He argues that the defence and border protection costs have put strain on the budget, that his hands are tied and that he has no choice but to make these tough decisions. Yes, September 11 has been incredibly important in redefining the global political landscape. But it has not been important in defining this budget. It is only 10 per cent of the deficit. It is an influence—sure—but not a big influence.

The Treasurer’s constant refrain about the war on terrorism is a distraction, a ploy. It is a ploy to keep people away from the main game. The aspect of this ploy that we find most distasteful is that it is all about convincing Australians that they have no choices. This has been a long running theme with Mr Costello. In fact, over the last seven years, Mr Costello’s budgets have consistently pursued an ideological agenda. Yet, he will not stand up and own that agenda. He will not stand up and say, ‘I am making these cuts because I choose to.’ Instead, he keeps arguing that he has no choice and that his hand is being forced by circumstance. In the first term, it was the so-called Beazley black hole, conjured up by a manipulation of the growth rate estimates. Then it was the buffer against the Asian economic crisis—a spurious economic logic that was lucky not to have thrown the Australian economy into recession. Now, we have the war on terrorism.

We accept the Treasurer’s right to his ideological viewpoint. What we object to is him imposing that view on the rest of the country. We object to him implementing that view by stealth. We object to him telling the Australian public that they are powerless. We object to the stream of rhetoric aimed at convincing Australians that they have lost control over their communities and their future. Australians do have choices. This budget only reflects the Treasurer’s choices. He claims that he is reacting to short-term pressures, but he knows that he is actually carving out a long-term agenda—a long-term shift in the nature of Australian society. Over the last seven years, this government has consistently taken from the poor to fund welfare for the well-off. This government is reducing the superannuation surcharge for people on more than $85,000 per year. It in-
introduced the private health rebate, most of which goes to high income earners. It introduced the grants for first home buyers, which are not means tested.

It has paid for these handouts by slashing holes in the safety net. The latest example is the first child tax rebate. The government had a choice between the so-called baby bonus, where the more you earn the more you get, and a scheme for government funded maternity leave for all Australian women. It chose the tax rebate. The baby bonus delivers a fivefold greater return to higher income earners who stay at home compared to lower income earners, and it is biased against women who go back to work. Many women now cannot afford to stay at home for very long when they have a child. Their households are dependent upon their incomes, and a very small tax break—$500 for low income earners—is not going to make the difference.

By 2005-06, the government will be spending more than half a billion dollars each year on the baby bonus, which is more than it is proposing for the war on terrorism. The baby bonus is yet another scheme where the benefits flow disproportionately to the well-off.

Today, the Democrats introduced into the parliament historic legislation for a national system of paid maternity leave. It involves the government funded basic maternity payment, 14 weeks at the federal minimum basic wage, with the potential for negotiated contributions by employers and employees to top it up. We can fund this proposal; it will cost around $352 million per annum. It is well within the cost of the baby bonus in one year. So why has the government chosen another measure that is unfair, poorly targeted and offers so little to women and their families who really need it? It is bad policy, it is bad economics and it leaves us as still only one of two OECD nations that do not offer all its working women some paid time off when they have a child. How long must Australian women wait?

The baby bonus is just a minor example of slugging the poor to pay for benefits for the well-off compared to what this government is proposing in a raft of its budget measures, but namely in relation to the pharmaceutical benefits scheme where it is pushing up the cost of prescriptions. The government expects to make its savings through increasing the price of copayments. It is aiming to discourage people from filling their prescriptions. That is what this cut is based on. Who is going to stop getting their prescriptions filled because of a $1 increase in the concessional rate? Poorer Australians. Who is going to stop filling prescriptions because of a $6.20 rise in the non-concessional rate? Poorer families. The savings are going to come from impeding the use by poorer Australians of the PBS.

The Treasurer is saying to us, ‘Take your medicine now or it is going to be worse later.’ Well, Mr Treasurer, some people will not be able to afford their medicine now. The Prime Minister has abandoned his so-called Howard battlers and the man who would be Prime Minister, Peter Costello, has officially walked away from the Australian ethos of a fair go for all. This government is turning the poor, the sick and the disabled into Australia’s new class of forgotten people. The Howard government has deserted battlers. The Australian Democrats will defend them.

We will not support the government’s proposed changes to the Pharmaceutical Benefits Scheme nor the disability support pension. We welcome the fact that the Australian Labor Party has followed our lead. The Treasurer has boasted that he is taking the tough decisions, but in reality who is he picking on to fund the government’s deficit and the war on terrorism? He has unjustly targeted the most vulnerable in the Australian community. That is why the Australian Democrats describe Tuesday’s budget as a bully budget. You cannot pay for national security by reducing what little security the most disadvantaged in our society are desperately trying to hang onto.

The Treasurer went into this budget promising vision. Much fanfare was made about the long-awaited Intergenerational Report. Well, what a fizzer. Even the Treasurer abandoned it. He dismissed it with a few short paragraphs in his speech on budget night. That report began as a ploy for justifying the government’s strategy of redefining Australia’s safety net away from the needy, but the numbers did not substantiate that ar-
argument. In 40 years, Australia will be in much the same situation as Northern Europeans are now, and it is not going to be a dramatic transition. We are talking about spending an extra 0.2 per cent of GDP per annum. Government spending has already increased by double that amount since last year’s election. The government’s own figures demonstrate that there is no basis for Mr Costello’s agenda.

The Treasurer’s priorities are in stark contrast to the Australian Democrats’ view of what we should be doing with this once in a generation boom. We believe that at such a crucial time we have a responsibility to tackle the big issues confronting Australia over the next 25 years such as healing our social fabric, making bold inroads into the environmental crisis and investing in education. This is the vision that underpins the proposal that we put to the government yesterday. The government wants to pay for its electoral promises by slugging the poor, and we will not stand for that.

The Democrats consider that this is the moment to be healing our social fabric not tearing it apart. While the government is determined to abandon any notion of a fair go, we consider that this is the exact time we should be seeking to bring Australians together. The Democrats have offered the government a way of resolving a potential budget impasse in the Senate. We have a fairer, better policy alternative; one that will spread the cost for the war on terrorism more evenly across the community. The Democrats have put forward an alternative proposal for finding the required savings that does not hit the people who can least afford it.

We have proposed that this government find its savings by targeting its disastrous 30 per cent private health insurance rebate. Let us face it, this rebate has completely failed to meet its objective—the objective of increasing the coverage of private health insurance. We know that private health insurance coverage increased by less than three per cent in the first 18 months of the operation of the scheme. This comes at a cost four times the government’s $2.7 billion security package over the next five years. At a minimum, this rebate should be targeted; it should be means tested. The additional moneys raised would more than pay for the abolition of the increase in the PBS copayment and the cuts to the disability support pension.

There are other ways too that funds could be found. We have outlined these before and we are happy to discuss them with the government again. The government only has to look at its own Ralph review of taxation which recommended that trusts be taxed as companies, that the government tighten fringe benefits tax on company cars and that they reform negative gearing. The government could stem tax avoidance and employee share schemes. There is any number of options, but the government has chosen—and this is a deliberate choice—to slug the poor.

The Australian Democrats are committed to the provision of excellent public services and, of course, to the protection of our irreplaceable natural environment—and we are committed to raising the necessary revenue for that. We do not accept the Treasurer’s scare campaign that the only way to pay for services is to increase taxes. We do, however, need to collect our existing taxes more fairly. This is a clear test. It is a clear test for the Howard-Costello government. Do you believe in a fair go or don’t you? Will the richest or the poorest be asked to pay for your pre-election spending spree? Will you offer anything to people who are living in rural and regional communities? They are still suffering the wounds, the effects, of the last recession.

After 10 years of economic growth, we still cannot find enough jobs for the long-term unemployed. Long-term unemployment has hardly budged since this government got into office. Australia has rapidly growing ghettos of poverty in specific communities. In many households, there is intergenerational unemployment. So, for the sake of the next generation, we have to fix this now. It is a time to make ourselves strong for the future. That is what intergenerational equity is about; that is what the Intergenerational Report should have been about. There is nothing in this budget to create jobs or to give the unemployed any hope.
There are still eight people for every job vacancy, and this government has no intention of doing anything about it.

Setting ourselves up for the future also means tackling the challenges of our times. The big issues confronting the next generation are the environment and education. The government’s Intergenerational Report acknowledged the vital importance of addressing these issues. While those who wrote the report identified these as key issues, the Treasurer ignored them. It is extraordinary that neither education nor environment was even mentioned by the Treasurer in his budget speech. The budget claimed to have a long-term vision, but the speech did not even mention environment or education.

This is the time when we should address the big issues that we will confront in the next generation. This is the time to be bold and courageous and to have courageous and strong ideas to address the impending environmental challenges we face. There is a disaster on our horizon—not because people are getting older but because we are not investing in our young people and in our unique, fragile environment. How the next generation fares will depend on what we do now. In the government’s rush to protect us from the possible costs of an ageing population, it is threatening our land, its creatures, our rivers and our oceans. This government claims it is thinking about our long-term needs and trying to make Australia safe, but it has missed the biggest threat to Australia’s future. It is lost in its concrete jungle without a road map. Not only does it not know where it is going but also it does not seem to care.

Take climate change: we no longer have to imagine our greenhouse future. It has begun and we have a pretty good idea of where it will take us. The destruction of our environment will impact upon us all. Increased storm intensity will hit all our homes. We will all have to buy water as the amount of fresh water in Australia drops by 20 to 30 per cent. We will all be affected by increased food prices as Australian agriculture is disrupted by changing weather patterns. In the government’s budget, it actually cuts funds to the Australian Greenhouse Office by around $5.7 million. It makes no new financial commitments and produces no new greenhouse initiatives, despite the fact that there was a 17 per cent increase in our greenhouse gas emissions between 1990 and 1998.

Take land clearing: if we continue to clear-fell at rates among the highest in the world, the future of our land will be barren. There is no money in the budget to bring land clearing under control. We know that for a little more than $100 million—the amount given to Rio Tinto in this budget—we could stop land clearing in the state of Queensland, where 80 per cent of land clearing occurs. The government has not provided national leadership to stop land clearing. It will tell you that the $700 million in the National Action Plan for Salinity or the $1 billion in the Natural Heritage Trust will deal with land clearing. The NHT and the NAP put money into communities for community based solutions to community problems. The government knows what the real solution will cost. It knows because we have been telling it. The Democrats and environmental groups have told it.

The future of our seas looks no better. Take the Great Barrier Reef Marine Park. This is our largest World Heritage area and Australia’s most famous natural icon. The core funding for the Great Barrier Reef Marine Park Authority is $17 million. That is a cut of $2 million in core funding and amounts to about $50 a year per square kilometre to manage trawling, line fishing, recreational fishing, the billion dollar tourism industry, water quality problems from all the catchments that dump pollutants into the GBR, coastal developments, aquaculture, shipping, crown-of-thorns starfish and coral bleaching. Do we really believe that is enough money to deal with those issues? When this $17 million is compared with the recent $38 million subsidy for oil shale, the priorities for this government are all too clear.

Education is certainly not a priority for this government. Providing Australians with high-quality education is the most important investment we can make in our future social, cultural and economic prosperity. The Treasurer wants to look forward 40 years, appar-
ently. Where is the foresight for our universities, TAFEs and schools? There is no second step in this budget to follow up the modest initiatives in Backing Australia’s Ability. Education is a lifelong process and it is fundamental to nurturing tolerance, justice, openness to new experience, peaceful resolution of conflict and a sense of social and environmental responsibility. However, the budget does not even acknowledge the serious pressures on higher education. According to government data, staff-student ratios declined again in 2001. In September this year the new enterprise agreement round will commence. In this environment, maintaining a holding pattern is just irresponsible.

There was nothing in the budget for public schools, for TAFE, for vocational education. In fact, vocational education continues to be reduced to a shallow instrument of employment policy with an obsession with short-term training courses. We must rebalance our priorities. The government’s continuing efforts to shift costs to students and parents, to treat students as mere customers and to treat education as if it were only a cost are impoverished, mean and destructive motives.

Meeting the opportunities and the challenges of the future will depend on the creativity, ingenuity, initiative and ideas of all Australians. A vision of what is possible starts with understanding that education is an investment in people and their potential. This budget is not a good vision; it is an election strategy. Fleecing the poor to pay election bribes to the well-off may win elections, but think about the Australia it is going to deliver us. Think 40 years ahead when we have even greater pockets of endemic poverty than we have now. Think about the anger and the violence on the streets because of the resentment. Part of Australia’s cohesion and the sense of neighbourhood have come from our being an egalitarian nation. When we abandon our commitment to looking after everyone, we will cost ourselves a way of life.

Now we come to the war on terrorism. When the Treasurer was still talking about security 10 minutes into the budget speech on Tuesday night, I began to think, ‘Maybe he wants to be defence minister.’ The security and border protection expenditure sounds a lot if you aggregate the costs over five years, but it is still only one-quarter of the costs of the private health insurance rebate.

This government has taken three buckets of money—one small bucket and two very large buckets—and said that they are all because of the war on terrorism. The small bucket accounts for the war on terrorism. There is $194 million being spent on military commitments resulting from the September 11 attacks. We acknowledge this funding. It is vital that if we send troops into the field we resource them. Then there is the much bigger bucket: $1.3 billion for making Australia safer from terrorism. The Australian Democrats will look very closely at these expenditures, one by one, because if the government priorities are anything like their antiterrorism legislation Australians should be very afraid.

The focus on increased security is prudent, but it is vital that in protecting ourselves from terrorism we do not sacrifice everything that we are trying to protect. For example, consider the $48.3 million boost in funding for ASIO. Yes, $48 million to assist in the fight against terrorism would be welcome; $48 million to fund a secret police force to terrorise and spy on Australian citizens would be a disaster. As you know, Madam President, the Australian Democrats have led the charge against the government’s draconian legislation and will continue to do so. As with so many things in recent times, the Labor Party seems to be coming around to our point of view.

Then we come to the third bucket of money: security money. This is to prevent asylum seekers from accessing our shores. This bucket does not belong with defence spending; it belongs with our social policy discussions. The Howard-Costello government are trying to convince Australians that the most pressing problem facing Australia at the current time is the trickle of women and children in leaky boats. They act as if our problems are not long-term unemployment or environmental degradation or poverty or suicide but a few thousand terrified...
people asking for our help. The Australian Democrats are appalled that this is how the Howard government will squander our economic boom. Not only are they not investing in our future but they are actively undermining it. They are attacking Australia’s social fabric. They are propagating the myth that refugees are Australia’s biggest threat. They have replaced hope with fear.

This is a vital time in Australia’s history. We have a once-in-a-generation opportunity. When the Howard government squander this opportunity, it is not just a cost for now. They will cost us the opportunity to set ourselves up for at least 25 years from now. The Treasurer’s attempt at vision proved that he had none. This is the time when we should be healing our social fabric and tackling the big challenges of our age, making bold inroads into our environmental crises and equipping ourselves for a rapidly evolving world.

I will finish by acknowledging the positive measures in the budget that the Democrats welcome. Some of them we have initiated. These include the government’s increased benefits for the aged, for some veterans and for most war widows. The Australian Democrats welcome—indeed, we support—the introduction of guaranteed minimum levels of service in the Job Network. Additional funding for emergency management to respond to radiological, chemical and biological incidents is, again, important. We acknowledge greater funding for e-security, which recognises the increasing need for a safe and secure electronic operating environment for both the private and the public sectors. We welcome the increased capacity for the Health Insurance Commission to identify doctor shopping for inappropriate medicines and fraudulent PBS practices by pharmacies. There are funds to improve patient access to radiation oncology services in regional and rural areas and extra grants to drug treatment organisations. We do recognise that the government has honoured its funding commitments announced in Backing Australia’s Ability and that it has made a modest investment in additional training places for ICT and emerging technologies.

Overall there are not a lot of positive measures. Not only is that disappointing but it is a little surprising. This is the highest taxing, highest spending government in our history, but they want us to believe that they cannot invest in more education or protection of the environment. These are economic boom times, yet the government say they cannot afford to take care of the sick and the poor. In fact, they are actively targeting them.

If this budget cannot bring a more secure future for the most vulnerable Australians, then this budget does not have a secure future. The Australian Democrats want to give Australians a secure future. Let us give Australians a strong future. Let us make this budget better. That is the role of the Senate and it is the role of the Australian Democrats. It is a challenge we readily accept.

Senator HARRIS (Queensland) (8.28 p.m.)—I rise in reply to the Treasurer’s budget and start out by saying that this is undoubtedly one of the most callous budgets that Australia has ever seen. The government is savaging basic services and butchering funding for pharmaceuticals while telling us that the economy is surging ahead. The government gloats about how low interest rates are but wants to empty the pockets of people with disabilities and sell off public assets.

