**INTERNET**


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Tuesday, 19 August 2003

The PRESIDENT (Senator the Hon. Paul Calvert) took the chair at 12.30 p.m., and read prayers.

ENVIRONMENT AND HERITAGE LEGISLATION AMENDMENT BILL (No. 1) 2002
AUSTRALIAN HERITAGE COUNCIL BILL 2002
AUSTRALIAN HERITAGE COUNCIL (CONSEQUENTIAL AND TRANSITIONAL PROVISIONS) BILL 2002

In Committee

Consideration resumed from 18 August.

ENVIRONMENT AND HERITAGE LEGISLATION AMENDMENT BILL (No. 1) 2002

Bill—by leave—taken as a whole.

The CHAIRMAN—The committee is considering the Environment and Heritage Legislation Amendment Bill (No. 1) 2002 as amended, and Australian Greens amendment (2) on sheet 2851, moved by Senator Brown. The question is that the amendment be agreed to.

Senator BROWN (Tasmania) (12.31 p.m.)—This is an important amendment to the government’s Environment and Heritage Legislation Amendment Bill (No. 1) 2002. It would restrict land clearing in Australia—although not enough, I believe—to 1,000 hectares for any operator over any period of five years. That seems an extraordinary amount—after all, that is 1,000 football fields of native forests or woodlands scraped off the face of this continent. Australia is the only developed or rich country on the list of the worst 10 land clearing operators in the world.

We know that there has been movement towards ending the land-clearing debacle in Queensland, which both Labor and the government have been totally irresponsible in preventing over the last decade or so. That land-clearing agreement does not come into force over the coming few years and, in the meantime, estimates are that up to 600,000 hectares are to be cleared in that state alone. Proportionately it gets worse when you go to Tasmania, in terms of volume as well as area. The most massive hardwood forests on the face of the planet in Tasmania, extensive rainforests, not least those in the Tarkine wilderness area of the north-west of the state, and woodlands—both dry forest and wet eucalypt forests—in the centre and east of the state are being cleared at the greatest rate in history. And, I might add, this is being done for the fewest jobs and for the poorest return to the public purse in history. That simple set of statements underlines the total failure of the regional forest agreement signed by Prime Minister Howard in 1997 to bring into play the much promised conservation of forest values in Tasmania.

I was explaining to the committee last night—and seeking advice and information from Senator Hill—about the failure of the regional forest agreement in Tasmania and about, in the absence of some change to put teeth into the regional forest agreement, the absolute need for a binding land clearance trigger which gives the federal government the power to intervene. What we got from that debate last night, from Senator Hill and from the government, was that this legislation looks after, will look after and is alleged to give greater strength to looking after Australia’s top cultural and natural heritage, but not where logging in Tasmania is concerned. If there is one major factor that is going to be completely freed up to continue destroying national heritage it is the logging industry under the regional forest agreements, and that in particular means the Bacon government in Tasmania and Gunns Pty Ltd, the
world's biggest woodchipper of hardwood forests.

I put it to the minister that the Meander Dam, which is currently before Environment Minister Kemp, should, under this legislation, be halted because it is endangering a prime habitat of the tiger quoll, a marsupial carnivore. The independent umpire in Tasmania determined that the dam should not proceed. What happened there? Lack of good faith was shown by the Howard government and Environment Minister Green in Tasmania, who hurried into the parliament to overturn the determination of the Land and Environment Court, so to speak, in Tasmania so that the dam building could proceed, the habitat could be flooded and the endangered species could be driven a little further towards extinction.

Minister Kemp has yet to make the decision to show that, if only on one occasion, this environment planning and conservation bill can have teeth. The problem with the legislation before us is that besides abolishing the Australian Heritage Commission and independent expertise, at least in listing places and things of supreme national heritage value, it gives the powers across to the minister to both list and delist places in Australia—in other words, to come under political suasion. Last night the minister said that, when listing national heritage places, they did have to take into account economic and social factors. Read for that big corporations, and indeed in some cases small corporations, wanting to grab the Australian people's heritage and develop it for their own ends.

We have heard precious little by way of a response to the request for information about Point Nepean. There was a request to Senator Hill to give an assurance that the heritage values there will be protected as the government moves to privatise an extraordinarily important part of the Australian national heritage, including historic buildings, in Victoria. But no plan has been put before this committee; there has been no covenancing—just a submission that the prospective developers in that case all feel that they can meet the objective of looking after heritage values. It is a matter of saying, 'Leave it to private enterprise.' I, for one, have been around for far too long to do anything of the sort, and I think the minister should have presented the terms and conditions, if privatisation must occur, for any developer so that we can clearly see for ourselves that Point Nepean will be protected.

I could move on to talk about Recherche Bay in Tasmania but there will be a specific amendment in relation to that so I will wait until then. The amendment that we are considering deals with land clearing. This is a very important Greens amendment. It should be supported by the Labor Party as well as the Democrats. I do not believe that support will be forthcoming. I do not see a substitute or alternative arrangement. We should be seeing one; otherwise there will be no effective mechanism for the Commonwealth to intervene in the interests of the nation to prevent the destruction of prime native vegetation in Australia. What could be more prime than, for example, the Styx Valley in Tasmania, where the tallest hardwood forests on the face of the planet are being cleared at a prodigious rate, right up to the boundary of the current World Heritage area, under the Snowy Range, under the authority of Prime Minister Howard?

Let me refer to the Tarkine wilderness in north-west Tasmania. There is a pipeline track there, through the heart of that rainforest. It has been there since 1965, when the then Tasmanian Labor Premier, Eric Reece, gave the authority for that track to be cut through the heart of the wilderness in order to take iron ore from the Savage River mine to Port Latta on the north coast. It is there;
but it has been sealed off and the magnificent rainforest on either side has been protected in the intervening nearly 40 years. Now, suddenly, under the Bacon government in Tasmania, there has been a public announcement by forests minister Paul Lennon. Recently, by the way, at a meeting in New Norfolk, where people were objecting to more log trucks being driven past their schools and through their town, he said that it was his job to defend the logging industry in every aspect, right across the board—no give, nowhere, no time.

But when it comes to the heart of the rainforests—the greatest temperate rainforest that our nation has, and which should be given priority for listing under this legislation—what will be the act that pre-empts that legislation? Mr Lennon has announced it, on behalf of the Prime Minister of Australia, the Rt Hon. John Howard, whose imprimatur is right on this, under the regional forest agreement—that is, the logging of 2,000 cubic metres of these statuesque, giant Antarctic beech, myrtle beech, for extraction by Britton Brothers and others in northern Tasmania so that they can make money out of them. There is no need for it because if you go across to Burnie, you will find a pile of rainforest woodchips there, including myrtle, on the wharf, ready to be sent to Japan to make paper. Under the mismanagement of Gunns Pty Ltd, massive quantities of rainforest are being logged for woodchipping at $10 a tonne royalty—or less than that. On the private land, of course, they cut down the forest, put the trees through the woodchip mill and get $100 freight on board per tonne for woodchip—sent to a ship standing offshore—for logging these forests which have been growing for centuries.