The reality of the Australian economic situation is that the government is looking at the economic situation through its rose-coloured glasses. The Treasurer’s $1.2 billion deficit is testament to this. It may be a war deficit, but it shows that Australia is not in a good position to absorb unexpected financial shocks such as the requirements for increased defence spending.

An examination of the key economic growth components indicates that the unexpected rise in Australia’s financial situation has resulted from factors that will not last forever: the real estate boom, low mortgage rates and the stimulation from the first home owner grant. It will not take a very big hiccup for financial hardship to set in; cracks in the facade are already appearing. Credit debt has tripled in the last decade. Household debt reached 111.7 per cent of average household income in December, more than doubling in
10 years. We have witnessed tumultuous business collapses, such as Ansett, HIH and One.Tel, and News Corp has just posted the largest loss in Australia’s corporate history—$7.7 billion for the third quarter—but the economy is booming.

In rural Australia, in Queensland, my home base, rural producers are being obliterated in droves: tobacco, dairy, sugarcane, grapes, bananas, pineapples, to name a few. Since the release of the budget I have taken hundreds of phone calls from farmers who sum up the government’s budget in one line: ‘There is nothing in it for us.’ A frustrated representative of tobacco farmers put it succinctly: ‘What they are talking about is money on roads. If we have not got any money, how are we going to travel on the roads? This is the worst government we have had to deal with; we are fed up with them.’ Our farmers are being reduced to the status of peasants and the government is doing nothing.

Australian Dairy Corporation statistics show that 1,000 dairy farmers have gone bust since deregulation. At least one farmer a day is buckling due to the blind stupidity of economic rationalism. This is nothing short of a disaster. The Australian Milk Producers Association estimates that, since deregulation, almost $4 billion has been wiped off the value of farmers’ assets, while dairy communities are more than $2 billion worse off. It is not only a catastrophe for the farmer but for entire rural communities and all of Australia. Farmers are the lifeblood of local shops, schools, communities and organisations such as the SES and the fire brigade. They are our lifelines to food sufficiency and food free from genetic manipulation. Rural Australia is being turned from a growth belt into a rust belt.

A few years ago tobacco farmers were told to capitalise and become more efficient. This was supposed to boost their exports and help defy our competitors. Young farmers—about 90 per cent of them are in their 40s with young families—went into debt to the tune of around $220,000 each. Now the tobacco multinationals have slashed their purchases from Queensland. One hundred and fifty farmers are in their death throes. Farmers and farm workers are about to shuffle onto the dole queue. These people have young children to raise and educate, and no income as of next year. The government is ignoring them.

Then there is the sugar industry. The current world price for sugar per tonne has plummeted to a price at which cane growers cannot recoup their costs. In the short term there must be a focus on survival, with assistance to provide a transition to productivity improvements and diversification. One Nation supports the Canegrowers association, which calls for the removal of parity pricing on domestic sales of sugar, the adoption of a levy on all sugar sold domestically and the reintroduction of an assistance package similar to that offered previously by the federal government. Farmers are doing all they can to increase productivity at all levels of the sugar value chain. With irrigation, for example, the Atherton Tablelands in Queensland has led the state in the adoption of rural water use efficiency initiatives, with growers investing approximately $3 million and a state government incentive of approximately $0.45 million. This is invested in the latest technology, low-pressure overhead water application systems.

The sugar industry needs to diversify its product range so that it is no longer solely dependent on the vagaries of a distorted world sugar price. The industry needs funding for the establishment of an ethanol industry and the development of biodegradable plastics, high-grade proteins and pharmaceuticals. Support from the federal government would be useful, as would mandating the use of ethanol. This would breathe new life into many regional sugar and grain based communities. Unfortunately it seems that large oil companies have the ear and support of government.

The Bundaberg and District Winegrowers Association have expressed their grave concern at our government’s proposal to allow the import of fresh table grapes from California. The major concern is the possibility of the introduction of foreign diseases into our country. These diseases have the potential not only to decimate our table grape industry but to be disastrous to our wine in-
dustry. This would almost certainly result in a huge loss of revenue to our economy. Once introduced into our country, Pierce’s disease will be just as destructive to grapes as phylloxera. Pierce’s disease has reached epidemic proportions in California and at present there is no cure for it. Pierce’s disease is a huge problem for the wine and table grapes industry in the USA and it would be a tragedy if it were brought here. Another concern about the importation of grapes from California is that the grapes, on arrival in Australia, would be fumigated with methyl bromide gas, a process being phased out by the United States in accordance with the Montreal protocol. The importation of fresh grapes into Australia would be to the detriment of our local industry, would put at risk its viability and would have the potential to decimate the environment.

Throwing people off the disability support pension and onto the dole is one of the most vile attempts at economic rationalism. This ruthless, cutthroat tragedy will see people lose $1,352 per year—that is the difference between the dole and the pension. The dole, by the way, is now $184 per week. I challenge the Treasurer and the Prime Minister to exist on $184 per week. They should go and see what it is like to pay rent; buy food, clothes and petrol; and pay bills on this paltry sum. This is the sum that thousands of our farmers, small business owners and manufacturing workers will get as business crumbles. The government says that we are enjoying a good economy, but I can tell you that the people they are purporting to represent are not enjoying it very much.

Organisations such as the Cerebral Palsy League who support people with severe and profound disabilities are finding it hard to provide services to their clients as budgets tighten. Educators are feeling the pinch of the staff and research cutbacks. Australian companies like Pacific Magnesium Corporation Ltd cannot get R&D assistance. Mitsubishi gets a $35 million handout while our low-volume importers, the people who import used cars, are being covertly shut down. Around 300 jobs in this industry—that is, the low-volume importers—will go due to the adverse effects of the Motor Vehicle Standards Amendment Bill 2001.

Every step forward in social equity that has been painfully achieved over the last few hundred years is being rolled back. The government is trampling all over the little Aussie battler. It has a drive for an economic efficiency which has now reached the welfare state. The drive to eliminate welfare is being propelled by the International Monetary Fund. Here is what the IMF executive board said to Australia in October 1998:

On social welfare reform Directors stressed that, while it is necessary to maintain an adequate social safety net, it was also important to limit the duration of unemployment benefits to encourage employment search, and to scale back on other social welfare benefits that discourage labour force participation.

Is this yet another example of a supranational organisation dictating domestic policy? Does the government intend to time limit unemployment benefits?

I want to go on to imports and to an example of an Australian who used to work at a light globe company. This company, ELMA, was recently shut down because it could not compete with cheap light globes being imported from Indonesia. Around 250 people lost their jobs and the company’s equipment was sold to—guess where?—Indonesia. And now the woman is on the dole. She wonders what hope she has of getting another job when her alarm clock is made in China, her sheets and towels are from India, her venetian blinds are imported from Indonesia, her clothes and shoes are made in China, her hairbrush is from the Philippines, the water she pays for is owned by a French water multinational corporation, her breakfast plate and cup are made in Mexico, the orange juice is made from imported Californian juices, the bacon is from Malaysia, the coffee is from New Guinea, the cheese is from New Zealand, the salmon is from Thailand, the fridge comes from Portugal and the toaster was made in Hungary. It was dole day today but there is not much left in a wallet that was made in Spain after she has paid all the bills.

The US is heavily subsidising its farmers via the Farm Bill, and rightly so. Our farmers and manufacturers must be protected from
imports. The end result of the government's great economic experiment is unknown. Export growth is a nonsense: total exports for 2000-01 were $1.52 billion and total imports were $1.5 billion. In other words, we were just sitting on the fence. We only just exported more than we imported. Here is a specific example from manufacturing: in 2001-02 we exported $3.76 billion and imported $9.82 billion worth of manufactured goods. Doesn't that tell you something about Australia's manufacturing industry and the impact of tariff removals? We are no better off. It is time to pull the plug on this ridiculous race to the bottom.

I would like to quote briefly from a letter from the Mareeba District Fruit and Vegetable Growers Association Inc. to Senator Cherry when Senator Cherry was participating in one of the Senate committee inquiries. The letter is headed, ‘Supermarket dominance—a farmer’s perspective’, and it says:

There has been much discussion on the relative power wielded by the major supermarket chains throughout the world. In Australia we are steadily moving towards a similar situation whereby a very small number of major companies dominate the retail sector.

The growers say in the letter that there have been moves towards food standards and QA programs and it is another cost farmers are unable to pass on. They continue:

Our organisation believes that smaller operators have an important role in maintaining a wide diversity of products and services, and for maintaining a wide diversity of suppliers. Experiences in many regional economies have been that concentration of ownership of retail (food, for example) leads to a reduction in the amount of product sourced locally, as the bigger retailers move to centralise suppliers to maximise economies of scale. The impact of increasing firm sizes thus needs to be assessed not only in terms of price reduction and scale economies, but also on the extent of displacement of our farmers and their employees.

Our organisation also believes that the role of smaller operators and central markets as price moderators is underestimated and that there is a grave lack of data in this area. Larger chains are known to have engaged in aggressive unfair dealing with our members by undercutting on price, leveraging market power to charge prices below even wholesale levels and internally cross-subsidising to survive.

They go on to say:

Many of our members explained that it was not unusual that a request for a written supply contract resulted in a threat by major chain representatives to source a product elsewhere. This is unacceptable and only more players, preferably independents, in the marketplace will give our growers more business security and consumers more choice.

They go on:

One of the most disturbing aspects of the chains domination was expressed to me by a local mango farmer who suggests the following:

'Forget the chains dominating the retail sector, what happens when Coles decides to purchase a newly developed variety of mango or avocado? We can then expect them to license farmers to grow the product, which over time could lead to existing farmers lines not being accepted by them. It will be a black day when the retailers dictate what varieties will be grown and by whom. With plant breeders rights a major wholesaler in conjunction with a Coles or Woolworths could control an entire industry sector like mangoes.'

………

The horror stories my farmers have related regarding the chains regular changes in specification requirements, rejection of product, the inability to get supply agreements and above all else the price averaging system they use to determine the price paid to the farmer on any particular day, is of great concern.

They conclude with:

The current agent based marketing system which creates a barrier between the farmer and the ultimate consumer is being embraced by the chains as it protects them from having to pay consistent prices for produce.

The paper on agriculture delivered by the Minister for Agriculture, Fisheries and Forestry is entitled Growing stronger—agriculture, fisheries and forestry. This title is an outright untruth. There is nothing in this budget to support or encourage agriculture in Australia. For instance, most of the supposed initiatives for increased customs surveillance are only putting back moneys stripped from Australia’s customs services in the early budgets of this government and other governments. Other initiatives announced, such as the $102.4 million National Food Industry
Strategy, are repeats of earlier announcements and will not assist farmers on the ground in any significant way at all.

The Treasurer’s budget speech was dominated by sabre rattling references to border protection, antiterrorist campaigns and national security. I recommend to the Treasurer that following the lead of his ‘general’ in America by supporting and encouraging Australian farmers would be a very real contribution to national security in this country. In January this year the President of the USA, George W. Bush, announced to the world that self-sufficiency in food is a national security issue. He said:

One of the things about America is that we are self-sufficient in food. It’s a national security interest to be self-sufficient in food. It’s a luxury that you have always taken for granted here in this country.

In 1999-2000 Australia imported $3.96 billion worth of food, an increase of 36 per cent since 1996. In the same period, food exports increased by a modest 10 per cent. Those figures are from the ABS International Merchandise Trade publication. In the same year, thousands of farmers and their families left the land. This begged the question: are we also taking the luxury of being self-sufficient in food for granted? From these figures it would seem so.

Last week the same President George Bush signed into law an increase in support for his farmers of more than 70 per cent per annum. About $US4 billion of this will be as conservation payments to farmers. Despite the huffing and puffing by the National Party in Australia, with threats to take the USA to the World Trade Organisation, there is nothing we can do about this farm bill. The WTO rules specifically allow exemptions for domestic support for agriculture. The Americans and the Europeans are not running a subsidy policy, they are running a social policy. Unlike Australian governments, they do not want all of their people living in the cities. Surely this strategy is integral to any discussion of national security. How long will it be before the Australian government reads the writing on the wall and begins to support our farmers instead of continuing to send Australian family farmers to the wall?

Sydney airport is up for grabs. The rest of Telstra will be flogged off. What is left for the future? I put it to you that this government plan to sell off anything that is not nailed down. They are committed to an economic agenda that requires the fire sale of Australia, lock, stock and barrel. They do not care because they simply will not be providing social services in the future. It will be done by the corporate sector—witness what has happened to Employment National, which was once the Commonwealth Employment Service.

There is another agenda that the government is keeping low key. That is a general agreement on trade in services, GATS. First and foremost, it is an instrument for the benefit of business, a treaty currently in effect designed to gradually whittle away Australia’s service industries, broadly defined as everything from health and aged care to education. By 30 June 2002, countries must submit requests for service sectors that they would like other countries to include under GATS. The European Commission wants the removal of the national interest test. It wants Australia Post open to competition and more access to our water services. What other requests have been made? GATS negotiations and requests for market access must be clearly laid out. A serious and informed debate must take place.

While on the subject of GATS, I want to raise the government’s Intergenerational Report. The two issues are linked. Future economic growth opportunities are going to be the greatest in an ageing society. There will be a shift of resources into sectors that serve the aged, such as health care and leisure, the very services that GATS cover. If the GATS enables liberalised health and aged care services, this will lower the fiscal exposure of the government to the ageing population, absolving government of its social responsibilities. GATS is a treaty to benefit multinational companies. Our service sector will end up just like our supermarket sector.

During the last decade, the large players have grown to a point where Woolworths’s share of industry turnover was 41.2 per cent in 2001 and Coles’s share was 31 per cent. These two companies therefore control over
70c in every dollar spent in this industry. The rise of one-stop shopping and the looming threat of Sunday trading will be the nail in the coffin of the local mum and dad operated stores, our small businesses. I am not just referring to supermarkets; I am referring to hardwares, nurseries, newagents, petrol stations, hairdressers, butchers, fruit and vegetable stores. Liquor retailers, health food stores and others are feeling the pinch. They cannot compete with the size of Coles and Woolworths and the massive buying strength and alliance of the multinationals ensconced in the shopping plazas.

Where is the helping hand for small business in this hour of need? The Australian Small Business Association has already criticised the government’s forecast of a 12 per cent increase in business investment this next year. The figure is grossly overstated and unrealistic. ASBA said on ABC radio that many thousands of small businesses have no money in the bank. They are living on a day-to-day basis to make their profit and to be able to pay their day-to-day expenses. Have the government consulted with any of the key stakeholders in the economy at all or are they only interested in the top end of town?

I now turn to border security. The increase in the Defence budget is welcome and is long overdue. Successive governments have allowed Defence to wind down, neglecting it to a point where only a massive financial injection can bring it up to par. Among the proposals to help fight the war on terror is a plan to use biometric facial recognition for passports. This technology can pick you out of a crowd as you walk down the main street. I recently distributed a media release on the offensive privacy implications of this technology currently being developed by CSIRO. I call for a Senate inquiry into the use of this technology. Does the government intend biometrics for any other applications? While all of the antiterrorism bills smack of the police state, the Proceedings of Crime Bill 2002 will be seeing a turnabout of the common law principle of innocent until proven guilty. A person’s assets can be forfeited on the balance of probabilities, on a mere suspicion. This government seems to have a special penchant for odious legislation which reverses the onus of proof and common law principles. I note the tabling of the report on the International Criminal Court and the fact that there is a draft exposure bill which would see us ratify the Rome convention. This is yet another instrument to undermine Australian sovereignty. One Nation stands steadfast against any threat to Australian sovereignty and will not agree to the undermining of our national self-determination by international organisations.

I will conclude with this brief statement. Globalisation may be making the world one, but that world is collapsing. Hundreds of thousands of our constituents, from the men on the land to the women on the assembly line, fear for their existence due to free trade and the drive for economic efficiency. Australia has a wealth of resources, enough to be prosperous and self-sufficient. That we are not is an indictment of this parliament and an affront to the people that we represent.

Debate (on motion by Senator Abetz) adjourned.

COMMITTEES

Legal and Constitutional Legislation Committee

Extension of Time

Senator FERRIS (South Australia) (8.58 p.m.)—by leave—At the request of the Chair of the Legal and Constitutional Legislation Committee, Senator Payne, I move:

That the time for the presentation of the report of the Legal and Constitutional Legislation Committee on the provisions of the Australian Security Intelligence Organisation Legislation Amendment (Terrorism) Bill 2002 be extended to 18 June 2002.

Question agreed to.

ADJOURNMENT

Senator ABETZ (Tasmania—Special Minister of State) (8.59 p.m.)—I move:

That the Senate do now adjourn.