The Tarkine is of World Heritage significance and would be listed now as a World Heritage area if the previous Labor government or this Howard government had nominated it. It has extraordinary natural values. As I say, it is the largest temperate rainforest in Australia. It is bigger than the Daintree and the forests of the north which are tropical rainforests and which are World Heritage listed. It has extraordinarily important Indigenous values. It is named after the Tarkina people on the west coast and the Tomme-ginne people who were inland from that. This is the ‘forest of the dancing snakes’. It does not matter to this government; it does not matter under this legislation. The first priority will be to log in the heart of it so that some small-time operator can make a quick dollar.

If I am wrong about this, let us hear it from the minister. But there is enormous fear about this on the north-west coast of Tasmania, at a time when what is creating jobs in Tasmania—and it is growing prodigiously; the ferries are packed—is tourism. People are coming to Tasmania to see its natural and built heritage, which we have more of, thank goodness, per square inch than most other places on the planet. People are not coming to see these forests horizontal on a log truck. They are coming to see them vertical in their god-given ambience, with their wildlife, with their streams flowing crisp and fresh, and with the cleanest air in the world, as has been monitored at Cape Grim, just west of the Tarkine. Of all the monitoring stations on the face of the planet, it has the cleanest air.

What is planned under the regional forest agreement with respect to the Tarkine? It is being eroded at record rates at the moment, under Forestry Tasmania, the Tasmanian government and Prime Minister Howard. It is planned to put in a forest furnace at Smithton, so that more of it will be burnt to provide electricity through Basslink to unsuspecting Melburners who will be buying it as so-called ‘green power’.
I ask the minister: what is being done to review this decision on red myrtle? It was part of the regional forest agreement for determination in the five-year review, and there has to be a decision made which is agreed to by Minister Kemp. Is he going to make sure that there is not this dangerous environmental trespass on the pipeline track to get at that red myrtle or, as usual, are we going to hear nothing, or at best weasel words, about that?

That brings me to an important heritage matter. It is one of many, but I want to bring up the issue of logging at Kindred on the Leven River in northern Tasmania. There, we are assured, under the Forest Practices Code in Tasmania, rare and endangered species will be protected. Here was a concentration of Eucalyptus viminalis down to just a couple of per cent of its original range. Under the Forest Practices Code, which is Prime Minister Howard’s guarantee to the Australian people that such values will be protected, the private landowner moved in and flattened the area. He did so without a timber-harvesting plan; without policing under the so-called Forest Practices Code, which is abused repeatedly; without an injunction from the Tasmanian Forest Practices Board, which is supposed to be the arbiter in Tasmania; and without a squeak out of the Hon. Paul Lennon, the minister for woodchipping and forests in Tasmania, or the Premier, the minister for national parks.

There was illegal logging. That viminalis was sold somewhere illegally to an entity which took the illegally logged, rare and endangered Eucalyptus viminalis and sold it onto the market. (Extension of time granted) I ask the minister: does he know who sold that viminalis and, if not, will he find out? I also ask the minister: is it true that, even when a forest practices plan was insisted upon by the Forest Practices Board, the owner then illegally roaded this block, breaching the forest practices plan, in a configuration that was dangerous to the travelling public—a person had to go out with a stop-go sign for the trucks going in and out, carting this national heritage forest off to whatever market it went to? Is it also true that there was then an incursion into the river reserve of the Leven Canyon which allowed pirates to escape with tree ferns and other valuable components of that reserve?

How extensive was the failure of this system under the Prime Minister’s signature to protect the national heritage on the Leven River at Kindred? What has been the response under the legislation we have before us today to ensure that (a) the landowner was stopped immediately his illegal operation was brought to attention and (b) he was brought to book, or is this just another case of dozens and dozens of people flouting this Forest Practices Code and getting away with it—because in Tasmania you do not confront the industry; they determine what happens?

I would like to know that from the minister. The minister will get up and wanly, amongst other things, say, ‘Oh well, when we and the Democrats put through this legislation and guillotined it through this Senate in June 2000, you will notice that we excluded any further responsibility for the minister for forests under the regional forest agreement.’ What I am saying is that that is totally against the spirit of this legislation. The Greens are trying to put federal responsibility for species and places of national heritage significance back in. That is what this bill is about. We have an amendment here to prevent land clearing—its worst excesses, at least—without the authority of the government.

I am asking the minister: what is the alternative plan the government has in place to (a) prevent the massive land clearing, with its awesome contribution to global warming
out of Australia and (b) in particular, prevent the destruction of some of the most delicate, important, valuable, beautiful and inspiring components of native vegetation, including rare and endangered species, in Australia? That seems to be happening at a greater rate than ever before in history under Prime Minister Howard’s authority—if not signed authority, then withdrawn responsibility. What is going to be done about that? Doesn’t the Prime Minister care? He knows about the matters I am talking about because there is a line of authority and he signed the document which gave the guarantee and, of course, he will want to know that his guarantee from 1997 is being carried out.

I ask any member of this committee, any party at all: if the Greens’ land-clearing trigger—which, as I said, I think is far too loose, but it is here—which gives the federal minister for the environment the power to intervene on excessive land clearing is not the right one, what is your solution? The worst thing we can do here is say, ‘Well, it’s not exactly what we would like so we won’t vote for it and we’ll have nothing.’ We are legislators for this great nation of ours; we are the custodians of this nation’s natural and cultural heritage.

This bill, which I hold up here—500 pages about to become 700 pages—is ‘the book’ of protecting the Australian people’s heritage for future generations. I am saying it is a failure when it comes to forests and woodlands and rare and endangered species—not just the plants involved but the wildlife that live amongst them. I am asking everybody, including the Labor Party: if you do not support this amendment, where is yours? What are you going to do about the rapid deterioration of the nation’s heritage? This bill does not have teeth. For goodness sake, give it teeth by supporting this amendment.

**Senator LEES (South Australia) (12.52 p.m.)**—As Senator Brown has finished with the bill, I would like to begin with the bill and put this amendment into context in this debate. Hopefully we will get to the final vote on this very important package of heritage bills today. I think this is the fourth or fifth time we have resumed this discussion in this chamber. Hopefully we will see this through today and it will give us a far better means of protecting our national heritage than the current system.

Indeed it has been a long time coming. The process began under the previous Labor government. I think these bills have had a six-year gestation period. Senator Hill may be able to help me a bit with the time line. There have been some three years of active negotiation and discussion. In the last six to 12 months they have been quite frenetic and fraught with a few difficulties but we are virtually there. What gives me great heart is the number of organisations that are supportive of this legislation: the Heritage Commission, the Australian Council of National Trusts, the Humane Society, WWF and the list goes on. There are about 20 of them all hoping that we will see this legislation through today.

I will look specifically at the issues Senator Brown has raised. Yes, in Tasmania there is a major problem. We are effectively sitting and watching our heritage being trashed. Our old forests are being reduced to those various coloured piles of woodchips that I have seen on the waterfront at Burnie. At the same time we are seeing more and more people on the bushwalking tracks. I have done a fair bit of bushwalking down in Tasmania and the last time I was there they were at the point—and Senator Brown may be able to help me with this—of deciding whether or not Cradle Mountain track should be accessible by permit only over Christmas because so many people are using that track.
Senator Brown—No, but they are moving to that.

Senator LEES—You cannot say to them, ‘Well, go and do the south-west track.’ To start with, that is not well developed and is really for very qualified, experienced, very fit people. The last time I was down there I went on the walk that takes you up to the Walls of Jerusalem and that was packed with people going both ways for the entire day that I was going up. A few days later when I was coming back there were fewer people because it had been effectively snowing in the middle of summer. The tracks are packed, and what is Tasmania doing? It is clear-felling areas that could be the next walking area, the next tourist destination. One of my daughters has already walked much of that area in the Tarkine, on virtually no tracks at all. It is a beautiful place that the Tasmanian government could put real resources into for its tourism potential. But we are not seeing that, and I agree with Senator Brown that this legislation is not dealing with that. But neither, unfortunately, are Senator Brown’s amendments.

I believe we need to sit down with those stakeholders—those people who are interested. And the same thing applies when we are talking about land clearing. My home state has good land-clearing legislation but people are still finding ways around it and we need to have a far better monitoring and enforcement process. But speaking from a state that has dealt with it, I do not believe we need to come in and wave a big stick over people’s heads, with no compensation and no discussion. I believe that that would initially lead to an even greater rate of clearing than we are seeing now, and the way this amendment is written, with its reference to 1,000 hectares, would lead to that.

In some places where we have endangered species one hectare is too much to be cleared. I draw the chamber’s attention to a letter I had today from Alastair Graham of the Tasmanian Conservation Trust. They are looking again at this issue and they are actively in debate and discussion with government, as I am, on these issues. But there needs to be a complete ban on land clearing, a complete ban on logging of rainforest and a complete ban on industrial logging of old-growth forests rather than a blanket ban applied in this way. We certainly need to deal with this issue. Once you look at who the cessation of land clearing is going to affect you can see that it would only affect a handful of families.

People are resistant to change. They are particularly resistant to change if they do not have any view of where their future lies and what is going to happen to them. People are concerned about bureaucracy. As some farmers have said to me, bureaucrats are deciding for them where they can put fences and how many cattle they can run. This is a process that we certainly cannot let drag on, and I am very pleased that we are finally very close to an agreement in Queensland. Senator Brown, I certainly acknowledge your best intentions but unfortunately this amendment is not the way to go. Hopefully the Tasmanian government will come to its senses because this is where a lot of the problem lies and, with a review of the RFAs, hopefully we can get some sense into the heads of the members of the Tasmanian government.

Senator HILL (South Australia—Minister for Defence) (12.58 p.m.)—I will respond briefly. There are a lot of points that could be made but the first is that the Australian Environment Protection and Biodiversity Conservation Act is regarded as one of the best of its type in the world. Whereas you can always argue as to whether it could have or should have gone further, it does give the Commonwealth, for the first time, a significant role in the protection of assets of na-
tional importance. I think it has made a significant contribution to the sorts of goals that Senator Brown has been outlining. Senator Brown was opposed to it from the start. Senator Brown has never seen the legislative process as particularly useful in conservation. Regrettably he has not used the influence that he has in this place to achieve better conservation outcomes through the legislative process. It is true that it did not cover forests that were subject to regional forest agreements. The reason it did not was that it was a process that was already in place across Australia to provide not only better conservation outcomes in relation to forests but sustainable economic returns.

It was a policy that was agreed to by the two major parties in this country. In fact, it was commenced by the Labor Party but taken up by us. Its goal was, on the one hand, to achieve a comprehensive, representative and adequate conservation reserve system and, on the other hand, to allow for what was not within that reserve forestry that was conducted on both an economic and ecologically sustainable basis. A great deal of research from many of the best scientists within the field in Australia was undertaken over a considerable period of time to ensure that wise judgments were made as to where the boundaries were drawn, that proper assessments of the sorts of values that Senator Brown has been talking about—endangered species and the like—were properly taken into account in drawing those maps and that nothing is locked in forever, because mistakes can be made. There were review periods. Senator Brown made reference to the review of the Tasmanian RFA that is due to take place, and I am seeking advice on the status of that review at the moment. When he asks me about the issue of the red myrtle or of a particular endangered eucalyptus I will get that information. The advisers that I have here today do not have it at hand. That is why forestry that was subject to these ecological assessments was not included within the EPBC Act.

As I have said on many occasions, conservation in this country is really a partnership between the various tiers of government, with the states under our Constitution having primary responsibility for natural resource management. When the structure of the new Commonwealth legislation was being negotiated with the states, there was debate about whether extensive land clearing should have been included as a trigger as a matter of national environmental significance. It was decided, in the end, not to include it. Some of the reasons were covered by Senator Lees in her contribution. Some states had already enacted effective legislation, such as South Australia, which passed its legislation on this matter some 25 years ago. It was very difficult to determine a formula. The formula being proposed by Senator Brown is simply an arbitrary formula.

For those and other reasons it was decided that their share of the burden, emphasis and responsibility should remain on the states. We have been seeking to implement that commitment on a cooperative basis ever since. Reference has been made today to the slow but, it now seems, positive progress that has been made in Queensland. Queensland is likely to agree to, legislate and enforce new restraints that will be financially supported by the Commonwealth as well as the states. So the Commonwealth will be a party to achieving a better land-clearing outcome in Queensland. It is in the effective implementation of that sort of partnership that we believe the issue of land clearing might be best progressed.

This debate has been something of an aside, I have to say, to the purpose of the heritage bills that are before the chamber, but I accept that the issues are important.
Whereas the formula that has been adopted across this chamber—with Labor on the RFAs and then with the Democrats on the EPBC Act—certainly moves us in the right direction, I do recognise that it will never satisfy Senator Brown and we will have to have these asides from time to time. Seeking, on the part of the Commonwealth, to unilaterally breach the agreement that was made with the states in the planning of the EPBC Act will not, in my submission, achieve the outcomes that we are seeking anywhere near as effectively as the sort of cooperative arrangement that we are in the process of implementing in Queensland. On that basis, the government will not support the amendment.