Campbell, Mr Alec

The PRESIDENT (8.59 p.m.)—It is with deep regret that I advise the Senate of the death this evening in Hobart of Mr Alec Campbell, Australia’s last surviving Gallipoli veteran. Mr Campbell was aged 103 years. After a short illness, Mr Campbell died this
evening with his wife by his side. He enlisted in the Army as a 16-year-old. He served with the 15th Battalion of the AIF for six months before the evacuation of Gallipoli in December 1915. He then returned to Egypt, where he was discharged from the Army as medically unfit at the age of 18. After being discharged, Mr Campbell led a varied career, working as a jackaroo, carpenter, carriage builder and economist. Mr Campbell was the first recipient of the Centenary Medal, an honour he received only in the last few weeks. He also proudly participated in the Anzac Day march in Hobart on 25 April this year. He is survived by his wife, Mrs Kathleen Campbell, to whom, on behalf of the Senate, I convey our condolences.

**BresaGen Ltd**

Senator FERRIS (South Australia) (9.00 p.m.)—Last night in this place Senator Boswell challenged the involvement of some Australian biotechnology companies in the stem cell field on the basis that they may eventually be commercially successful. I know that Senator Boswell agrees that business is about being commercially successful and that in the past in this place Senator Boswell has commended business successes. The previous South Australian Liberal government demonstrated its support for a business of this sort in the biotechnology industry in South Australia by providing finance for the Adelaide based company BresaGen for a new $8.9 million facility through a 10-year deferred purchase agreement which will be repaid. This funding is primarily to pay for construction of a production facility for their successful protein pharmaceutical manufacturing business. The building will also serve as the company’s corporate headquarters and for some of its research laboratories. The biotechnology industry relies on investors willing to take a long-term view; they are looking for capital growth. That is how companies work. BresaGen is a publicly listed company with the usual and proper public disclosure responsibilities. It operates in the protein pharmaceutical, stem cell and animal reproductive technology fields. BresaGen Ltd operates in full transparency and its achievements are regularly reported by continuous disclosure to the Australian Stock Exchange, by presentation at scientific meetings and through publication in peer reviewed journals. The company has impressive intellectual property and a large number of associated patents in the stem cell field. This is the result of its extensive support for research work over a number of years. That is what biotechnology companies do to advance science and their commercial interests. There is nothing underhand or sinister about BresaGen and it has no hidden agenda.

As the Senate knows, the area of stem cell research is in its early stages. As Senator Boswell quite rightly said last night, Australia is in a leading position through the efforts of BresaGen and other important corporate players. There is no doubt that this area of research will require further funding from a number of sources, including government support in the form of grants and subsidies, to be able to continue its research work. There is nothing secretive about this. It is normal business practice to seek financial support and, when successful, to receive a range of funding, including from government for fledgling industries.

There has been and will continue to be debate on the issue of embryonic stem cell research. Some of it, however, is regrettably misconceived. During a visit to the laboratories of BresaGen in Adelaide I was assured that the embryos BresaGen has used are those that are produced in the IVF process. They are judged incapable of implantation and are therefore considered non-viable. They would have been, and are, routinely discarded. All materials used in this way have prior, proper, informed consent. BresaGen has repeatedly said publicly that it is not involved in any work which could lead to cloning humans and strongly supports all bans on such totally unacceptable practices. However, the company’s research director told me that BresaGen is interested in using stem cell research to find treatments and hopefully cures for debilitating illnesses such as Parkinson’s disease, spinal cord injury, stroke and diabetes. These are diseases that strike at any Australian family—and far too many of them—and for which improved treatment is a very high priority. With the
appropriate guidelines and a sensitive and commonsense approach to this important subject, South Australian companies such as BresaGen must be allowed to flourish for the benefit of all Australians.

Old Parliament House: Opening Ceremony

Senator FORSHAW (New South Wales) (9.05 p.m.)—Last Thursday, 9 May was the 75th anniversary of the opening of Old Parliament House in Canberra. That fact, of course, has been widely acknowledged in the media and elsewhere. Tonight I want to talk about an event that occurred on the day that has not been given as much coverage and certainly has never been, to my knowledge, properly recognised in this parliament. At the outset I also want to acknowledge that the research for the speech I am about to make was undertaken and provided to me by a friend of mine, Lawrie Daly. Lawrie is the son of the late Fred Daly, who was an esteemed member of this parliament and also, I understand, a favoured citizen of Canberra.

On 9 May 1927 brilliant weather and a spectacle of celebration heralded the opening of the new parliament house in Canberra. After a quarter of a century of meeting in Melbourne, the Australian parliament now had its home in the nation’s capital. Canberra was now really the capital city, and this was to be Canberra’s grandest day. The Duke and Duchess of York performed the grand opening late that morning. As we acknowledged only two days ago, the then Duchess of York, more recently the Queen Mother, passed away earlier this year.

On 9 May 1927 Dame Nellie Melba led the crowd in singing the national anthem, and in front of the Old Parliament House 20,000 people witnessed a vast military display involving all three services. For the first time, the colours of all the Australian military forces were gathered together in the one spot. One organisational hitch was that organisers had expected a crowd of 60,000 people. However, the fear of inclement weather daunted many, and I understand that in the end some 20,000 surplus meat pies had to be dumped.

A week prior to the event, the Royal Australian Air Force despatched 20 aircraft, or an ‘air armada’, as the *Canberra Times* described it, to Canberra for the celebrations. In those days, the aeroplane was still a novelty, particularly in rural areas, and the collection of twin-seat de Havilland 9 and 9A bombers and single-seat SE5A fighters from Richmond in New South Wales and Point Cook in Victoria attracted much interest at the temporary air force camp set up at Canberra aerodrome. Residents were naturally enthralled as these flying machines went through their paces in the skies above the bush capital. However, the aircraft were biplanes of World War I vintage—obsolete and accident-prone. Indeed, several of the aircraft sent to Canberra prior to the opening day were involved in accidents before they even reached Canberra.

In the afternoon of the grand opening day, the crowd’s attention was focused on a military display in front of the new Parliament House. For two hours, RAAF aircraft flew back and forth across the skyline in flights of five, each flight in the form of a vee. At 3.25 p.m., flying from the north-east, the aircraft slipped into formation to give a much rehearsed spectacular air force salute to the royal visitors. The aircraft were to fly low over the crowd and dip their wings to the King’s son.

As they flew over Rottenbury Hill at 1,500 feet, one of the SE5A fighter aircraft lost speed and stalled. The pilot frantically fought to regain control, but his plane plunged into the ground, wingtip first, near the site of the present Carillon and only 100 metres from the spectators. A field ambulance and RAAF mechanics were soon on the scene. The badly injured airman was taken to the emergency aid post at Telopea Park School and then rushed to Canberra Hospital. However, tragically, 27-year-old Flying Officer Dennis Ewen died at seven o’clock that evening.

Dennis Ewen, or Bob as he was known, was a New Zealander. He was a prominent athlete and rugby player at Auckland Grammar School, and he had won a four-year scholarship to Canberra’s Duntroon Royal Military College in 1918, where he was also
the college three-mile champion. After graduation, he served as an officer in the Waikato Regiment of the New Zealand army. However, while training in Canberra, Dennis Ewen had developed an interest in aviation and, as New Zealand had no full-time air force at that time, he joined the RAAF. He graduated as a pilot in 1926 from Point Cook Flying School in Victoria.

Based at Point Cook, Ewen had flown in Air Force displays for the arrival of the royal visitors in Sydney and Melbourne in April of 1927. At the Melbourne welcome to the Duke and Duchess, he had witnessed the tragic death of four of his fellow airmen in a mid-air collision over St Kilda Road. His last letter to his parents in Auckland had expressed the hope that he would be selected to take part in Canberra’s air pageant on the day of the opening of Parliament House.

Two days after the pomp and pageantry of the opening of Parliament House on 9 May, Canberra witnessed a much more sombre official ceremony—an Air Force funeral. The large funeral cortege moved slowly through the streets of Canberra, accompanied by an Air Force band; units of all three armed services numbered in their hundreds, including a troop of the 7th Light Horse in full parade regalia; as well as scouts and sea scouts. Pilots marched beside the trailer that bore Ewen’s coffin as pallbearers. RAAF aircraft circled overhead.

At one of Canberra’s oldest buildings, the Anglican Church of St John the Baptist, Bishop Radford of Goulburn conducted the service. None of Ewen’s family was able to attend, but the small church was packed with dignitaries representing all branches of the armed forces, Duntroon cadets and representatives of government departments, the Commonwealth of Australia and the Dominion of New Zealand. Air Force planes flew low over the church to drop wreaths near the grave side. After three volleys from the firing party and the sounding of the Last Post by a lone bugler, Flying Officer Dennis Ewen was laid to rest in the graveyard only a few metres from the north wall of the church. His tombstone reads in part ‘F/O. D.C. Ewen R.A.A.F. ... Who crashed at Canberra May 9th 1927.’ An inquest returned a verdict of accidental death.

After that opening ceremony on 9 May, federal parliament adjourned for a long recess. Unfortunately, no member of the parliament ever rose to put on record the incident that I have just described. I believe that 75 years later—we have just celebrated the anniversary of the opening of Parliament House in Canberra on that day—in a city of beautiful streets, parks and reserves, it seems a pity that none bear the name of the young airman who ‘crashed at Canberra’ on that city’s grandest day. I hope that the proposition will soon be taken up that some suitable memorial will be built in honour of Dennis Ewen, who was a tragic victim of that otherwise wonderful celebratory day.

**Parliamentary Departments**

**Senator COONEY (Victoria) (9.13 p.m.)—**The legislature has difficulty in maintaining its identity as the arm of government that exercises quality control over the executive. In other words, when you contemplate the three arms of government parliament is often seen as the weakest link. Nevertheless, in that context, I think the Senate reflects best—without casting too much reflection on the House of Representatives—the function that parliament has. It has been more than simply a reservoir for the ministry. I think the Department of the Senate is therefore of utmost importance. Madam President, the Senate is well led by you; the Clerk of the Senate, Harry Evans; and the Deputy Clerk of the Senate, Anne Lynch. There are various departments involved here, and the Joint House Department carries out many of the House functions.

Something happened to me tonight which I think justifies the few words I am about to say. I went down to Hansard, as I often do, to try to get my unEnglish expressions made into English, which Hansard does with excellent ability. I saw Ros and Trevor down there. I will not mention their surnames because, if I did, I would have to mention everybody’s surname. I was almost tempted to do that, but when I looked at the internal telephone directory I thought that it would take too long. I thought that, as I get towards the end of my time here, I ought to thank
Hansard. But I thank not only Hansard but all the sections of the Department of the Parliamentary Reporting Staff. The Broadcasting staff are here, and the ABC works from the same booth.

This is the house that has most effect in keeping the traditional idea of the legislature going, as I say, and those people enable us to do our job much better than we otherwise could. When I read my speeches I realise just how much better the good people of Hansard are at expressing things than I am. I would like to thank them not only for all the work they have done for me but also for the work they have done for the Senate and the parliament generally over the years. The people in Hansard are the people you go to see and to convince, if you can, that what you said really meant something else. I have never been met there with anything other than grace and help, and I would like to acknowledge that.

I would also like to acknowledge the Technical Services Group, the Broadcasting section, Corporate Support and all those who enable us to express our views in reasonable English and to spread them far and wide beyond this chamber. I do not know how I can adequately express my thanks, but I attempt to do so.

While I am on this point the secretary of the department is John Templeton, whose boy, I understand, plays good football—and he will get even better, I should think. He is also the Secretary of the Department of the Parliamentary Library, and that is another body that I have great fondness for. I think they do outstanding work and I really would like, if I could, to name everybody that I ought to thank. What I should do is to tender the Parliament House Communications Directory: Fortieth Parliament and underline all the names, but that would not be sensible. But to do it any other way would take a tremendous amount of time.

I wonder whether the Department of the Parliamentary Reporting Staff and the Department of the Parliamentary Library would accept my thanks in broad for the absolutely brilliant and outstanding services that I have obtained from them both over the years. I will remember them with a great deal of gratitude—particularly, as I say, when I read my speeches and when I think of the research, the help and the wisdom that I get from the Library.

Madam President, we ought to be—and you represent the parliamentarians in this situation—very proud of the department that you head up, and very proud of both those departments, too. I want to make it clear that I understand it is a joint house responsibility in respect of both, but I always think the Senate is the superior house in this situation because it has more effect as a parliamentary body. Therefore, we can congratulate ourselves and you, Madam President, not only for the work of these departments but for many things. We can be very proud.

**Taxation: Mass Marketed Schemes**

Senator HARRIS (Queensland) (9.21 p.m.)—Madam President, I concur with you and pass my respects and those of Queensland to the relatives of Mr Campbell. I seek leave to incorporate my adjournment speech, as circulated.

Leave granted.

The speech read as follows—

Following on from my question to the Assistant Treasurer Senator Coonan yesterday in relation to the settlement proposed by the ATO for investors in Tax Effective Investments, it has been confirmed that the Settlement Deeds have now been sent out to most investors.

The terms of the deed are harsh and unconscionable and because they emanate from a Government Department they reflect poorly on the credibility and reliability of the Government and each sitting member.

The terms of the settlement are discriminatory in that they exclude certain taxpayers on the basis of occupation alone. For example, there is a blanket exclusion from the settlement terms of all advisers who recommended their clients invest. Any benefit under the settlement will only be available to these taxpayers on an “individual assessment” basis. The ATO seems oblivious to the fact that advisers who sold the products and invested themselves did so on the basis of extensive legal and accounting opinions. Furthermore, ASIC requirements meant that each advisory group and its representatives needed to evidence a sufficient depth of product research to justify an investment recommendation.
Furthermore, as the ATO has confirmed it has received legal advice that it cannot exclude certain people from a general settlement offer, it is unlawful.

The deed includes punitive measures for any failure and in certain respects contradicts the Commissioner’s original announcement on 14 February. The net result is that rather than bringing a solution to the issue, the ATO has managed toemasculate the proposed settlement offer with draconian and arguably unlawful requirements that taxpayers have to accept before, the settlement amount will be calculated. The settlement deed does not provide the settlement amount. The investor has to provide details of amounts paid, sign the deed and await a calculation.

By signing the deed the investor signs away all their rights—no appeals, no review, no objections, no Freedom of Information. The investor is expected to sign what amounts to a blank cheque to the ATO. The waiving of rights means that if the ATO calculate the settlement amount incorrectly, the applicant is unable to object. The ATO admit that errors will occur but say they will act reasonably.

This requires an unacceptable level of trust in an organisation that has broken trust too many times already.

Mr Carmody announced in February of this year, “Cash based settlement with 2 years interest free to pay”.

The Deed says “pay all debts either in full in 14 days or within an agreed period by entering into a payment arrangement acceptable to the ATO”. The investor has to apply for a payment arrangement. If the ATO finds the payment proposal unacceptable, the applicant must pay in full in 14 days.

This condition, specifically left out of the Commissioner’s media interviews and press releases at the time of announcement, means that investors will effectively have to prove to the ATO how they are going to pay the liability and are open to having the ATO determine they can pay more and pay sooner with absolutely no legal rights of objection or review.

If the investor fails to meet the agreed repayments, the FULL ORIGINAL DEBT PLUS ALL PENALTIES AND INTEREST REVIVES, and the ATO can take action to enforce full payment. After 6 months of $2,000 per month to the ATO, person loses their job and defaults and the ATO steps in.

The plain stupidity of this measure defies belief.

The investor has to sign a statement that “no promises, threats or inducements have been made to me”. Within the settlement letter rests the heading, “What will happen if you don’t settle?” The taxpayer is clearly advised that if he or she decides not to settle, the Commissioner will “decide any objection you may have lodged” (which in honest language means reject), without any consideration, then will apply normal collection arrangements to debts, but possibly apply an interest rate reduction to unpaid amounts if the taxpayer qualifies.

When taxpayers sign the deed, they are required to waive their rights to interest on overpayments. Since 1999, the ATO has consistently encouraged investors, in writing, that they should pay their tax bill, or at least 50% of it, to stop the accumulation of interest. They promised, in writing, to pay them interest on any overpayment if a settlement was eventually achieved. Although the ATO continues to roundly condemn taxpayers for relying on the tax opinions of the most prominent legal and accounting tax specialists in making their investments, the Commissioner has advised taxpayers in writing, “I suggest that you seek independent professional advice in deciding whether or not to accept the settlement offer”.

The Commissioner has isolated taxpayers from professional assistance by issuing a deed that is a minefield of inconsistency, unfairness and intimidating language. Professional firms cannot give advice except in terms that are so heavily qualified as to render the advice useless.

Taxpayers are being encouraged to repeat the very same error that the Commissioner criticises them for.

Why bother getting advice from professionals that the Commissioner doesn’t recognise anyway, on a document that is offensive, inequitable and unfair and would not survive the most basic scrutiny in a truly commercial transaction.

A prominent Chartered Accountant and Tax adviser in Kalgoorlie WA has publicly stated “no investor in their right mind would sign this document and no legal adviser would give advice on it because they would be sued”.

The ATO deed is oppressive and overbearing and inconsistent with mutual respect and ethical business practice between equal parties. It reflects a concession to an offender and this attitude runs contrary to the Prime Minister’s overall characterisation of investors in his concluding speech to the recent 2002 Federal Liberal Party Council meeting:

This settlement document is another example of the ATO’s determination to solicit the parlia-
ment’s support with a seemingly generous gesture on the one hand, yet on the other, take a big stick to taxpayers who are required to sign their rights away.

As a matter of urgency the Government must require the ATO to review the current deed and amend it to reflect the support of fairness and equity in government administration. It must insist that the ATO meet with key representative groups who have maintained a “reasonable settlement” view to both the ATO and the Government in the past and establish terms that are consistent with the Government’s view of sound public administration for the overall public good.

The Prime Minister’s concluding speech at the recent 2002 Federal Council meeting included the following comments:

That people should be encouraged to invest, and they should be encouraged to make long term investment decisions in their commercial interests which are consistent with the national interest.”

In respect of the ongoing saga of Mass Marketed Tax Schemes, a motion was passed by Council relating to the ATO’s proposed settlement. “That the Government recognise the long term damage this matter is having on investors and consequently the damage that has been sustained on the economy and settling this matter immediately be given priority”.

Furthermore, the motion required that:

“The Federal Government call upon the ATO to consult and negotiate a settlement with taxpayers or their representatives involved in tax effective investments based on ATO Nat 2002/07 which as a minimum includes a 66% allowable deduction on the loan component.”

The reason for this decrease in the settlement amount is to recognise that the current settlement level is simply unachievable for most investors. Resolution Holdings will actively support the acceptance of a settlement offer on the above terms and as the leading investor representative group, expects virtually all investors affected to follow its lead.

The existing offer will result in taxpayers defaulting on their settlement amount, therefore invoking the full original debt. This motion is now Liberal Party Policy and it is our understanding that every member must actively support and endeavour to achieve Council policies. Acceptance of the motion also confirms that the Liberal Party shares the widespread view that the ATO’s present settlement offer is woefully inadequate and will not only fail to resolve the matter, but will continue to damage innocent people who are in the very group that the Prime Minister recognises as the driver of National Wealth.

The Senate, through it’s Economics References Committee, The Auditor General, the Commonwealth Ombudsman, individual Members of the Parliament, key financial commentators and journalists have all recognized that the ATO is culpable to a large extent. The Commissioner has arbitrarily set 29 May as the deadline for acceptance of his settlement proposal and at this stage is refusing to acknowledge that thousands of investor will be unable to have their own investment dispute heard in court before the deadline expires.

Furthermore, investors in some more tax effective projects previously untouched have recently received ATO documentation advising their project is being reviewed. Will they have access to the settlement deal or do they have to accept the proposal before the ATO releases it’s determination?

Campbell, Mr Alec

Budget: Labor Party Response

Senator ABETZ (Tasmania—Special Minister of State) (9.21 p.m.)—Madam President, I compliment you and the Leader of the Opposition, who, prior to his budget reply paid tribute to Alec Campbell. With his passing, it is the end of an era for Australia. His passing is particularly poignant for those of us who live in Tasmania. The comments made by you and the Leader of the Opposition were, I am sure, greatly appreciated by Alec Campbell’s surviving family members.

This evening I want to touch on a matter that was raised in the Leader of the Opposition’s budget response. In Tasmania in recent times we have had the state Labor government making quite false and inflammatory statements and seeking to belittle the federal budget. We have had the Treasurer in Tasmania, Dr David Crean, the brother of the Leader of the Opposition, Simon Crean, making quite outrageous comments—for instance, that World Heritage funding to Tasmania has been abolished, going from $5.3 million to nil. That is simply untrue. As a Treasurer who allegedly knows how to read budget papers, he ought to have known that to be untrue.

But he went on to belittle Australia’s commitment to the war on terrorism and border protection and to question whether we actually needed to spend so much money. It was one of those cheap, ill-informed shots,
trying to score a few political points. This
evening, my challenge to Dr David Crean,
Labor Treasurer of Tasmania, is to read the
budget response of his brother, Simon Crean,
the Federal Leader of the Opposition. On the
very first page of his response to the budget,
Simon Crean said:
As well as securing our nation’s borders, we have
to secure our nation’s future.
Then, on page 8, he said:
Labor supports the war on terrorism and protecting
our borders.
Simon Crean sits all fours with the federal Liberal
government on this, so what on earth is Dr David Crean,
the Labor state Treasurer in Tasmania, on about when he tries to assert
that we as a federal government are spending too much in this area? He is clearly out of step with Labor thinking; he is clearly out of step with his own brother on this matter. The only reason he is out of step is that he cannot resist making these cheap political jibes against the federal Liberal government that go on ad infinitum in Tasmania. People like me are getting heartily sick and tired of them because, unfortunately, the media in Tasmania are fairly compliant, courtesy of the $1.5 million Bacon Labor government media machine that allows these sorts of statements to go on air unchallenged and then to be repeated quite often in the newspapers.

The interesting thing is that later on page 8—the same page where he says that Labor supports the war on terrorism and protecting our borders—Simon Crean says:
Border protection and domestic security is just $400 million.
He himself acknowledges how little it is. ‘Just $400 million’, he says, and yet his brother, Dr David Crean, seems to assert that we are spending far too much.

Tasmania relies very heavily on tourism. How is that relevant? In the international scene today, international tourists are looking for safe destinations to travel to; we have to send a message to the worldwide community that Australia is strong on border security and on the war on terrorism and that we are willing and prepared to make the financial commitment to secure our borders and our nation. With that message going abroad—on top of the extra $24 million that we have committed in this budget to boost international tourism—hopefully we should as a nation attract an even greater share of international tourism because of the safety that we are able to provide.

Yet we have this cheap-shot state Treasurer, in Dr David Crean, trying to say that we are spending far too much and that it is not a problem at all. If that sort of behaviour were to be broadcast and, indeed, adopted around the world as the thinking in Australia, then people will not be coming to Australia, let alone to Tasmania, because they will not see Australia as a safe tourist destination. Dr Crean has made false allegations about this federal budget in relation to World Heritage. He has tried to assert that there have been cutbacks, when in fact $27 million extra has gone to Tasmania. He asserted that the Bass Strait Passenger Vehicle Equalisation Scheme had just been maintained. No, an extra $3.6 million has been allocated. Now he is complaining about too much money being spent on border protection and the war on terrorism.

His own brother disagrees with him—the federal Labor leader! Dr David Crean has to now answer, in my submission to this Senate, whether he is in tune with his own brother. At least save his own brother from embarrassment, if not for the sake of the tourism industry of this nation. Mr Jim Bacon could intervene in this matter and I call on him to do so: discipline Dr David Crean and make him withdraw his silly, ill-informed comments that were based simply on trying to get a cheap shot at the federal Liberal government in the lead-up to the state election, which I assume will be held in the next three or four months in Tasmania.

Tasmanians have a right to expect firm, decisive but, above all, considered leadership and mature leadership. On such a sensitive issue—and I take off my hat to the Australian Labor Party—where in Labor’s budget response this evening they said that Labor support the war on terrorism and protecting our borders and acknowledged that we were just spending $400 million this year, if someone as sneering and denigrating as Mr Simon Crean can even acknowledge that and
show sufficient good grace and be bipartisan on this, surely it should not be beyond the wont of his brother, Dr David Crean, in Tasmania to similarly show some statesmanship and acknowledge that this is an issue that has to be dealt with on a bipartisan basis for the benefit of all Australians, and that includes Tasmanians.

I am not going to hold my breath waiting for Dr Crean to withdraw his comments. Unfortunately, as with his brother, it is not within him to make those sorts of concessions. But tonight, when he goes to bed, hopefully he will think about his comments—how ill-considered they were and how mischievous they were—and at least reconsider them and, tomorrow morning, withdraw them.

**Senate adjourned at 9.31 p.m.**

**DOCUMENTS Tabling**
The following documents were tabled by the Clerk:

Corporations Act—Determinations under subsection 1438(6)—
- Requirements for issuers of financial products who lodge opt-in notices [CO 02/0191].
- Requirements for issuers of financial products who lodge revocation notices [CO 02/0213].
- Requirements for issuers of financial products who lodge variation notices [CO 02/0212].


QUESTIONS ON NOTICE

The following answers to questions were circulated:

Parliamentarians’ Entitlements
(Question No. 17)

Senator Murray asked the Special Minister of State, upon notice, on 29 January 2002:
With reference to the Australian National Audit Office Performance Audit entitled Parliamentarian Entitlements: 1999-2000, which indicates that ‘as of June 2001, around 30 per cent of current and former Parliamentarians had not provided a certification of their 1999-2000 management reports’ (page 25): Are there any 1999-2000 management reports which have still not been certified; if so: (a) how many reports have not been certified; and (b) what are the names of all current and former parliamentarians who have not provided a certification of their 1999-2000 management reports.

Senator Abetz—The answer to the honourable senator’s question is as follows:
As part of the end of year Management Report process Ministerial and Parliamentary Services provided Senators and Members (or former Senators and Members) with a timeframe for return of a signed certification. As a courtesy a number of follow-up phone calls are made to those Senators and Members (and former senators and Members) who have not returned a signed certification. Ministerial and Parliamentary Services are yet to receive certifications from eight current and former Senators and Members.
The Hon Arch Bevis MP, Senator Winston Crane 1, Senator John Hogg 2, the Hon Bob Katter MP, the Hon John Moore 3, the Hon Neil O’Keefe, the Hon Peter Reith and the Hon Kathy Sullivan 4.

1 Senator Crane states that to the best of his knowledge after discussions with staff and departmental officers about aspects of the report it was filled out and returned. The Department of Finance and Administration (Finance) has no record of having received a certification from Senator Crane.
2 Senator Hogg state that he was unable to certify the 1999-2000 end of the financial year management report as he was not satisfied with the data collection methodology and accuracy. Senator Hogg stated further explanation available on request.
3 Mr Moore states that he is sure it was signed, he no longer has the records to check. Finance has no record of having received a certification from Mr Moore.
4 Mrs Sullivan states that it is highly unlikely she did not respond to Finance’s request for certification. Finance has no record of having received a certification from Mrs Sullivan.

Transport: Heavy Vehicles
(Question No. 40)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 12 February 2002:
(1) Can the Minister confirm that an inspection of a heavy vehicle, a Mack CH Fleetliner (F4), took place on 24 March 1999 as part of an investigation into problems associated with heavy vehicles (reference K99920008 in documents tabled in the Senate on 27 November 2000).
(2) Was the inspection undertaken by Mr Warren Duncan.
(3) Did Mr Duncan discover serious safety problems with that vehicle.
(4) Did Mr Duncan make a number of recommendations following his inspection of the above vehicle; if so: (a) what were those recommendations; and (b) who was responsible for implementing those recommendations.
(5) Is the Minister, his office or the department aware that the significant safety problems discovered with the above vehicle have still not been corrected and the vehicle continues to operate on public roads; if so, when was the Minister, his office or the department made aware that this vehicle was still operating on public roads despite significant safety problems.
(6) (a) What action has the Minister taken to ensure the above vehicle does not pose a threat to other road users; and (b) when was that action taken.

Senator Ian Macdonald—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:
The questions asked by Senator O’Brien refer to processes and actions in relation to the Investigation Into The Specification Of Heavy Trucks And Consequent Effects On Truck Dynamics And Drivers, conducted for the Department of Transport and Regional Services by consultants Roaduser International. Many of the questions are based on speculation or refer to the actions of third parties that could not be known to either the Department or the Minister.

While the Minister for Transport and Regional Services was briefed on the overall progress of the Roaduser International investigation, the Minister was not involved in the investigation or operational processes, nor was he provided with detail at the level that is raised by the questions. Some of the questions relate to papers tabled on 27 November 2000. The consultants’ report was tabled on 18 April 2000, the investigation has been finalised and is reported on the Australian Transport Safety Bureau website. The Minister is not prepared to commit further resources to this matter.

**Transport: Heavy Vehicles**

*(Question No. 41)*

**Senator O’Brien** asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 12 February 2002:

1. Can the Minister confirm that Mr Scott McFarlane wrote to Mr McLucas from the Federal Office of Road Safety (FORS) on 18 February 1999, advising of inspections of nine prime movers (reference K999200117 in documents tabled in the Senate on 27 November 2000).

2. Did Mr McFarlane advise that while all vehicles exhibited problems, four vehicles: a 1997 Mack Titan (F17), a 1997 NN 80 Ford (F6), a NN 80 Ford (F13) and another Ford prime mover were, in fact, unsafe.

3. Is the Minister aware of a fax from Mr Peter Sweatman from Roaduser International to Mr Bill Ellis from the department dated 30 June 1999, concerning a draft report from the Driver Education Centre of Australia (DECA) relating to the above inspections (reference L9939038 in the documents tabled).

4. (a) Is the Minister aware that that fax stated in part: Subsequently we have confirmed with DECA that the report prepared by Lindsay Pollock is a draft only. We are now awaiting a copy of the final report which may not include the opinion comments on safety concerns to which you have referred; and (b) is the Minister aware that Mr Ellis noted in the margin of that fax that the contents of the above paragraph were amazing.

5. Did FORS request that it continue to be advised of any safety problems identified by DECA or Roaduser International following the fax from Mr Sweatman to Mr Ellis dated 30 June 1999; if so: (a) on how many occasions was such information provided to FORS; (b) when was the information provided; and (c) what action did FORS take following receipt of that information.

6. Did FORS provide that information to vehicle owners or manufacturers; if so: (a) when was it provided; (b) what was the nature of the information provided; and (c) to whom was it provided.

7. If FORS did not request that information relating to the safety of vehicles used as part of the inquiry continue to be provided, why not.

8. Did FORS seek legal advice as to the status of the reports from Roaduser International and any comments about vehicle safety contained in those reports; if not, why not; if so: (a) when was the legal advice sought; (b) who provided the advice; (c) when was the legal advice received; (d) what did the advice relate to; and (e) what action did FORS take following receipt of that legal advice.

9. When was the Minister or his office first advised that a number of the vehicles tested were found to be unsafe to operate.

10. What action did the Minister or his office take in response to that advice to ensure unsafe heavy vehicles did not continue to operate on public roads.

11. If the Minister or his office was not advised, why not.

12. Given that these vehicles were deemed to be unsafe at that time: (a) what action was taken; and (b) who took the action to correct the problems with the vehicles or required that they be removed from public roads until they were considered to be safe to operate.

13. Did these four vehicles referred to in document K999200117 exhibit exactly the same unsafe characteristics; if not, what were the differences in the problems identified in each of the above vehicles.
(14) If those four vehicles did exhibit the same unsafe characteristics, does that suggest a design problem with those vehicles.

Senator Ian Macdonald—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:
The questions asked by Senator O’Brien refer to processes and actions in relation to the Investigation Into The Specification Of Heavy Trucks And Consequent Effects On Truck Dynamics And Drivers, conducted for the Department of Transport and Regional Services by consultants Roaduser International. Many of the questions are based on speculation or refer to the actions of third parties that could not be known to either the Department or the Minister.

While the Minister for Transport and Regional Services was briefed on the overall progress of the Roaduser International investigation, the Minister was not involved in the investigation or operational processes, nor was he provided with detail at the level that is raised by the questions. Some of the questions relate to papers tabled on 27 November 2000. The consultants’ report was tabled on 18 April 2000, the investigation has been finalised and is reported on the Australian Transport Safety Bureau website. The Minister is not prepared to commit further resources to this matter.

Transport: Heavy Vehicles

(Question No. 42)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 12 February 2002:

(1) Can the Minister confirm that a Mack Titan truck (F19) inspected as part of an investigation into problems associated with heavy vehicles exhibited similar problems to those identified in the Mack Titan prime mover (F7) (reference K9959000030 in documents tabled in the Senate on 27 November 2000).

(2) If both the above vehicles displayed similar problems, does that suggest a design problem with that vehicle type.

Senator Ian Macdonald—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:
The questions asked by Senator O’Brien refer to processes and actions in relation to the Investigation Into The Specification Of Heavy Trucks And Consequent Effects On Truck Dynamics And Drivers, conducted for the Department of Transport and Regional Services by consultants Roaduser International. Many of the questions are based on speculation or refer to the actions of third parties that could not be known to either the Department or the Minister.

While the Minister for Transport and Regional Services was briefed on the overall progress of the Roaduser International investigation, the Minister was not involved in the investigation or operational processes, nor was he provided with detail at the level that is raised by the questions. Some of the questions relate to papers tabled on 27 November 2000. The consultants’ report was tabled on 18 April 2000, the investigation has been finalised and is reported on the Australian Transport Safety Bureau website. The Minister is not prepared to commit further resources to this matter.