Senator ALLISON (Victoria) (1.05 p.m.)—I want to indicate that the Democrats will support this amendment. I do not think it is ideal. As I said yesterday, there would be some difficulties in terms of administration and enforcement of such a law. However, we are all getting rather frustrated with what the minister describes as attempts to develop a cooperative arrangement with the states. From my perspective there is not a great deal of cooperative rhetoric or language that is being heard between the Commonwealth and state governments, and I do not think this is helping the situation. The government did commit to moving forward on land clearing, but effectively we have heard not a lot since that time. It is little wonder that senators in this place, such as Senator Brown and us, use this opportunity to put forward what may be not entirely 100 per cent ideal legislation. But it is the only tool we have in order to push governments along. I suggest that the ALP think seriously about supporting this.

Let the government take it away if it is not supportive of this model. Then come back to this chamber and suggest something which is. That way at least we can see this making some progress. I think we are all accustomed to making change over time in this place. Certainly I would argue that that is what this legislation does for heritage. It is not the ideal answer, but it is a start. On that basis, we are supporting it and its thrust. Nonetheless, I think we should apply the same approach to matters such as land clearing. We will go on shortly, Senator Lundy, to your amendments to do with greenhouse. It is much the same problem. In other words, an amendment which we might develop in this place is an attempt, as much as anything, to get it right. It probably needs a great deal more thought and effort to make sure that it is right. Nonetheless, it is a good start and that is, I think, what we should be aiming for.

As I understand it, the Tasmanian Conservation Trust talked about clear-felling of old-growth forests, and I think it is the case that Tasmania Together proposed to phase out clear-felling old-growth forest logging by 2010 and stop clear-felling of higher conservation forests by January 2003. I think if we were able to work with the states to agree on that phasing out—perhaps an even more reasonable proposal than that, I would suggest—this would at least give us some confidence that we were moving in the right direction. I want to indicate that that is what the Democrats propose to do.

I really think that the minister will have to get accustomed to the idea of these kinds of amendments being put forward until there is something more concrete that the chamber can feel assured about in terms of land clearing, because it is a huge issue for this country. It is a greenhouse issue as much as a biodiversity and conservation issue. It is also a heritage issue because, as Senator Brown often says in this place, some of these very old trees, in particular, and ecological systems are a really significant part of our heritage.

I would also comment—as it seems I have done thousands of times in this place—that
the minister says that there is already a protection system in place: our RFA system looks after forests, it is sustainable and all of that. But even state governments come to the understanding that the RFA system does not work in Victoria. The Bracks government, and I congratulate them for this again, has decided that logging in the Wombat State Forest is not sustainable, partly because they are running out of water in Geelong—a bit like in Adelaide, Senator Hill, but of course that is not quite the same problem. For that reason they are phasing out logging.

I think this is a recognition that the RFA process never was about a sustainable yield of timber and probably never will be. In most cases there should be sensible reviews to determine whether the RFA process is based on a fallacy, and that is that you can keep on doing this clear-fell logging forever and ever. I will leave my comments at that, but it is important to say, I think, that we cannot just say, ‘We won’t deal with land clearing or forestry issues anymore because they’re already dealt with by the RFA process.’ Time and time again, the evidence demonstrates that to be not the case.

**Senator BROWN (Tasmania) (1.10 p.m.)**—The minister said that this is the best bill in the world. It is very easy to say that, but it is also very easy to prove that that is absolutely wrong. When it comes to the logging of the nation’s heritage forests, you only have to look at New Zealand and Thailand, which have stopped it. Here we have a licence for it to continue at a greater rate than ever before in history. This bill is a manifest failure. It is one of the worst bills in the world when it comes to protection of the forest heritage and the wildlife heritage of this nation. The Greens are trying to put into the bill a tooth to help protect that forest heritage where the delinquency of the authorities in Tasmania is allowing even the soft rules of the regional forest agreements to be broken.

The government is going to oppose it, and the question is: will the Labor Party oppose it?

Senator Lees said that hopefully we will see the Tasmanian government come to its senses. I would be with Senator Lees on that hope if I did not live with all those log trucks ripping through Hobart, Launceston, Devonport and all the other towns of Tasmania that are en route to woodchip mills. Do you know how many? There are 500 trucks a day going out of our old-growth forests into the woodchip mills to export, amongst other things, some of the most statuesque, important and rare forests of the world to the rubbish dumps of the Northern Hemisphere, via paper mills, at the lowest return in history—as I said earlier—to the Tasmanian people in terms of royalties. ‘Best bill in the world,’ my foot!

The minister said, ‘Senator Brown has never seen the legislative process as worth while.’ That is quite wrong. I am here as a legislator. I have legislation before the minister to give him the power to intervene on land clearing and he says, ‘No, wrong way around.’ I am the legislator. It is the government here who are saying, ‘We don’t want to legislate.’ They do not see this parliament as being the place for legislation on this matter. Sure, the woodchip industry has prodigious influence. It gives donations to the big political parties. It has business lunches and dinners with relevant ministers in Tasmania. It rules over the 80 per cent public sentiment against this destruction of our forests. That is why we do require legislation in this place. We do not have legislation in this place because the government do not see the legislative process as worth while. They see their cosy arrangement with the job-shedding woodchip corporations as what is worth while to them in a political sense. It is the forests and the wildlife that suffer as we go.
The minister said that endangered species are protected properly by the maps. Let me tell you what goes on within areas of the maps drawn up under the regional forest agreement—just a pencil sketch. The rare and endangered tiger quoll I spoke about earlier is being extensively poisoned by 1080 under Mr Howard’s signature and the regional forest agreement. The beautiful little bettong—now almost extinct on the mainland but still numerous in Tasmania—with its white-tipped tail is being poisoned under the Forest Practices Code as 1080 is spread out across these forest areas once they have been logged and fire burnt, because they do not want these animals coming in and grazing on the precious seedlings which give them their money from the next crop of woodchips. We are talking about total destruction of ecosystems. This poisoning is different to that on the mainland. This is not poisoning of feral animals; this is poisoning purely, 100 per cent, to kill native wildlife, including endangered species, under this legislation which the minister says is the best in the world.

Then there is the giant wedge-tailed eagle, bigger in Tasmania than its mainland cousins, which nests in these forests. They have simply been cut out from underneath it. We do not know the impact of 1080. Some say it does not affect it. That is codswallop. The fact is that the wedge-tailed eagle is down to 200 breeding pairs and one of the biggest threats to it—it is also threatened by farmers poisoning carcasses—is the loss of habitat which is being cut from under it by Gunns Pty Ltd and the minister for forests in Tasmania, Paul Lennon, under the authority of Prime Minister Howard through his signature on the regional forest agreement.