Transport: Heavy Vehicles

(Question No. 43)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 12 February 2002:

(1) Is the Minister aware that Mr Michael Klug, a partner from Clayton Utz, wrote to Mr John Lambert from Roaduser International on 8 April 1999, on behalf of Mack Trucks Australia, criticising a report on the results of vehicle tests carried out in Adelaide on 25 March 1999 (reference K9959000098 in documents tabled in the Senate on 27 November 2000).

(2) Is the Minister aware that the letter states in part: We find it astounding that Mack Trucks Australia has not been afforded the opportunity to drive and/or test this vehicle or indeed any of the vehicles that you have been testing.

(3) Can the Minister confirm that on three separate occasions prior to vehicle F4 being involved in the heavy vehicle investigation, Mack Trucks Australia was given the opportunity to test drive vehicle F4 but refused.
Can the Minister also confirm that Mack Trucks Australia was also given a number of opportunities to test drive vehicle F26 but refused those offers.

If the Minister cannot confirm that Mack Trucks Australia was invited to test both of the above vehicles, will he seek advice from Mack Trucks Australia as to whether such offers were made and the basis for the company’s refusal to test drive the trucks.

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

The questions asked by Senator O’Brien refer to processes and actions in relation to the Investigation Into The Specification Of Heavy Trucks And Consequent Effects On Truck Dynamics And Drivers, conducted for the Department of Transport and Regional Services by consultants Roaduser International. Many of the questions are based on speculation or refer to the actions of third parties that could not be known to either the Department or the Minister.

While the Minister for Transport and Regional Services was briefed on the overall progress of the Roaduser International investigation, the Minister was not involved in the investigation or operational processes, nor was he provided with detail at the level that is raised by the questions. Some of the questions relate to papers tabled on 27 November 2000. The consultants’ report was tabled on 18 April 2000, the investigation has been finalised and is reported on the Australian Transport Safety Bureau website. The Minister is not prepared to commit further resources to this matter.

Transport: Heavy Vehicles

(Question No. 44)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 12 February 2002:

(1) Can the Minister confirm that Mack Trucks Australia were given the opportunity to attend a Mack instrumentation test drive in Melbourne on 17 May 1999 (reference K99804143 in documents tabled in the Senate on 27 November 2000).

(2) Was the attendance of the company at the tests a result of a request by Mack Trucks Australia, an offer by the Minister or his office, an offer by the department, or an offer by the Federal Office of Road Safety (FORS).

(3) If the attendance of the company at the tests was the result of an offer from the Minister, his office or the department: (a) when was the offer made; (b) what was the reason for the offer; and (c) who approved the offer.

(4) If the attendance of the company at the tests was the result of a request to the Minister or his office, the department or FORS, by the company: (a) who was the request made to; (b) when was the request made; (c) what was the reason for the request; (d) who made the decision to agree to the request; and (e) did the Minister or his office approve the decision to agree to the request.

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

The questions asked by Senator O’Brien refer to processes and actions in relation to the Investigation Into The Specification Of Heavy Trucks And Consequent Effects On Truck Dynamics And Drivers, conducted for the Department of Transport and Regional Services by consultants Roaduser International. Many of the questions are based on speculation or refer to the actions of third parties that could not be known to either the Department or the Minister.

While the Minister for Transport and Regional Services was briefed on the overall progress of the Roaduser International investigation, the Minister was not involved in the investigation or operational processes, nor was he provided with detail at the level that is raised by the questions. Some of the questions relate to papers tabled on 27 November 2000. The consultants’ report was tabled on 18 April 2000, the investigation has been finalised and is reported on the Australian Transport Safety Bureau website. The Minister is not prepared to commit further resources to this matter.

Transport: Heavy Vehicles

(Question No. 45)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 12 February 2002:
Can the Minister confirm that the owners of vehicle F4 inspected as part of an investigation into problems associated with heavy vehicles by Roaduser International were denied the opportunity to be present when the vehicle was being tested in May 1999.

Was the attendance of the vehicle owners at the tests refused as a result of a decision by the Minister, his office, the department or by the Federal Office of Road Safety (FORS).

If the attendance of the owners of the vehicle was denied as a result of a decision by the Minister, his office, the department or FORS: (a) when was the decision made; and (b) what was the reason for the decision.

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

The questions asked by Senator O’Brien refer to processes and actions in relation to the Investigation Into The Specification Of Heavy Trucks And Consequent Effects On Truck Dynamics And Drivers, conducted for the Department of Transport and Regional Services by consultants Roaduser International. Many of the questions are based on speculation or refer to the actions of third parties that could not be known to either the Department or the Minister.

While the Minister for Transport and Regional Services was briefed on the overall progress of the Roaduser International investigation, the Minister was not involved in the investigation or operational processes, nor was he provided with detail at the level that is raised by the questions. Some of the questions relate to papers tabled on 27 November 2000. The consultants’ report was tabled on 18 April 2000, the investigation has been finalised and is reported on the Australian Transport Safety Bureau website. The Minister is not prepared to commit further resources to this matter.

Transport: Heavy Vehicles

(Question No. 46)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 12 February 2002:

(1) Did an engineer acting on behalf of Mrs and Mr Bauer request, on 26 May 1999, access to the Mack trucks F4 and F26, owned by the Bauers, at the Driver Trainer Education Centre of Australia in Melbourne, to facilitate a superficial inspection (reference K99804221 in documents tabled in the Senate on 27 November 2000).

(2) Was the request refused; if so: (a) who refused the request; (b) what was the basis for the refusal; and (c) was the Minister or his office aware of the request and did the Minister or his office approve the decision to refuse the request.

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

The questions asked by Senator O’Brien refer to processes and actions in relation to the Investigation Into The Specification Of Heavy Trucks And Consequent Effects On Truck Dynamics And Drivers, conducted for the Department of Transport and Regional Services by consultants Roaduser International. Many of the questions are based on speculation or refer to the actions of third parties that could not be known to either the Department or the Minister.

While the Minister for Transport and Regional Services was briefed on the overall progress of the Roaduser International investigation, the Minister was not involved in the investigation or operational processes, nor was he provided with detail at the level that is raised by the questions. Some of the questions relate to papers tabled on 27 November 2000. The consultants’ report was tabled on 18 April 2000, the investigation has been finalised and is reported on the Australian Transport Safety Bureau website. The Minister is not prepared to commit further resources to this matter.

Transport: Heavy Vehicles

(Question No. 47)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 12 February 2002:

(1) Did the Federal Office of Road Safety invite Mack Trucks Australia, Ford/Stirling and Kenworth Australia to attend a technical briefing in Melbourne on 10 June 1999, conducted by Roaduser In-
international relating to its inquiry into heavy vehicles (reference K99804268 in documents tabled in the Senate on 27 November 2000).

(2) Were any of the owners of vehicles that were the subject of testing by Roaduser International or independent engineers representing those owners invited to attend the briefing; if not, why not.

(3) (a) Who made the decision not to invite the vehicle owners or their technical advisers; (b) was the Minister or his office advised of the decision; and (c) did the Minister or his office endorse the decision.

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

The questions asked by Senator O’Brien refer to processes and actions in relation to the Investigation Into The Specification Of Heavy Trucks And Consequent Effects On Truck Dynamics And Drivers, conducted for the Department of Transport and Regional Services by consultants Roaduser International. Many of the questions are based on speculation or refer to the actions of third parties that could not be known to either the Department or the Minister.

While the Minister for Transport and Regional Services was briefed on the overall progress of the Roaduser International investigation, the Minister was not involved in the investigation or operational processes, nor was he provided with detail at the level that is raised by the questions. Some of the questions relate to papers tabled on 27 November 2000. The consultants’ report was tabled on 18 April 2000, the investigation has been finalised and is reported on the Australian Transport Safety Bureau website. The Minister is not prepared to commit further resources to this matter.

Transport: Heavy Vehicles
(Question No. 48)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 12 February 2002:

(1) Can the Minister confirm that there were three permits to operate unlicensed vehicles obtained to test vehicles F4 and F1 as part of the inquiry into heavy vehicles conducted by Roaduser International (reference K9991724 in documents tabled in the Senate on 27 November 2000).

(2) Was vehicle F4 tested on two occasions.

(3) (a) Why was vehicle F4 tested on two occasions; and (b) was raw data collected and stored on a CD Rom on both occasions.

(4) Can the Minister confirm that only one CD Rom was provided to the owners of vehicle F4; if so: (a) why was the second CD Rom withheld from the vehicle owners; and (b) does the Minister plan to provide the second CD Rom to the owners of vehicle F4 at some future time.

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

The questions asked by Senator O’Brien refer to processes and actions in relation to the Investigation Into The Specification Of Heavy Trucks And Consequent Effects On Truck Dynamics And Drivers, conducted for the Department of Transport and Regional Services by consultants Roaduser International. Many of the questions are based on speculation or refer to the actions of third parties that could not be known to either the Department or the Minister.

While the Minister for Transport and Regional Services was briefed on the overall progress of the Roaduser International investigation, the Minister was not involved in the investigation or operational processes, nor was he provided with detail at the level that is raised by the questions. Some of the questions relate to papers tabled on 27 November 2000. The consultants’ report was tabled on 18 April 2000, the investigation has been finalised and is reported on the Australian Transport Safety Bureau website. The Minister is not prepared to commit further resources to this matter.

Parliamentarians’ Entitlements
(Question No. 85)

Senator Murray asked the Special Minister of State, upon notice, on 12 February 2002:

With reference to members and senators entitlements:

(1) Which entitlements are not separately identified in management reports.
(2) Which entitlements are not audited.
(3) Which entitlements are not benchmarked (assuming benchmarking means that members and senators that incur abnormal expenditures would be asked to explain significant deviations).
(4) Which entitlements are not the subject of public reports.

Senator Abetz—The answer to the honourable senator’s question is as follows:

(1) The following entitlements are not separately identified in management reports:
   - Office accommodation;
   - Office fitout and furniture;
   - Office equipment;
   - Computer costs;
   - Charter travel when representing a Minister; and
   - Private Plated Vehicle Allowance for spouse or nominee.

(2) The most recent audits conducted by the Australian National Audit Office are as follows:
   - ANAO Performance Audit, Ministerial Travel Claims, Audit Report, No 23, 1997-1998; and
   - The Auditor General will be conducting a general performance audit of payments to staff employed under the Members of Parliament (Staff) Act 1984 (MOP(S) Act) during 2001-2002 financial year.

(3) The Department of Finance and Administration is examining the feasibility and practicability of developing a systematic approach to comparative reporting.

(4) The following entitlements are not currently publicly reported:
   - Information delivery services;
   - Office and residential telephone services;
   - Personalised letterhead stationery, newsletters and other approved printed material for distribution to constituents;
   - Office accommodation and supplies;
   - Photographic services;
   - Staff\(^1\);
   - Spouse/nominee and dependent travel;
   - Spouse travel of Life Gold Pass Holder; and
   - Constituents Request Program.

\(^1\) Office Holders’ staff travelling Allowance and Car Hire costs are released by the Special Minister of State as part of a six-monthly media release.

Minister for Transport and Regional Services: Air Charters
(Question No. 161)

Senator O’Brien asked the Special Minister of State, upon notice, on 4 March 2002:

(1) Since March 1996, by financial year, what was the cost of air charters used by the Minister for Transport and Regional Services or his office.

(2) (a) In each financial year, on how many occasions did the Minister for Transport and Regional Services or his office charter aircraft; and (b) in each case, what was the name of the charter company that provided the service.
Senator Abetz—The answer to the honourable senator’s question is as follows:

(1) Since March 1996, the cost, by financial year of air charters used by the Minister for Transport and Regional services or his office was:

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Cost ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996-1997</td>
<td>$98,666.63</td>
</tr>
<tr>
<td>1997-1998</td>
<td>$57,808.05</td>
</tr>
<tr>
<td>1998-1999</td>
<td>$93,988.72</td>
</tr>
<tr>
<td>1999-2000</td>
<td>$130,909.50</td>
</tr>
<tr>
<td>2000-2001</td>
<td>$205,005.37</td>
</tr>
<tr>
<td>2001-2002 (to date)</td>
<td>$282,018.59</td>
</tr>
</tbody>
</table>

(2) (a) In each financial year, the number of times the Minister for Transport and Regional Services or his staff, chartered aircraft was:

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>No. of Trips</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996-1997</td>
<td>59</td>
</tr>
<tr>
<td>1997-1998</td>
<td>34</td>
</tr>
<tr>
<td>1998-1999</td>
<td>41</td>
</tr>
<tr>
<td>1999-2000</td>
<td>40</td>
</tr>
<tr>
<td>2000-2001</td>
<td>81</td>
</tr>
<tr>
<td>2001-2002 (to date)</td>
<td>86</td>
</tr>
</tbody>
</table>

(b) In each case, the name of the charter company that provided the service was:

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>No. of Trips</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996–1997</td>
<td></td>
</tr>
<tr>
<td>McAlister Airways</td>
<td>26</td>
</tr>
<tr>
<td>Lloyd Air</td>
<td>29</td>
</tr>
<tr>
<td>G W Campbell</td>
<td>1</td>
</tr>
<tr>
<td>Australasian Jet</td>
<td>2</td>
</tr>
<tr>
<td>Vee H Aviation</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>59</td>
</tr>
<tr>
<td>1997–1998</td>
<td></td>
</tr>
<tr>
<td>McAlister Airways</td>
<td>10</td>
</tr>
<tr>
<td>Lloyd Air</td>
<td>17</td>
</tr>
<tr>
<td>Brindabella Airlines</td>
<td>3</td>
</tr>
<tr>
<td>Abril Air</td>
<td>1</td>
</tr>
<tr>
<td>Vee H Aviation</td>
<td>1</td>
</tr>
<tr>
<td>Tamair Charter</td>
<td>1</td>
</tr>
<tr>
<td>Singleton Airservices</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>34</td>
</tr>
<tr>
<td>1998–1999</td>
<td></td>
</tr>
<tr>
<td>McAlister Airways</td>
<td>22</td>
</tr>
<tr>
<td>Lloyd Air</td>
<td>3</td>
</tr>
<tr>
<td>Adagold Aviation</td>
<td>2</td>
</tr>
<tr>
<td>Mudgee Aviation</td>
<td>4</td>
</tr>
<tr>
<td>Vee H Aviation</td>
<td>3</td>
</tr>
<tr>
<td>Capital Jet Charter</td>
<td>4</td>
</tr>
<tr>
<td>Armidale Airways</td>
<td>2</td>
</tr>
<tr>
<td>Harvey World Travel</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>41</td>
</tr>
<tr>
<td>1999–2000</td>
<td></td>
</tr>
<tr>
<td>McAlister Airways</td>
<td>5</td>
</tr>
<tr>
<td>Lloyd Air</td>
<td>1</td>
</tr>
<tr>
<td>Vee H Aviation</td>
<td>18</td>
</tr>
<tr>
<td>Armidale Airways</td>
<td>1</td>
</tr>
<tr>
<td>Eastland Airlines</td>
<td>1</td>
</tr>
<tr>
<td>Capital Jet Charter</td>
<td>2</td>
</tr>
<tr>
<td>Horizon Airways</td>
<td>1</td>
</tr>
<tr>
<td>Corporate Air</td>
<td>6</td>
</tr>
</tbody>
</table>
Financial Year | No. of Trips
--- | ---
Down Under Tours | 1
Scottish Pacific Business | 4
Total | 40
2000–2001 | 
Scottish Pacific Business | 46
Advanced Aviation | 1
Corporate Air | 28
Commercial Helicopters | 1
Capital Jet Charter | 2
Skippers Aviation | 1
Brindabella Airlines | 1
Air Pioneer | 1
Total | 81
2001-2002 (to date) | 
Corporate Air | 41
Scottish Pacific Business | 18
Gold Coast Helitours | 1
Warren Thomson | 26
Total | 86

Minister for Transport and Regional Services: Air Charter Costs

(Question No. 162)

Senator O’Brien asked the Special Minister of State, upon notice, on 4 March 2002:
Since March 1996, by financial year, what was the cost of air charter provided by Vee H Aviation, or associated companies, to the Minister for Transport and Regional Services or his office.

Senator Abetz—The answer to the honourable senator’s question is as follows:

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Cost ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996-1997</td>
<td>$3,200</td>
</tr>
<tr>
<td>1997-1998</td>
<td>$4,970</td>
</tr>
<tr>
<td>1998-1999</td>
<td>$13,125</td>
</tr>
<tr>
<td>1999-2000</td>
<td>$75,257</td>
</tr>
<tr>
<td>2000-2001</td>
<td>NIL</td>
</tr>
<tr>
<td>2001-2002 (to date)</td>
<td>NIL</td>
</tr>
</tbody>
</table>

Records held by the Department do not indicate associated companies.

Finance and Administration Portfolio: Contracts

(Question No. 178)

Senator Robert Ray asked the Minister for Finance and Administration, upon notice, on 11 March 2002:
Has there been any occasion on which the Department awarded contracts to J P Morgan between 11 March 1996 and 11 March 2002; if so: (a) what was the purpose of each contract; and (b) what was the total cost of each contract.

Senator Minchin—The answer to the honourable senator’s question is as follows:
No.

Trade: Fireworks Imports

(Question No. 243)

Senator Greig asked the Minister for Justice and Customs, upon notice, on 15 April 2002:
(1) What is the quantity of fireworks imported into Australia annually (please give quantities and estimated values for the past five years).
(2) To which ports, and in what amounts per port, are fireworks imported.
(3) What legal requirements must an importer of fireworks satisfy before importing fireworks into
Australian.

(4) Are explosives imported to Australia; if so: (a) in what quantities annually over the past five
years; and (b) for what purpose.

(5) (a) What is the definition of fireworks that the Australian Customs Service (ACS) use; and (b)
how is that definition formulated.

(6) Does ACS differentiate between fireworks and explosives; if so, how.

(7) (a) Is ACS aware of the end location of fireworks and/or explosives imported into Australia; and
(b) if this information is available, what quantities are imported into each state and territory annu-
ally (please provide figures for the past five years).

Senator Ellison—The answers to the honourable senator’s questions are as follows:

(1) What is the quantity of fireworks imported into Australia annually (please give quantities and
estimated values for the past five years).

Information available from the Australian Bureau of Statistics on imports of fireworks in the pe-
riod 1 January 1997 to 31 March 2002 is set out in the following table. The quantity of imports is
not available, as it is not required to be specified on Customs entry documentation.

<table>
<thead>
<tr>
<th>Year</th>
<th>Customs Value $A’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997</td>
<td>2,747.38</td>
</tr>
<tr>
<td>1998</td>
<td>3,759.18</td>
</tr>
<tr>
<td>1999</td>
<td>5,957.51</td>
</tr>
<tr>
<td>2000</td>
<td>4,193.37</td>
</tr>
<tr>
<td>2001</td>
<td>2,897.90</td>
</tr>
<tr>
<td>2002</td>
<td>406.87</td>
</tr>
<tr>
<td>Total</td>
<td>9,962.21</td>
</tr>
</tbody>
</table>

(2) To which ports, and in what amounts per port, are fireworks imported.

The value of shipments of fireworks through individual ports in the period 1 January 1997 to 31
March 2002 is set out in the following table. Data specifying the unit quantity of these imports is
not available.

<table>
<thead>
<tr>
<th>Year</th>
<th>Port</th>
<th>1997 $A’000</th>
<th>1998 $A’000</th>
<th>1999 $A’000</th>
<th>2000 $A’000</th>
<th>2001 $A’000</th>
<th>2002 $A’000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>$A’000</td>
<td>$A’000</td>
<td>$A’000</td>
<td>$A’000</td>
<td>$A’000</td>
<td>$A’000</td>
</tr>
<tr>
<td>1997</td>
<td>Sydney</td>
<td>2,063.63</td>
<td>2,915.86</td>
<td>4,166.32</td>
<td>3,037.23</td>
<td>1,760.16</td>
<td>405.28</td>
</tr>
<tr>
<td></td>
<td>Mascot</td>
<td>132.99</td>
<td>85.02</td>
<td>37.94</td>
<td>54.90</td>
<td>219.34</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Melbourne</td>
<td>125.92</td>
<td>265.46</td>
<td>984.82</td>
<td>465.90</td>
<td>351.86</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Melbourne Airport</td>
<td>9.43</td>
<td>1.59</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Brisbane</td>
<td>164.28</td>
<td>272.13</td>
<td>621.22</td>
<td>514.68</td>
<td>544.16</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Fremantle</td>
<td>214.70</td>
<td>220.71</td>
<td>59.93</td>
<td>85.62</td>
<td>12.95</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Perth Airport</td>
<td>2.94</td>
<td>5.04</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Kwinana</td>
<td>30</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Darwin</td>
<td>45.86</td>
<td>84.35</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>2,747.38</td>
<td>3,759.18</td>
<td>5,957.51</td>
<td>4,193.37</td>
<td>2,897.90</td>
<td>406.87</td>
</tr>
</tbody>
</table>

(3) What legal requirements must an importer of fireworks satisfy before importing fireworks into
Australia.

An importer is required to satisfy standard Customs clearance procedures which may include
payment of Customs duty and GST as applicable.

(4) Are explosives imported to Australia; if so: (a) in what quantities annually over the past five
years; and (b) for what purpose.

Yes.

(a) Information available on shipments of explosives in the period 1 January 1997 to 31 March
2002, is set in the following table. Data specifying the unit quantity of these imports is not
available.
Year | Customs Value $A'000
---|---
1997 | 1,674.35
1998 | 2,979.15
1999 | 3,941.81
2000 | 8,854.63
2001 | 7,503.37
2002 | 2,353.25
**Total** | **27,306.56**

(b) This information is not available, as the end-use of the goods is not defined at the time of importation.

(5) (a) What is the definition of fireworks that the Australian Customs Service (ACS) use; and (b) how is that definition formulated, and (b) Customs uses the normal English dictionary definition of fireworks, ie “a combustible or explosive devise for producing a striking display of light or a loud noise, often used in signaling at night etc (Macquarie Dictionary 3rd Ed) as well as the Explanatory Notes to the Harmonized Commodity Description and Coding System (Harmonized System) as amended from time to time by the World Customs Organisation. The Explanatory notes aid in the classification of goods in accordance with the Harmonised System. The Explanatory Notes state that fireworks include: bombs, fuses, maroons, jets, candles, luminous torches, Bengal matches and lights, etc. the purpose of which is to provide entertainment through the acoustic, luminous or smoke-producing effects of their combustion. Firing is ensured by a firing powder, such as black powder, integrated into the article and fired by an electric fuse head or a primer fuse.

(6) Does ACS differentiate between fireworks and explosives; if so, how.
Yes. Schedule 3 to the Customs Tariff Act (1995) contains separate classifications for fireworks and explosives being:
Tariff classification 3604.10.00 “fireworks”; and
Tariff classification 3602.00.00 “Prepared explosives, other than explosive powders”.

Fireworks are classified using the definitions outlined in (5) above.

Explosives include mixtures of chemical substances the combustion of which produces a more violent reaction than that produced by propellant powders. Combustion produces an extremely large release of gas at a high temperature, creating an enormous pressure within a very short period. For the purposes of classifying explosives Customs uses the definitions set out in the Explanatory Notes to the Harmonized Commodity Description and Coding System.

For the purpose of classification to this tariff heading explosives may be presented as powders, granules, pastes, slurries, emulsions or as more or less dry gels, either in bulk or in the form of charges or cartridges. Customs does not include in this classification separate chemically defined compounds even though they may be explosive—these chemicals are usually included in Chapter 28 or 29 of the Tariff. Safety fuses, detonating fuses, percussion or detonating caps, igniters, and electric detonators when imported are classified separately to heading 3603.

(7) (a) Is ACS aware of the end location of fireworks and/or explosives imported into Australia; and (b) if this information is available, what quantities are imported into each state and territory annually (please provide figures for the past five years), and (b). No.

**Kennedy Electorate: Program Funding**

*(Question Nos 254 and 273)*

Senator O’Brien asked the Minister representing the Minister for Immigration and Multicultural and Indigenous Affairs and the Minister representing the Minister for Citizenship and Multicultural Affairs, upon notice, on 18 April 2002:

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

(2) What was the level of funding provided through these programs and/or grants for the 2000-01 and 2001-02 financial years.
(3) Where specific projects were funded: (a) what was the location of each project; (b) what was the nature of each project; and (c) what was the level of funding for each project.

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

1. As the Department of Immigration and Multicultural and Indigenous Affairs does not collect data by electorates, postcodes have been used to identify the electorate of Kennedy.

   The Department provides funding to assist people in the federal electorate of Kennedy under the following programs:
   (i) Community Settlement Services Scheme (CSSS);
   (ii) Adult Migrant English Program (AMEP);
   (iii) Translating and Interpreting Service (TIS);
   (iv) Aboriginal and Torres Strait Islander Commission (ATSIC);
   (v) Community Hostels Grants (CHG) program; and
   (vi) Indigenous Land Corporation’s land acquisition and land management programs.

2. (i) In 2000-01 the level of funding under the CSSS in the federal electorate of Kennedy was $25,320 and in 2001-02 it is $26,000. The CSSS funding year is from October to September.

   (ii) Under the AMEP $134,825 was provided in 2000-01. In 2001-02 the level of funding as at 29 April 2002 is $118,156. The amount of AMEP funding provided for people living in the electorate of Kennedy in any year depends on how many eligible people from that electorate enrol with the AMEP as well as the type of service provided and the number of hours of tuition.

   (iii) Budget Estimates funding for the delivery of TIS nationally in 2000-01 was $24.24 million and in 2001-02 it is $18.49 million. TIS budget funding is not allocated by electorate.

   (iv)ATSIC funding—see Table A below.

   (v) CHG program funding: $578,811 in 2000-01 and $504,430 in 2001-02.

   (vi) Total combined $1,367,800 in 2000-01 and 2001-02 under the Indigenous Land Corporation’s land acquisition and land management programs.

3. (i) Under the CSSS, funding is provided for specific projects.

   (a) Both in 2000-01 and 2001-02 the location of the CSSS project is Mount Isa (Mount Isa Community Development Association).

   (b) In 2000-01 the project was to increase English proficiency of women and newly arrived migrants, assist in community development and promote more culturally sensitive mainstream services. In 2001-02 the project provides settlement support for migrants and refugees in the Mount Isa region.

   (c) In 2000-01 the value of the CSSS grant to the Mount Isa Development Association was $25,320 and in 2001-02 it is $26,000.

   (ii) AMEP—No specific projects funded.

   (iii) TIS—No specific projects funded.

   (iv) ATSIC funding—see Table A below.

In addition to ATSIC funding detailed in Table A, the amounts of ATSIC Home Loans provided to clients in the federal electorate of Kennedy are:

- 2000-01: 24 loans approved totalling $2,916,830
- 2001-02 (to 18 April): 21 loans approved totalling $2,365,726

(v) CHG program funding:
(a) Location–Hostel Address  (b) Nature of Project  (c) Funds in 2000-01  (c) Funds YTD 2001-02

| Woodleigh College Broadway HERBERTON QLD 4872 | Secondary Education Hostel | $110,399 | $103,997 |
| Rose Colless Haven Shanty Creek Road Emerald Creek via MAREEBA QLD 4873 | Substance Use Rehabilitation Hostel | $121,052 | $115,334 |
| Fred Leftwich Rest Home Shanty Creek Road Emerald Creek via MAREEBA QLD 4873 | Aged Care Hostel | $79,240 | $40,364 |
| Kabalulumana Hostel 39 Pamela Street MOUNT ISA QLD 4825 | Transient Hostel | $114,116 | $124,493 |
| Kalkadoon Aboriginal Sobriety House Barkley Highway Spear Creek MOUNT ISA QLD 4825 | Substance Use Rehabilitation Hostel | $154,004 | $120,242 |

(vi) Indigenous Land Corporation’s land acquisition and land management programs funding:

| (a) Location (b) Nature of Project (c) Level of Funding 2000-01 to 2001-02 |
| Kirrama Holdings Land Acquisition | $1,178,000 |
| Emu Creek Station Land Acquisition | $170,000 |
| Middle Park Mining Compensation Agreement | $6,000 |
| Mungulla Stud Fencing and Weed Control | $3,045 |
| Kirrama Station Sewage Plant Repair | $5,180 |
| Kirrama Station Good Order Works | $3,261 |
| Kirrama Station (Budjuballa) Planning Supplies | $1,235 |
| Mungulla Stud Property Planning | $1,079 |

TABLE A
ATSIC’s Response to Parts (2) and (3)
ATSIC FUNDS TO KENNEDY ELECTORATE CAIRNS NETWORK REGIONAL OFFICE 2000-2001

<table>
<thead>
<tr>
<th>Location</th>
<th>Organisation</th>
<th>Nature of project</th>
<th>Funded</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gordonvale</td>
<td>Living Waters Aboriginal and Torres Strait Islander Corporation</td>
<td>CDEP Recurrent</td>
<td>$165,300</td>
</tr>
<tr>
<td>Mareeba</td>
<td>Aboriginal Outreach Program Aboriginal Corporation</td>
<td>Women’s Lifeskills Project</td>
<td>$55,447</td>
</tr>
<tr>
<td></td>
<td>Living Waters Aboriginal and Torres Strait Islander Corporation</td>
<td>CDEP Wages</td>
<td>$529,283</td>
</tr>
<tr>
<td></td>
<td>Aboriginal Outreach Program Aboriginal Corporation</td>
<td>Family Centre Operations</td>
<td>$57,460</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td>$694,583</td>
</tr>
<tr>
<td>Location</td>
<td>Organisation</td>
<td>Nature of project</td>
<td>Funded</td>
</tr>
<tr>
<td>---------------</td>
<td>--------------------------------------------------</td>
<td>-----------------------------</td>
<td>--------------</td>
</tr>
<tr>
<td></td>
<td>Kuku Djungan Aboriginal Corporation</td>
<td>CDEP Recurrent</td>
<td>$400,000</td>
</tr>
<tr>
<td></td>
<td>Kuku Djungan Aboriginal Corporation</td>
<td>CDEP Wages</td>
<td>$1,700,109</td>
</tr>
<tr>
<td></td>
<td>Kuku Djungan Aboriginal Corporation</td>
<td>CDEP Capital</td>
<td>$107,375</td>
</tr>
<tr>
<td></td>
<td>Kuku Djungan Aboriginal Corporation</td>
<td>Cultural Activities</td>
<td>$7,092</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>$2,327,483</td>
</tr>
<tr>
<td>Ravenshoe</td>
<td>Yabu Mija Aboriginal Corporation</td>
<td>Women’s Issues</td>
<td>$51,205</td>
</tr>
<tr>
<td></td>
<td>Yabu Mija Aboriginal Corporation</td>
<td>Women’s Issues</td>
<td>$8,585</td>
</tr>
<tr>
<td></td>
<td>Yabu Mija Aboriginal Corporation</td>
<td>Women’s Issues</td>
<td>$8,585</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>$68,375</td>
</tr>
<tr>
<td>Clump Mountain</td>
<td>North Queensland Clump Mountain</td>
<td>Sport &amp; Recreation</td>
<td>$40,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>$40,000</td>
</tr>
<tr>
<td>Doomadgee</td>
<td>Doomagdee Aboriginal Community Council</td>
<td>House construction</td>
<td>$175,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>$175,000</td>
</tr>
<tr>
<td>Cloncurry</td>
<td>Mitakoodi Aboriginal Corporation</td>
<td>House construction/ renovation</td>
<td>$1,100,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>$1,100,000</td>
</tr>
<tr>
<td>Murray Upper</td>
<td>Jumbun Aboriginal Corporation</td>
<td>Housing/infrastructure</td>
<td>$100,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>$100,000</td>
</tr>
<tr>
<td>Kennedy Electorate (general)</td>
<td>Indigenous persons/organisations</td>
<td>Business development loans and grants</td>
<td>$440,080</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>$440,080</td>
</tr>
</tbody>
</table>