When you get to the streamside reserves you find extensive breaches of the Forest Practices Code where the logging industry, including Forestry Tasmania itself, has gone in through streamside reserves which are supposed to be protected and which, amongst other things, are prime nesting sites in Tasmania for the pure white goshawk, which is also down to 200 breeding pairs. You see it going through the forest like a white flash; it is one of the most magnificent things to see in action. It is being driven just a bit closer to extinction every time a nesting site is lost through an illegal operation under the Forest Practices Code—under the authority of the Prime Minister—because there is no proper comeback against the people who do things like that, including Forestry Tasmania under the authority of the Rt Hon. Paul Lennon, Deputy Premier of Tasmania, and the Premier.

This legislation says: ‘We won’t touch forests like that in Tasmania. We will not protect those species. We will endorse their getting closer to extinction at the greatest rate in Australian history of forest destruction. While we are at it, we will cut across the job-creating tourism industry and give the benefit to Gunns Pty Ltd’—the CEO of which, Mr John Gay, having sacked dozens of people in recent years, cashed in his options on 31 July this year and made $7 million in one day, in one transaction, out of these forests we are trying to protect. Gunns has made a 35 per cent return on its capital so far. Forestry Tasmania has made a negative return. It makes the books look as though it is earning one per cent. These are the Tasmanian people’s forests but Gunns is making the money and—besides that which goes into the pockets of Mr Gay and other members of the board like the former Premier of Tasmania, Robin Gray—it bounces across Bass Strait, through the Stock Exchange and into the pockets of shareholders including the Commonwealth Bank and Perpetual Trustees, doing nothing for Tasmania. That is the economic side of this destruction of rare and endangered species, grand forests
and Tasmania’s future fortune under the failure of this legislation.

I propose a tooth which says, ‘Any owner who is going to log more than 1,000 hectares over five years will be guilty of a misdemeanour which will lead to 50,000 penalty units for a body corporate or 5,000 penalty units for an individual.’ Guess what? The government says no. It says, ‘Oh no, it’s the environment.’ Criminal behaviour towards the environment shall not be created when it comes to forests because that might just entrap some of the high-flyers who are robbing the public of their environmental heritage as well as their right to a decent return if they were to log these forests. Ditto when it comes to the red myrtle in the Tarkine, which is being targeted in the coming summer by a get-rich-quick group of operators who are quite happy to see much bigger amounts of myrtle from elsewhere going to whatever downstream processing designs they have for it. They are quite happy to see it go to the woodchip mills and be sent as scrap to the paper mills of Japan, Korea and China under the authority of Prime Minister Howard and the regional forest agreement.

This is scandalous. The Tasmanian situation is an absolute environmental, economic and employment scandal. That is why the Greens are calling in the state and federal parliaments for a judicial inquiry into it. But, far short of that, surely we could legislate to make things right in the interests of this nation. Surely the time to do that is when you have before this parliament a bill amending the Environment Protection and Biodiversity Conservation Act. This is the bill whereby we get the teeth to do the right thing by the people of Tasmania and of this nation. I have moved an amendment on behalf of the Australian Greens which says, ‘Let’s have a very blunt tooth, at least, to stop this massive rate of land clearing not just in Tasmania but also elsewhere in Australia where it occurs,’ and the government has said, ‘No, it is better that we have nothing.’ Read into that prodigious influence on this government by big-money concerns at the expense of the people and the heritage of Australia.

**Senator LUNDY (Australian Capital Territory) (1.22 p.m.):** Senator Brown knows full well that Labor do not have an intention to support any of these amendments apart, of course, from our own. We do so on the basis that the main problem with this bill comes back to the issue covered in Labor’s amendments right at the start: this bill is removing the independence of the Heritage Commission. It effectively makes all of the decisions that are going to be dealt with under this new bill political decisions—decisions made in the Minister for the Environment and Heritage’s office. For this reason, Labor believe this bill cannot be supported.

Like the Greens and other parties, we have taken the opportunity to move an amendment—it is coming up shortly—to highlight issues of concern which this bill presented an opportunity to say something about. Our amendment relates to a greenhouse trigger. At the same time, we are well familiar with the opportunity that bills such as this present to argue the cause on each of these issues. What we are hearing here from Senator Brown is his well and often stated case. It is not a case that Labor agree with, and we have a series of complex views on these matters that we have argued out in this chamber before. As I said, that is the approach Labor are taking to the package of bills. We are not going to support them. We know the Greens are not going to support them. We hope the Democrats are not going to support them now that they have effectively had to do a mea culpa because their deal with the government has fallen through, with the government now relying on Senator Lees and other crossbenchers to see these bills go through.
I do not believe there is a justification for this bill passing this place. I do not believe that the merits exist within what is left already for it to pass. I note with interest that we are now almost going through an exercise with the Democrats trying to outgreen the Greens, the Greens trying to maintain their credentials, if you like, and Meg Lees coming up from the rear trying to argue the case in some absurd fashion that there is some ongoing concern in the context of a bill that she is going to support. It is beyond belief that we find ourselves here debating these points when the most critical principle of heritage protection in consideration here is its independence—the ability to have areas or items listed without it being a political decision. We have been in the chamber now for a long time debating these bills on the basis that somehow we can make them better through a whole series of amendments. The Democrats got as many of theirs up as they possibly could, with Senator Lees coming in with a group of amendments that backed in the rest of what effectively constitutes the deal with the coalition.

It is not going to be a good outcome either way, and if everyone was genuine and genuinely committed to heritage protection in Australia they would realise that once that fundamental independence is gone from the Heritage Commission these bills are unsupportable in the first place. I take Senator Lees to task over her comments about all of those groups she keeps referring to and saying support the bill. The Australian Conservation Foundation does not support the bill. We know now, via comments made by Commissioner Rodney Dillon, that ATSIC has grave concerns about the future of Aboriginal and Torres Strait Islander heritage protection as well. Their fear, and indeed Labor’s concern, is that those issues will not be proceeded with in due haste on behalf of the coalition.

There is a whole range of issues tangled up here, which makes the best outcome not proceeding with this legislation in its current form. I believe the coalition government have an obligation to actually go back and do what they should have done at the start, which was come forward with a model that did protect the independence of the Australian Heritage Commission and made the appropriate updating of the act, which is, I guess, the main thrust of their argument as to why it should pass. Losing the independence of the Heritage Commission is a trade-off which is far too great for Labor to contemplate supporting. It is like the crossbench—in particular, Senator Lees, who has done the deal—saying, ‘We know this proposition needs to be updated and we are actually quite happy for you to completely destroy the principles that gave it life in the first place,’ which are by having independent decision making and an independent decision-making structure around it. It is unbelievable that the compromise has been so great. It has obviously been a significant focus of the coalition to ensure that compromise, and the amendments we have seen which have tried to fiddle around the edges by increasing accountability are all designed to try and offset that fundamental trade-off that we think is unacceptable. We will continue with our opposition and I look forward to having the opportunity, hopefully very shortly, to move Labor’s amendment in relation to a greenhouse trigger so that we too can take the opportunity that this bill presents to have a say on the issues that are important to our hearts.