**CAIRNS NETWORK REGIONAL OFFICE**

**2001-2002**

<table>
<thead>
<tr>
<th>Location</th>
<th>Organisation</th>
<th>Nature of project</th>
<th>Committed for funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gordonvale</td>
<td>Living Waters Aboriginal &amp; Torres Strait Islanders Corporation</td>
<td>CDEP Recurrent</td>
<td>$257,177</td>
</tr>
<tr>
<td></td>
<td>Living Waters Aboriginal &amp; Torres Strait Islanders Corporation</td>
<td>CDEP Wages</td>
<td>$506,085</td>
</tr>
<tr>
<td></td>
<td>Living Waters Aboriginal &amp; Torres Strait Islanders Corporation</td>
<td>CDEP Capital</td>
<td>$46,500</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>$809,762</td>
</tr>
<tr>
<td>Mareeba</td>
<td>Kuku Djungan Aboriginal Corporation</td>
<td>CDEP Capital</td>
<td>$152,250</td>
</tr>
<tr>
<td></td>
<td>Kuku Djungan Aboriginal Corporation</td>
<td>CDEP Recurrent</td>
<td>$370,713</td>
</tr>
<tr>
<td></td>
<td>Kuku Djungan Aboriginal Corporation</td>
<td>CDEP Wages</td>
<td>$1,605,019</td>
</tr>
<tr>
<td></td>
<td>Aboriginal Outreach Program Aboriginal Corporation</td>
<td>Diversion and Rehabilitation Program</td>
<td>$131,485</td>
</tr>
<tr>
<td></td>
<td>Aboriginal Outreach Program Aboriginal Corporation</td>
<td>Women’s Lifeskills Project</td>
<td>$15,275</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>$2,274,742</td>
</tr>
<tr>
<td>Ravenshoe</td>
<td>Yabu Mija Aboriginal Corporation</td>
<td>Women’s Issues</td>
<td>$59,999</td>
</tr>
<tr>
<td></td>
<td>Yabu Mija Aboriginal Corporation</td>
<td>Women’s Issues</td>
<td>$7,507</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>$66,506</td>
</tr>
<tr>
<td>Location</td>
<td>Organisation</td>
<td>Nature of project</td>
<td>Committed for funding</td>
</tr>
<tr>
<td>---------------</td>
<td>---------------------------------------------------</td>
<td>------------------------------------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>Atherton</td>
<td>Nyletta Aboriginal and Torres Strait Islander Corp</td>
<td>Lease on Hall for Community Activities</td>
<td>$5,920</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>$5,920</td>
</tr>
<tr>
<td>Doomadgee</td>
<td>Doomadgee Aboriginal Community Council</td>
<td>House construction</td>
<td>$1,850,000</td>
</tr>
<tr>
<td>Cloncurry</td>
<td>Mitakoodi Aboriginal Corporation</td>
<td>Total</td>
<td>$1,850,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>House construction/ renovation</td>
<td>$1,085,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>$1,085,000</td>
</tr>
<tr>
<td>Kennedy</td>
<td>Indigenous persons/organisations</td>
<td>Business development loans and grants</td>
<td>$451,598</td>
</tr>
<tr>
<td>Electorate</td>
<td></td>
<td>Total</td>
<td>$451,598</td>
</tr>
</tbody>
</table>

**TOWNSVILLE REGIONAL OFFICE**

2000-2001

<table>
<thead>
<tr>
<th>Location</th>
<th>Organisation</th>
<th>Nature of project</th>
<th>Funded</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardwell/Kennedy</td>
<td>Camu Community Co-Operative Society Ltd</td>
<td>Construction of Amenities Block</td>
<td>$66,452</td>
</tr>
<tr>
<td></td>
<td>Camu Community Co-Operative Society Ltd</td>
<td>Contribution to employ Co-Ordinator</td>
<td>$41,700</td>
</tr>
<tr>
<td></td>
<td>Camu Community Co-Operative Society Ltd</td>
<td>Contribution to employ W/Shop Spsr.</td>
<td>$22,000</td>
</tr>
<tr>
<td></td>
<td>Camu Community Co-Operative Society Ltd</td>
<td>Sporting Opportunities—Ingham Ward</td>
<td>$10,000</td>
</tr>
<tr>
<td></td>
<td>Camu Community Co-Operative Society Ltd</td>
<td>Upgrades &amp; Renovations to Houses</td>
<td>$100,350</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>$240,502</td>
</tr>
<tr>
<td>Charters Towers</td>
<td>Charters Towers Warrningnu A&amp;TSI Corporation</td>
<td>Family Violence Prevention W/Shop Add.fuds Construction of W/Shop</td>
<td>$2,010</td>
</tr>
<tr>
<td></td>
<td>Jupiter Mossman Community Co-Operative Society Ltd</td>
<td>Total</td>
<td>$47,750</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>$49,760</td>
</tr>
<tr>
<td>Hughenden</td>
<td>Yumba Community Co-Operative Society Ltd</td>
<td>Operational</td>
<td>$15,000</td>
</tr>
<tr>
<td></td>
<td>Yumba Community Co-Operative Society Ltd</td>
<td>Bulk Sports CT Ward</td>
<td>$5,000</td>
</tr>
<tr>
<td></td>
<td>Yumba Community Co-Operative Society Ltd</td>
<td>Cont.to Operational expenses NAIDOC</td>
<td>$70,430</td>
</tr>
<tr>
<td></td>
<td>Yumba Community Co-Operative Society Ltd</td>
<td></td>
<td>$5,000</td>
</tr>
<tr>
<td></td>
<td>Yerunthully Aboriginal Land Trust</td>
<td>Cont.”Project Manager” salary package</td>
<td>$21,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Art &amp; Cultural Activities Total</td>
<td>$10,000</td>
</tr>
<tr>
<td></td>
<td>Yerunthully Aboriginal Land Trust</td>
<td></td>
<td>$126,430</td>
</tr>
<tr>
<td>Ingham</td>
<td>The Hinchinbrook A&amp;I Housing Co-Operative Society Ltd</td>
<td>Cont.employment of Handyman</td>
<td>$20,000</td>
</tr>
<tr>
<td></td>
<td>The Hinchinbrook A&amp;I Housing Co-Operative Society Ltd</td>
<td>Upgrades and Renovations to Houses</td>
<td>$70,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td>$90,000</td>
</tr>
<tr>
<td>Location</td>
<td>Organisation</td>
<td>Nature of project</td>
<td>Funded</td>
</tr>
<tr>
<td>---------------</td>
<td>---------------------------------------------</td>
<td>----------------------------------------</td>
<td>----------</td>
</tr>
<tr>
<td>Murray Upper</td>
<td>Jumbun Ltd</td>
<td>Home Living Skills Assistance</td>
<td>$8,000</td>
</tr>
<tr>
<td></td>
<td>Jumbun Ltd</td>
<td>Housing Administration Support</td>
<td>$18,000</td>
</tr>
<tr>
<td></td>
<td>Jumbun Ltd</td>
<td>Ongoing Maintenance Water &amp; Sewerage</td>
<td>$36,850</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Total</strong></td>
<td><strong>$62,850</strong></td>
</tr>
<tr>
<td>Tully</td>
<td>Aboriginal Corporation for Malanbarra Midja Housing</td>
<td>Cont. employment of Asset/Tenancy Administrator</td>
<td>$20,000</td>
</tr>
<tr>
<td></td>
<td>Aboriginal Corporation for Malanbarra Midja Housing</td>
<td>Develop/Establish Womens Support</td>
<td>$26,342</td>
</tr>
<tr>
<td></td>
<td>Aboriginal Corporation for Malanbarra Midja Housing</td>
<td>Upgrades &amp; Renovations to Houses</td>
<td>$90,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Total</strong></td>
<td><strong>$136,342</strong></td>
</tr>
</tbody>
</table>

**TOWNSVILLE REGIONAL OFFICE**

2001-2002

<table>
<thead>
<tr>
<th>Location</th>
<th>Organisation</th>
<th>Nature of project</th>
<th>Committed for funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cardwell/Kennedy</td>
<td>Camu Community Co-Operative Society Ltd</td>
<td>Co-Ordinator &amp; Admin Wages</td>
<td>$17,300</td>
</tr>
<tr>
<td>Charters/Towers</td>
<td>Jupiter Mossman Community Co-Operative Society Ltd</td>
<td>Home Living Skills</td>
<td>$9,700</td>
</tr>
<tr>
<td></td>
<td>Camu Community Co-Operative Society Ltd</td>
<td>Upgrades &amp; Renovations to Houses</td>
<td>$40,000</td>
</tr>
<tr>
<td></td>
<td>Gumbudda CDEP Aboriginal Corporation</td>
<td>Kennedy Satellite</td>
<td>$119,801</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Total</strong></td>
<td><strong>$186,801</strong></td>
</tr>
<tr>
<td>Hughenden</td>
<td>Yumba Community Co-Operative Society Ltd</td>
<td>Operational</td>
<td>$60,000</td>
</tr>
<tr>
<td></td>
<td>Yumba Community Co-Operative Society Ltd</td>
<td>Repairs &amp; Maintenance to Houses</td>
<td>$81,360</td>
</tr>
<tr>
<td></td>
<td>Yumba Community Co-Operative Society Ltd</td>
<td>Bulk Sports Charters Towers Ward</td>
<td>$5,000</td>
</tr>
<tr>
<td></td>
<td>Yumba Community Co-Operative Society Ltd</td>
<td>Home Living Skills Assistance</td>
<td>$1,500</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Total</strong></td>
<td><strong>$147,860</strong></td>
</tr>
<tr>
<td>Ingham</td>
<td>Gumbudda CDEP Aboriginal Corporation</td>
<td>Ingham Satellite</td>
<td>$33,968</td>
</tr>
<tr>
<td></td>
<td>Gumbudda CDEP Aboriginal Corporation</td>
<td>Start Up Cost—Ingham Satellite</td>
<td>$35,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Total</strong></td>
<td><strong>$68,968</strong></td>
</tr>
<tr>
<td>Murray Upper</td>
<td>Jumbun Ltd</td>
<td>Home living Skills Assistance</td>
<td>$8,000</td>
</tr>
</tbody>
</table>
### Jumbun Ltd
- **Nature of project**: Housing Administration Support, Ongoing Maintenance Water & Sewerage, Upgrades & Renovations to Houses
- **Committed for funding**: $30,000, $56,450, $26,900

### Gumbudda CDEP Aboriginal Corporation
- **Nature of project**: Economic Plan—Jumbun, Murray Upper Satellite, Tully Satellite
- **Committed for funding**: $20,000, $76,779, $12,198

### Tully Aboriginal Corporation for Malanbarra Midja Housing
- **Nature of project**: Asset & Tenancy Management, Bulk Sports, Demolish Top Story Old Office Building, Employee Termination Entitlement, Over commitment Solicitors Trust A/c, Upgrades & Renovations to Houses, Women’s Support Network
- **Committed for funding**: $18,000, $5,000, $50,000, $4,500, $19,800, $90,000, $26,242

### Mt Isa Regional Office 2000-2001

#### Location
- **Mt Isa Region**: Carpentaria Land Council, Carpentaria Land Council, West Qld ATSI Corp for Legal, West Qld ATSI Corp for Legal, Cloncurry Aboriginal Women's CDEP
- **Mt Isa/South East Ward**: Western Qld Regional CDEP, Western Qld Regional CDEP, Koutha ADC, Western Qld Regional CDEP, Koutha ADC
- **Mt Isa**: Trading Arts & Crafts, Trading Arts & Crafts, Tjilpatha AC, Yallambee AC, Yallambee AC

#### Nature of project
- Native Title Operations, Homelands Infrastructure, Legal Service Operational, Family Violence Prevention, CDEP Conference, CDEP Operational, Promote/Educate Art Operational, Additional Capital, Land Claim Operational, Indigenous Women’s Issues Op, Community Infrastructure, Community Infrastructure, Community Housing Ops, Council of Elders Ops, Art & Culture Ops

#### Funded
- $2,712,750, $620,000, $843,517, $284,200, $50,000, $61,500, $238,052, $175,000, $74,000, $100,150, $60,000, $45,000, $100,000, $100,000, $35,000, $25,000, $53,000
<table>
<thead>
<tr>
<th>Location</th>
<th>Organisation</th>
<th>Nature of project</th>
<th>Funded</th>
</tr>
</thead>
<tbody>
<tr>
<td>ATSI Corp for Welfare</td>
<td>Housing Operational Subsidy</td>
<td>$27,640</td>
<td></td>
</tr>
<tr>
<td>ATSI Corp for Welfare</td>
<td>House Purchases</td>
<td>$102,135</td>
<td></td>
</tr>
<tr>
<td>AI Development &amp; Rec Women Ass</td>
<td>Replace Capital</td>
<td>$10,000</td>
<td></td>
</tr>
<tr>
<td>AI Development &amp; Rec Women Ass</td>
<td>Central Region Sports Funding</td>
<td>$100,000</td>
<td></td>
</tr>
<tr>
<td>Healing for Harmony</td>
<td>Operational Subsidy</td>
<td>$56,113</td>
<td></td>
</tr>
<tr>
<td>Goodaduboo Night Patrol</td>
<td>Night Patrols</td>
<td>$30,000</td>
<td></td>
</tr>
<tr>
<td>Kalkadoon Tribal Council</td>
<td>Operational PPIH</td>
<td>$151,158</td>
<td></td>
</tr>
<tr>
<td>Kalkadoon Tribal Council</td>
<td>Night Patrol</td>
<td>$10,000</td>
<td></td>
</tr>
<tr>
<td>Mt Isa Aboriginal Media Assoc</td>
<td>Broadcast Operations</td>
<td>$170,000</td>
<td></td>
</tr>
<tr>
<td>Kalkadoon AC</td>
<td>NAIDOC</td>
<td>$3,400</td>
<td></td>
</tr>
<tr>
<td>Mitakoodi Juhnjilar AC</td>
<td>Preserve Indigenous Culture</td>
<td>$60,000</td>
<td></td>
</tr>
<tr>
<td>North Western Qld Land Council</td>
<td>Indigenous Culture Ops</td>
<td>$200,000</td>
<td></td>
</tr>
<tr>
<td>Waluwarra AC</td>
<td>Preserve &amp; Protect Ops</td>
<td>$28,842</td>
<td></td>
</tr>
<tr>
<td>Waluwarra AC</td>
<td>Operational Subsidy</td>
<td>$60,000</td>
<td></td>
</tr>
<tr>
<td>Nynugmba Bukumba AC</td>
<td>Sports Operational</td>
<td>$57,000</td>
<td></td>
</tr>
<tr>
<td>Boulia</td>
<td>House Upgrades</td>
<td>$50,000</td>
<td></td>
</tr>
<tr>
<td>Boulia</td>
<td>Housing Op Subsidy</td>
<td>$27,640</td>
<td></td>
</tr>
<tr>
<td>Burke &amp; Wills</td>
<td>Skills Training</td>
<td>$21,000</td>
<td></td>
</tr>
<tr>
<td>Burke &amp; Wills</td>
<td>Youth Initiatives</td>
<td>$5,000</td>
<td></td>
</tr>
<tr>
<td>Boulia Shire Council</td>
<td>Airport upgrade</td>
<td>$207,000</td>
<td></td>
</tr>
<tr>
<td>Normanton</td>
<td>Womens Issues</td>
<td>$40,000</td>
<td></td>
</tr>
<tr>
<td>Yargin AC</td>
<td>Womens Op</td>
<td>$56,703</td>
<td></td>
</tr>
<tr>
<td>Yargin AC</td>
<td>Art &amp; Craft</td>
<td>$20,000</td>
<td></td>
</tr>
<tr>
<td>Bynoe Advancement Co-op</td>
<td>CDEP Operational</td>
<td>$482,675</td>
<td></td>
</tr>
<tr>
<td>Bynoe Advancement Co-op</td>
<td>CDEP Wages</td>
<td>$1,295,812</td>
<td></td>
</tr>
<tr>
<td>Bynoe Community Co-op</td>
<td>Housing Ops</td>
<td>$27,639</td>
<td></td>
</tr>
<tr>
<td>Bynoe Community Co-op</td>
<td>Upgrade Youth Hall</td>
<td>$30,000</td>
<td></td>
</tr>
<tr>
<td>Bynoe Community Co-op</td>
<td>Septic Plumbing Equip</td>
<td>$50,000</td>
<td></td>
</tr>
<tr>
<td>Bynoe Community Co-op</td>
<td>Mens Issues</td>
<td>$20,000</td>
<td></td>
</tr>
<tr>
<td>Kukatj AC</td>
<td>Op Costs PPIH</td>
<td>$40,000</td>
<td></td>
</tr>
<tr>
<td>Kuttjar AC</td>
<td>Op Culture</td>
<td>$10,000</td>
<td></td>
</tr>
<tr>
<td>Cloncurry</td>
<td>Indigenous Womens Issues</td>
<td>$90,000</td>
<td></td>
</tr>
<tr>
<td>Cloncurry Aboriginal Women AC</td>
<td>Art &amp; Culture Ops</td>
<td>$10,000</td>
<td></td>
</tr>
<tr>
<td>Mitakoodi AC</td>
<td>Housing Op Subsidy</td>
<td>$27,639</td>
<td></td>
</tr>
<tr>
<td>Mitakoodi AC</td>
<td>Region Sports Funding</td>
<td>$133,333</td>
<td></td>
</tr>
<tr>
<td>Camooweal</td>
<td>House R&amp;M</td>
<td>$88,500</td>
<td></td>
</tr>
<tr>
<td>Williejuddara AC</td>
<td>House Op Subsidy</td>
<td>$85,000</td>
<td></td>
</tr>
<tr>
<td>Urandangi</td>
<td>Generator</td>
<td>$11,308</td>
<td></td>
</tr>
<tr>
<td>West Qld Regional CDEP</td>
<td>Community Ops</td>
<td>$3,500</td>
<td></td>
</tr>
<tr>
<td>Mornington Is</td>
<td>NAIDOC</td>
<td>$1,500</td>
<td></td>
</tr>
<tr>
<td>Mornington Shire Council</td>
<td>CDEP Operational</td>
<td>$800,000</td>
<td></td>
</tr>
<tr>
<td>Mornington Shire Council</td>
<td>CDEP Wages</td>
<td>$3,180,903</td>
<td></td>
</tr>
<tr>
<td>Mornington Shire Council</td>
<td>BRACS Ops</td>
<td>$60,000</td>
<td></td>
</tr>
<tr>
<td>Mornington Shire Council</td>
<td>Construct monument</td>
<td>$7,000</td>
<td></td>
</tr>
<tr>
<td>Woomera AC</td>
<td>Op Subsidy</td>
<td>$6,900</td>
<td></td>
</tr>
<tr>
<td>Gubadanga AC</td>
<td>5 Year Plan</td>
<td>$10,000</td>
<td></td>
</tr>
<tr>
<td>Location</td>
<td>Organisation</td>
<td>Nature of project</td>
<td>Funded</td>
</tr>
<tr>
<td>--------------</td>
<td>-------------------------------</td>
<td>---------------------------</td>
<td>------------</td>
</tr>
<tr>
<td>Bentick Island</td>
<td>Kaiadilt AC</td>
<td>Womens Issues Op</td>
<td>$45,000</td>
</tr>
<tr>
<td></td>
<td>Kaiadilt AC</td>
<td>Housing Construction</td>
<td>$490,087</td>
</tr>
<tr>
<td></td>
<td>Kaiadilt AC</td>
<td>Community Infrastructure</td>
<td>$250,000</td>
</tr>
<tr>
<td></td>
<td>Kaiadilt AC</td>
<td>Community operations</td>
<td>$250,000</td>
</tr>
<tr>
<td>Wellesley Island</td>
<td>Wellesley Is AC</td>
<td>Community</td>
<td>$138,000</td>
</tr>
<tr>
<td></td>
<td>Wellesley Is AC</td>
<td>Operational sub</td>
<td>$50,000</td>
</tr>
<tr>
<td></td>
<td>Carpentaria Land Council</td>
<td>Land Claim</td>
<td>$1,245,000</td>
</tr>
<tr>
<td>Burketown</td>
<td>MOUNGIBI HOUSING CO-OP</td>
<td>Indigenous Womens Issues Op</td>
<td></td>
</tr>
<tr>
<td></td>
<td>MOUNGIBI HOUSING CO-OP</td>
<td>CDEP Operational</td>
<td>$203,166</td>
</tr>
<tr>
<td></td>
<td>MOUNGIBI HOUSING CO-OP</td>
<td>CDEP Wages</td>
<td>$150,120</td>
</tr>
<tr>
<td></td>
<td>MOUNGIBI HOUSING CO-OP</td>
<td>Bidumngu Operations</td>
<td>$50,000</td>
</tr>
<tr>
<td></td>
<td>MOUNGIBI HOUSING CO-OP</td>
<td>House Construction</td>
<td>$450,000</td>
</tr>
<tr>
<td></td>
<td>MOUNGIBI HOUSING CO-OP</td>
<td>Housing Op Subsidy</td>
<td>$27,639</td>
</tr>
<tr>
<td></td>
<td>MOUNGIBI HOUSING CO-OP</td>
<td>Housing &amp; R&amp;M</td>
<td>$50,000</td>
</tr>
<tr>
<td></td>
<td>MOUNGIBI HOUSING CO-OP</td>
<td>Replace Vehicles</td>
<td>$50,000</td>
</tr>
<tr>
<td></td>
<td>MOUNGIBI HOUSING CO-OP</td>
<td>New Office</td>
<td>$150,000</td>
</tr>
<tr>
<td></td>
<td>MOUNGIBI HOUSING CO-OP</td>
<td>Regional Sports Funding</td>
<td>$133,334</td>
</tr>
<tr>
<td></td>
<td>Carpentaria Land Council</td>
<td>Language Maintenance</td>
<td>$50,000</td>
</tr>
<tr>
<td>Doomadgee</td>
<td>DOOMADGEE CDEP AC</td>
<td>Outstation Infrastructure</td>
<td>$138,000</td>
</tr>
<tr>
<td></td>
<td>DOOMADGEE CDEP AC</td>
<td>CDEP Operational</td>
<td>$1,017,009</td>
</tr>
<tr>
<td></td>
<td>DOOMADGEE CDEP AC</td>
<td>CDEP Wages</td>
<td>$3,209,814</td>
</tr>
<tr>
<td></td>
<td>DOOMADGEE SHIRE COUNCIL</td>
<td>NAIDOC</td>
<td>$1,500</td>
</tr>
<tr>
<td></td>
<td>DOOMADGEE MEDIA ASS INC</td>
<td>Broadcast Operations</td>
<td>$60,000</td>
</tr>
<tr>
<td></td>
<td>Carpentaria Land Council</td>
<td>Old Doomadgee Ops</td>
<td>$41,712</td>
</tr>
<tr>
<td>Dajarra</td>
<td>Jimberalla Co-op</td>
<td>Womens Issues Op</td>
<td>$56,965</td>
</tr>
<tr>
<td></td>
<td>Jimberalla Co-op</td>
<td>Housing Op Subsidy</td>
<td>$56,965</td>
</tr>
<tr>
<td></td>
<td>Jimberalla Co-op</td>
<td>Housing &amp; R&amp;M</td>
<td>$359,913</td>
</tr>
<tr>
<td></td>
<td>Jimberalla Co-op</td>
<td>Home living skills</td>
<td>$16,000</td>
</tr>
<tr>
<td></td>
<td>Jimberalla Co-op</td>
<td>Young peoples activities</td>
<td>$5,000</td>
</tr>
</tbody>
</table>