**Senator LEES** (South Australia) (1.28 p.m.)—I realise I should resist the temptation, because we have been debating this for many days—indeed, this has now been six years in the making—but I cannot just let that go through to the keeper. This will be a great outcome for heritage in this country. Indeed, it is because people are committed to
preserving our national heritage that we have this bill before us today. From all the groups that I have mentioned through to people in the departments and those at a ministerial level, we have people committed to getting this legislation through. Senator Lundy mentioned the ACF. The ACF has become an absolute dinosaur. The ACF refuses to do anything that involves a coalition government. The ACF is sitting out there waiting for the next time the Labor Party is in government. Obviously that is going to happen at some time in the future—it is inevitable in Australian politics. Senator Hill thinks it is a little amusing but, Senator Hill, at some stage you are going to have to pass the baton across to this side. They will move over to your side and you will come over here and on we will go. That is the day the ACF is waiting for before it will support anything a government does. Who knows what the Labor Party are going to do? As Senator Brown has already said, they are at the heart of the problem of the destruction of our national forests.

However, putting that aside, yes, a letter did come yesterday from ATSIC, from Commissioner Dillon, and we have spoken to Commissioner Dillon since then. Unfortunately, he was deliberately misled and some very inaccurate information was passed on to him. He does not now support the comments that he made as a result of being substantially misled. So let us just get on with it—let us get this legislation through. I will not read the long list of 20-odd organisations, starting with the National Trust, that are supporting what we are doing. Of course there is still some tidying up to be done. This needs monitoring and we need to work on constant improvements. But it is an enormous step forward from where we were.

The ALP will be moving an amendment in a moment that they hope will sink the bill. They are trying yet another strategy because obviously, if their greenhouse amendment gets up, the government will not be very pleased. I will argue the case or not for that amendment later, and by the look of it that will be after question time. I think the ALP’s behaviour and attitude to this whole issue have been very disappointing.

Senator LUNDY (Australian Capital Territory) (1.31 p.m.)—If it is the case, as you say, that Commissioner Dillon has retracted his written statement and it has been refuted, we have not seen a retraction. It is very easy to stand up in this place and say, ‘Don’t worry about that letter.’ The fact is we are in possession of the letter and we have not been advised of any such retraction. It is probably worth while at this point outlining the actual concerns expressed. They include, in the final paragraphs:

In conclusion, I would like to reiterate what I said in my last letter: that Indigenous heritage may not always be protected where this protection stands in the way of short-term economic gain. For ATSIC to support this bill it would need to be satisfied that:

- the government will commit in Parliament to immediately invigorate the negotiations with the ATSHP Bill;
- ensure that the RNE becomes a part of the matters of national environmental significance under the EPBC Act;
- the Bill includes the provision of Aboriginal and Torres Strait Islander heritage inspectors with appropriate powers to ensure adequate protection of Indigenous heritage;
- some technical amendments are considered to the objects of the wildlife protection clauses that came into force in January 2002 to recognise the inherent Indigenous rights and ownership in wildlife similar to the clause that was supported unanimously in the Senate; and
- the emergency listing provisions are strengthened along with other matters that ATSIC has already raised.
I look forward to getting some clarification about the status of this letter because there is nothing on the deck to suggest that it is not still current in terms of that advice.

I can only go back to my original point. It has been quite an exercise hearing the crossbenchers—the Greens, the Democrats and Senator Lees—vying for the strongest green credential. You cannot take away the ultimate point about this legislation, which is: what you are doing is selling out. You are letting the government potentially politicise the listing of Australian heritage and heritage protection. I cannot see how this exercise can be justified. It is just another example of the lengths the coalition will go to, and the ability of the crossbenchers to be manipulated into a situation of supporting something for gains that do not have to come with a trade-off. In this case particularly Senator Lees held out and asked for and insisted on from this government that they cover all bases. That is what this parliament is all about. So I am concerned to hear continually their justification and how great this bill is going to be.

Labor have already put on the record, and we acknowledge, that there have been improvements and there are some improvements in this bill. They are way overdue. It does not cancel out our fundamental point: that the loss of independence of the Heritage Commission is an unforgivable sell-out. It is an unforgivable trade-off and one that we will not accept. Nothing changes that perspective. I know that Senator Brown has already said that he is not supporting the bill either and it remains to be seen whether this deal will ultimately lead to a sell-out deal being done with Senator Lees.

The Democrats would have loved their set of amendments to have got up. It was fascinating to sit back and watch the bickering about whose amendment was better and whose amendment was worse, and the tinkering around the edges, and the government just sitting back and saying, ‘We will have one of theirs and one of theirs,’ and making up the weakest mix of whatever they were trying to do. That is the exercise that we observed yesterday in this place. That is what it has been reduced to. That fundamental trade-off has been done and it is unforgivable. As I have said many times, Labor will not be supporting this fundamentally flawed bill.

Senator BROWN (Tasmania) (1.36 p.m.)—Firstly, I do not agree with Senator Lees that the Australian Conservation Foundation is a dinosaur organisation. I think that it is very unfair. It is a wonderful organisation. It has a huge membership and it is growing. I am going to see its new energy efficient premises in Melbourne in the coming week or two. I think it is an absolute example of environmental practice being put in place by an organisation which is the umbrella organisation of Australian environmental groups and one that has huge public support.

Senator Lees—There are not many people under the umbrella.

Senator BROWN—Senator Lees, I think there are not enough people under the umbrella—I would agree with that. It is just a pity that the government was not under the umbrella of good environmental sense as well. When groups like the Australian Conservation Foundation get attacked like that, it is best to let them speak for themselves. They have given us an issues paper from last Monday under the headline ‘Australia’s Heritage protection up for grab’. I seek leave for it to be incorporated into Hansard.

Leave granted.

The document read as follows—

Australian Conservation Foundation
ISSUES PAPER
Monday 18 August, 2003
ATTENTION: Political and Environment Reporters

Australia’s Heritage protection up for grab

The Senate will decide the future of Australia’s heritage this week. ACF has consistently asked for improvements to draft legislation if it is to be better than the existing Australian Heritage Commission (AHC) Act 1974.

While the AHC Act and particularly its administration definitely needs improvement, there are key weaknesses in the proposed heritage bills and the Environment Protection and Biodiversity Conservation (EPBC) Act 1999 into which heritage laws are being shoved. Amendments tabled in the Senate do improve the legislation, but do not raise the standard of heritage protection to what we should expect.

The existing Heritage law has been used to protect Jervis Bay, Shoalwater Bay and Shelburne Bay. There should be no retreat on this law or on the independence of the Australian Heritage Commission which administers it.

ACF has consistently highlighted critical shortfalls in the government’s heritage legislation and called on all parties to seek amendments which include:

- definition of actions which trigger the legislation must include government authorisations as under existing heritage laws. Proposed changes will use the same definition as the EPBC Act 1999, which has generated poor environmental assessment outcomes. Only one development application has been knocked back in almost three years and of nearly 900 development applications, only six have required public environment reports or environment impact statements (see below);

- protection for the place and its values not just values: The values only approach, which the Government unsuccessfully tried to foist on the World Heritage Convention, allows for piecemeal protection of sites of significance. The existing AHC Act focuses on the place and does not mention values;

- listing of sites on heritage registers: the decision about whether a place is going to be put on the National or Commonwealth Heritage list should be based on a place’s heritage significance alone. The Government wants to politicise this decision and be able to reject a listing because of social or economic considerations. If the lists are to have value they should be based on heritage significance. This is the situation for listing of endangered species under the EPBC Act where only environmental issues can be considered—social and economic concerns are considered in relation to individual proposals. Accepting socio-economic considerations at the listing stage allows for the politicisation of those considerations and is a backward step on the EPBC Act;

- All Commonwealth heritage sites to be put on Heritage List: The Commonwealth has hundreds of site on the existing Register of the National Estate and these should all be placed in the legislation creating the new Commonwealth Heritage List.

- An independent Australian Heritage Commission: The statutory independence of the existing Australian Heritage Commission is proposed to be replaced with an Australian Heritage Council, relegating it to a primarily advisory role.

Problems with the EPBC Act

There are a number of problems with the EPBC Act including its failure to directly address greenhouse pollution and landclearing; its mechanisms for delegating approval powers to the states and broad Ministerial discretion.

The latter is particularly relevant because of the relatively small number of full public assessments being undertaken by the Commonwealth. Unless a more rigorous approach is taken this is likely to continue.

By May 2003, of the 237 development proposals deemed to require environmental assessment, only 6 had gone through some kind of public assessment (5 assessments by Environmental Impact Statement (EIS), 1 Public Environment Report (PER), and 0 Public inquiries), compared to the figure of up to 10 per year under the former EPIP Act.

The uncertainty generated by the broad Ministerial discretion and other weaknesses in the refer-
ral, assessment and approval processes of the EPBC Act must be overhauled if the Act is to be effective legislation protecting Australia’s biodiversity and its natural and cultural heritage.

For further information:
John Connor, Campaigns Director 0409 935 044
Wayne Smith, National Liaison Officer, 0408 509 505

Senator BROWN— I thank you and, in doing so, point out the end of that document from the Australian Conservation Foundation about this piece of legislation. As is Senator Lundy, they are very worried about the independence of the Australian Heritage Commission being lost and in fact the whole commission being abolished. The paper states:

There are a number of problems with the EPBC Act including its failure to directly address greenhouse pollution and landclearing, its mechanisms for delegating approval powers to the states—away from the Commonwealth and giving broad discretion to the minister in Canberra rather than to the independent Australian Heritage Commission. This discretion of the minister is—

... particularly relevant because of the relatively small number of full public assessments being undertaken by the Commonwealth—on environmental matters. The paper states: Unless a more rigorous approach is taken this is likely to continue.

By May this year—that is, after three years of operation of the legislation—

... of the 237 development proposals—

that are threatening environments of national significance, as the ACF put it—

... deemed to require environmental assessment, only 6 had gone through some kind of public assessment... compared to the figure of up to 10 per year under the former EPIP Act.

You can see from that that this legislation is not performing. I will go back to the final paragraph of the ACF letter:

The uncertainty generated by the broad Ministerial discretion and other weaknesses in the referral, assessment and approval processes of the EPBC Act must be overhauled if the Act is to be effective legislation protecting Australia’s biodiversity and its natural and cultural heritage.

The fact is that the legislation is there. It has replaced the previous legislation; we have had that fight and we the Greens lost it and the Democrats won it in the year 2000. Effectively, what we are seeing today are some very limited improvements to try to make the legislation what it was touted to be—that is, the defence of Australia’s environmental interest.

What the Greens are saying here is, ‘Let’s empower the minister to act against the excesses of land clearing in Australia, one of the great scourges of the environment.’ Maybe because the state governments are Labor—I do not know—the Labor Party is not going to support it and nor is the government. There you see the problem. It is politically influenced against the public sentiment in this country and against this opportunity to do the right thing by the environment.

Question put:
That the amendment (Senator Brown’s) be agreed to.

The committee divided. [1.45 p.m.]
(The Chairman—Senator J.J. Hogg)

Ayes…………. 9
Noes…………. 45
Majority……. 36

AYES
Allison, L.F. * Brown, B.J.
Bartlett, A.J.J. Cherry, J.C.
Greig, B. Murray, A.J.M.
Nettle, K. Ridgeway, A.D.
Stott Despoja, N.

NOES
Barnett, G. Bishop, T.M.
Senator LUNDY (Australian Capital Territory) (1.49 p.m.)—I move opposition amendment (2) on sheet 3039:

(2) Schedule 1, page 11 (after line 7), after item 4, insert:

4A After Subdivision F of Division 1 of Part 3

Insert:

Subdivision FA—Protection of the environment from greenhouse actions

24B Requirement for approval of greenhouse actions

(1) A person must not knowingly, intentionally or recklessly take a greenhouse action that has, will have or is likely to have a significant impact on the environment.

Civil penalty:

(a) for an individual—5,000 penalty units;

(b) for a body corporate—50,000 penalty units.

(2) Subsection (1) does not apply to an action if:

(a) an approval of the taking of the action by the person is in operation under Part 9 for the purposes of this section; or

(b) Part 4 lets the person take the action without an approval under Part 9 for the purposes of this section; or

(c) there is in force a decision of the Minister under Division 2 of Part 7 that:

(i) the action is not a controlled action; or

(ii) the action is a controlled action but this section is not a controlling provision for the action.

24C What is a greenhouse action?

In this Act, a greenhouse action means any of the following:

(a) establishing an industrial plant which emits, or is likely to emit, more than 500,000 tonnes of carbon dioxide or carbon dioxide equivalent per year; or

(b) any other action, series of actions, or policies which will lead, or are likely to lead, to the emission of more than 500,000 tonnes of carbon dioxide or carbon dioxide equivalent per year.

In moving this amendment, I take the opportunity these bills represent to express Labor’s view about climate change and to reflect on the coalition government and how its approach to climate change is inconsistent, backward and fundamentally bad for Australia. Domestic action has largely failed and emission projections have recently been revised upwards, as it has become increasingly clear that current programs to reduce emissions are failing. The need to achieve emission reductions is not reflected in the priorities of other government policies, including industry, energy, treasury, and research and...
development. The coalition government has consistently failed to spend money allocated to climate change in the budget each year. It has delayed spending at the same time as emissions are increasing.