**MT ISA REGIONAL OFFICE**

2001-2002

<table>
<thead>
<tr>
<th>Location</th>
<th>Organisation</th>
<th>Nature of project</th>
<th>Committed for funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mt Isa Region</td>
<td>Carpentaria Land Council</td>
<td>Native Title Operations</td>
<td>$3,010,000</td>
</tr>
<tr>
<td>Mt Isa Region</td>
<td>West Qld ATSI Corp for Legal</td>
<td>Legal Service Operational</td>
<td>$851,952</td>
</tr>
<tr>
<td></td>
<td>West Qld ATSI Corp for Legal</td>
<td>Family Violence Prevention</td>
<td>$289,657</td>
</tr>
<tr>
<td>Mt Isa/South East Ward</td>
<td>Western Qld Regional CDEP</td>
<td>CDEP Operational</td>
<td>$266,700</td>
</tr>
<tr>
<td>Mt Isa</td>
<td>Western Qld Regional CDEP</td>
<td>CDEP Wages</td>
<td>$696,626</td>
</tr>
<tr>
<td>Mt Isa</td>
<td>Trading Arts &amp; Crafts</td>
<td>Promote/Educate Art Operational</td>
<td>$74,000</td>
</tr>
<tr>
<td>Tjilpatha AC</td>
<td>Yallambee AC</td>
<td>Land Claim Operational</td>
<td>$20,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Indigenous Womens Issues Op</td>
<td>$45,000</td>
</tr>
<tr>
<td>Location</td>
<td>Organisation</td>
<td>Nature of project</td>
<td>Committed for funding</td>
</tr>
<tr>
<td>------------------------</td>
<td>---------------------------------------------</td>
<td>--------------------------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>Yallambee AC</td>
<td>ATSI Corp for Welfare</td>
<td>Art &amp; Craft Ops</td>
<td>$49,862</td>
</tr>
<tr>
<td></td>
<td>ATSI Corp for Welfare</td>
<td>Housing Operational Subsidy</td>
<td>$30,000</td>
</tr>
<tr>
<td></td>
<td>ATSI Corp for Welfare</td>
<td>Housing Upgrades</td>
<td>$20,000</td>
</tr>
<tr>
<td></td>
<td>ATSI Corp for Welfare</td>
<td>Housing Operational Subsidy</td>
<td>$30,000</td>
</tr>
<tr>
<td></td>
<td>ATSI Corp for Welfare</td>
<td>House Purchases</td>
<td>$300,000</td>
</tr>
<tr>
<td></td>
<td>ATSI Corp for Welfare</td>
<td>Property Valuations</td>
<td>$7,500</td>
</tr>
<tr>
<td></td>
<td>Jalanga Housing Co-op</td>
<td>R&amp;M to houses</td>
<td>$100,000</td>
</tr>
<tr>
<td></td>
<td>AI Development &amp; Rec Women Ass</td>
<td>Replace Capital &amp; Office Equip</td>
<td>$10,000</td>
</tr>
<tr>
<td></td>
<td>AI Development &amp; Rec Women Ass</td>
<td>Womens Conference</td>
<td>$50,000</td>
</tr>
<tr>
<td></td>
<td>AI Development &amp; Rec Women Ass</td>
<td>Central Region Sports Funding</td>
<td>$120,000</td>
</tr>
<tr>
<td></td>
<td>Healing for Harmony</td>
<td>Operational Subsidy</td>
<td>$61,446</td>
</tr>
<tr>
<td></td>
<td>Kalkadoon Tribal Council</td>
<td>Night Patrols</td>
<td>$20,000</td>
</tr>
<tr>
<td></td>
<td>Kalkadoon Tribal Council</td>
<td>Operational PPIH</td>
<td>$188,000</td>
</tr>
<tr>
<td></td>
<td>Mt Isa Aboriginal Mdia Assoc</td>
<td>Broadcast Operations</td>
<td>$170,000</td>
</tr>
<tr>
<td></td>
<td>Kalkadoon AC</td>
<td>Preserve &amp; Promote Culture</td>
<td>$27,500</td>
</tr>
<tr>
<td></td>
<td>Mitakoodi Juhnjar AC</td>
<td>Preserve Indigenous Culture</td>
<td>$60,000</td>
</tr>
<tr>
<td></td>
<td>North Western Qld Land Council</td>
<td>Indigenous Culture Ops</td>
<td>$150,000</td>
</tr>
<tr>
<td></td>
<td>Waluwarra AC</td>
<td>Preserve &amp; Protect Ops</td>
<td>$60,000</td>
</tr>
<tr>
<td></td>
<td>Boulia</td>
<td>Womens Issues</td>
<td>$5,000</td>
</tr>
<tr>
<td></td>
<td>Burke &amp; Wills</td>
<td>House Purchases</td>
<td>$300,000</td>
</tr>
<tr>
<td></td>
<td>Burke &amp; Wills</td>
<td>Housing Upgrades</td>
<td>$99,000</td>
</tr>
<tr>
<td></td>
<td>Burke &amp; Wills</td>
<td>Housing Op Subsidy</td>
<td>$30,000</td>
</tr>
<tr>
<td></td>
<td>Burke &amp; Wills</td>
<td>Home living skills</td>
<td>$20,000</td>
</tr>
<tr>
<td></td>
<td>Burke &amp; Wills</td>
<td>Youth Initiatives</td>
<td>$15,000</td>
</tr>
<tr>
<td></td>
<td>Normanton</td>
<td>Womens Issues</td>
<td>$40,000</td>
</tr>
<tr>
<td></td>
<td>Yargin AC</td>
<td>Art &amp; Craft Op</td>
<td>$20,000</td>
</tr>
<tr>
<td></td>
<td>Bynoe Advancement Co-op</td>
<td>CDEP Operational</td>
<td>$413,300</td>
</tr>
<tr>
<td></td>
<td>Bynoe Advancement Co-op</td>
<td>CDEP Wages</td>
<td>$1,272,740</td>
</tr>
<tr>
<td></td>
<td>Bynoe Community Co-op</td>
<td>Housing Acq/Constr</td>
<td>$300,000</td>
</tr>
<tr>
<td></td>
<td>Bynoe Community Co-op</td>
<td>Road Sealing</td>
<td>$67,000</td>
</tr>
<tr>
<td></td>
<td>Kukatj AC</td>
<td>Op Costs PPIH</td>
<td>$40,000</td>
</tr>
<tr>
<td></td>
<td>Gkuthaarn AC</td>
<td>Youth Drop In Centre Op</td>
<td>$10,000</td>
</tr>
<tr>
<td></td>
<td>Gkuthaarn AC</td>
<td>OP Salaries PPIH</td>
<td>$40,000</td>
</tr>
<tr>
<td></td>
<td>Cloncurry</td>
<td>Womens Issues Operational</td>
<td>$90,000</td>
</tr>
<tr>
<td></td>
<td>Cloncurry Aboriginal Women AC</td>
<td>Construct Office/Comm Centre</td>
<td>$200,000</td>
</tr>
<tr>
<td></td>
<td>Mitakoodi AC</td>
<td>Housing Op Subsidy</td>
<td>$30,000</td>
</tr>
<tr>
<td></td>
<td>Mitakoodi AC</td>
<td>Region Sports Funding</td>
<td>$120,000</td>
</tr>
<tr>
<td></td>
<td>Camooweal</td>
<td>House R&amp;M</td>
<td>$85,000</td>
</tr>
<tr>
<td></td>
<td>Williejuddara AC</td>
<td>House Construction</td>
<td>$15,000</td>
</tr>
<tr>
<td></td>
<td>Williejuddara AC</td>
<td>House Op Subsidy</td>
<td>$30,000</td>
</tr>
<tr>
<td></td>
<td>Williejuddara AC</td>
<td>Youth Worker</td>
<td>$10,000</td>
</tr>
<tr>
<td></td>
<td>Urandangi</td>
<td>Emergency House Repairs</td>
<td>$80,000</td>
</tr>
<tr>
<td></td>
<td>Yallambee AC</td>
<td>Fire Prevention</td>
<td>$5,000</td>
</tr>
<tr>
<td>Location</td>
<td>Organisation</td>
<td>Nature of project</td>
<td>Committed for funding</td>
</tr>
<tr>
<td>-------------------</td>
<td>---------------------------</td>
<td>----------------------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td>Yallambee AC</td>
<td>Generator</td>
<td>$10,000</td>
<td></td>
</tr>
<tr>
<td>Yallambee AC</td>
<td>Vehicle</td>
<td>$75,000</td>
<td></td>
</tr>
<tr>
<td>Yallambee AC</td>
<td>Community Ops</td>
<td>$5,000</td>
<td></td>
</tr>
<tr>
<td>Mornington Is</td>
<td>Muyinda AC</td>
<td>Arts &amp; Crafts</td>
<td>$66,700</td>
</tr>
<tr>
<td>Mornington Shire Council</td>
<td>CDEP Operational</td>
<td>$916,625</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Woomera AC</td>
<td>Cultural Centre Infrastructure</td>
<td>$20,000</td>
</tr>
<tr>
<td>Bentick Island</td>
<td>Kaiadilt AC</td>
<td>Womens Issues Op</td>
<td>$48,755</td>
</tr>
<tr>
<td></td>
<td>Housing Construction</td>
<td>$150,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Community operations</td>
<td>$295,000</td>
<td></td>
</tr>
<tr>
<td>Wellesley Island</td>
<td>Wellesley Is AC</td>
<td>House Framing Plant</td>
<td>$200,000</td>
</tr>
<tr>
<td></td>
<td>Outstation R&amp;M</td>
<td>$120,000</td>
<td></td>
</tr>
<tr>
<td>Burketown</td>
<td>Mounigibi Housing Co-op</td>
<td>Indigenous Womens Issues Op</td>
<td>$4,000</td>
</tr>
<tr>
<td></td>
<td>CDEP Operational</td>
<td>$207,725</td>
<td></td>
</tr>
<tr>
<td></td>
<td>CDEP Wages</td>
<td>$459,107</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Bidunngu Operations</td>
<td>$50,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Purchase Land</td>
<td>$20,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Housing Op Subsidy</td>
<td>$30,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Housing R&amp;M</td>
<td>$50,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Purchase Comm Bus</td>
<td>$60,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Regional Sports Funding</td>
<td>$120,000</td>
<td></td>
</tr>
<tr>
<td>Doomadgee</td>
<td>Doomadgee CDEP AC</td>
<td>Training &amp; Education Centre Op</td>
<td>$5,000</td>
</tr>
<tr>
<td></td>
<td>CDEP Operational</td>
<td>$894,400</td>
<td></td>
</tr>
<tr>
<td></td>
<td>CDEP Wages</td>
<td>$2,851,690</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Emergency Repair Airstrip</td>
<td>$59,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Broadcast Operations</td>
<td>$60,000</td>
<td></td>
</tr>
<tr>
<td>Dajarra</td>
<td>Jimberalla Co-op</td>
<td>Womens Issues Op</td>
<td>$8,755</td>
</tr>
<tr>
<td></td>
<td>Housing Op Subsidy</td>
<td>$30,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Housing R&amp;M</td>
<td>$170,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Home living skills</td>
<td>$20,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Youth Diversionary</td>
<td>$15,000</td>
<td></td>
</tr>
</tbody>
</table>