Labor believes that much more needs to be done to tackle climate change. Not a day goes by when the effects of climate change are not being seen and felt. Labor believes that with vision and leadership Australians do not have to choose between decent environmental outcomes and a strong and growing economy. It is possible to have both. In pursuit of this type of sustainable economic growth, Labor is taking this opportunity to move amendments to include a greenhouse trigger in the Environment Protection and Biodiversity Conservation Act. This will enable major new projects to be assessed for their greenhouse impact as part of any environmental assessment process, and will ensure that new developments represent best practice and that Australia’s national interest is taken into account. This amendment is an expression of Labor’s greenhouse policy released in August last year.

Labor’s approach to climate change is good for the environment, good for jobs, good for investment and good for industry. Indeed, the passage of these bills gives the government the opportunity to finally deliver on the Prime Minister’s 1999 promise of applying a Commonwealth greenhouse trigger in the Environment Protection and Biodiversity Conservation Act in relation to new projects that would be major emitters of greenhouse gases. But we have heard already the expression in the chamber by Senator Lees that to include such a trigger in this bill would sink the bills, so it is pretty obvious that Australia’s national interest is taken into account. This amendment is an expression of Labor’s greenhouse policy released in August last year.

Labor’s approach to climate change is good for the environment, good for jobs, good for investment and good for industry. Indeed, the passage of these bills gives the government the opportunity to finally deliver on the Prime Minister’s 1999 promise of applying a Commonwealth greenhouse trigger in the Environment Protection and Biodiversity Conservation Act in relation to new projects that would be major emitters of greenhouse gases. But we have heard already the expression in the chamber by Senator Lees that to include such a trigger in this bill would sink the bills, so it is pretty obvious that Senator Hill has failed to convince his colleagues of the need for a greenhouse trigger and that his successor, the current Minister for the Environment and Heritage, Dr Kemp, has not even bothered trying. But promise they did and, four years later, we are still waiting.

Again, in stark contrast, Labor first moved an amendment for inclusion of a greenhouse trigger to the EPBC Act when it was first debated in 1999. To ensure sustainable economic growth, Labor has once again introduced these amendments now. The absence of a trigger exacerbates the damage being done by this government’s illogical position in saying that they will meet the Kyoto protocol but steadfastly refusing to ratify it. It is also another example of a fundamental failure of national leadership on reducing Australia’s escalating greenhouse emissions. I urge those in the chamber to support these amendments. It is worth noting that the Greens moved similar amendments and we believe not only that our amendments are stronger but also that this is an appropriate opportunity to see whether or not the coalition are capable of taking up the challenge of this crucial issue.

Senator HILL (South Australia—Minister for Defence) (1.53 p.m.)—I am amazed because I can remember that when I was trying to negotiate a greenhouse trigger to the EPBC Act, Mr Beattie, the Labor Premier of Queensland was totally opposed to it. We know that we have federal Labor taking one position and Mr Beattie taking another, but my experience, to fill Senator Lundy in on the full story, was that all of the states were totally opposed to it. I now suspect that all Labor premiers are totally opposed to it. This was the stumbling block.

We agreed to a greenhouse trigger in principle and the legislation provides a consultation process with the states. That was commenced, various consultancies were let and advice was given as to what might be the best model in all the circumstances. Discus-
sion papers were put out and so forth but we were not able to reach a conclusion and the consultation process, from the perspective of the government, continues. If Senator Lundy is now indicating that Labor has switched and that the state Labor premiers are now likely to support a greenhouse trigger, that is very useful information for the government to take on board. It may be that one day we can get to an outcome of a greenhouse trigger representing a matter of national environmental significance within the EPBC Act.

I thank Senator Lundy for that piece of information. Whilst we are not prepared to sign on in this way, because the act sets out the process for the introduction of new greenhouse triggers, I think her revelation of the new ALP federal policy may be helpful in the future.

Senator Brown (Tasmania) (1.55 p.m.)—The Greens will be supporting this amendment. It is largely the Greens’ amendment brought forward by the Labor Party, but let me concede to Senator Lundy that I think it has a refinement or two that makes it even better. Let me reiterate what we are talking about here. We are talking about an impending global emergency which is going to affect the lives of every citizen on this planet and every Australian for decades to come. The later the action is taken, the greater the action that will be required. Over the last century the earth—this planet, the only living place we have—heated up by one degree Centigrade, or 0.6 degrees to exact. The Intergovernmental Panel on Climate Change forecast global heating ranging from one to six degrees in this coming century. In the wake of the heating disasters that we just saw in Europe and Asia, where 5,000 people died in France and preliminary figures are going into the thousands in India because of the heatwave, some scientists are now saying that we have to look at seven to 10 degrees heating by the end of this century, making large areas currently inhabited by millions of people totally uninhabitable because of global warming. Who would deny that that is going to involve the extinction of large slabs of our fellow creatures on this planet? That is what 1,200 of the world’s top scientists, including 100 Nobel laureates warned us of a decade ago.

Which peoples are the greatest malefactors when it comes to this? Australians, like the Americans, are the worst per capita polluters of the environment and the worst causers of global warming on the face of the planet. Here is an opportunity for the Howard government to do something about it and it is going to vote against it—even when it just pertains, as this bill does, to the environment of Australia. We have 11,000 people in Tuvalu who are going to be missing their country by the end of this century if the worst predictions come true. They have appealed to allow Australia to take them lock, stock and barrel. The Howard government, whose policies are contributing manifestly to this emergent global warming crisis, says, ‘We won’t take them; we will leave it to New Zealand,’ where people per capita on average produce half the global warming gasses that are produced in Australia under the Howard government.

The Howard government is going to oppose this greenhouse trigger because of the coal and aluminium industries—not the people of Australia but the big money, vested interests who have open access to Prime Minister Howard’s door against the interests of the average Australian citizen. This is culpable; this is irresponsible. This is the government putting its head in the sand as the sand heats up and saying that it is somebody else’s problem, particularly the next generation’s, or that there will be a technofix. They are dreaming that somebody else should fix up the problem that this government, and like governments around the world under the
pressure of these big industries, is creating. It is time that Mr Howard, the cabinet and this government took stock.

**Senator Ian Campbell**—Mr Temporary Chairman, I rise on a point of order. I have noticed that, as the broadcast lights come on, Senator Brown has become far more animated and hysterical.

**The TEMPORARY CHAIRMAN** (Senator Cook)—Would you state your point of order, Senator Campbell.

**Senator Ian Campbell**—Is there a standing order against overacting?

**The TEMPORARY CHAIRMAN**—There is no point of order.

**Senator Brown**—That is the sort of reaction to this serious matter that you would expect from the government opposite. It is reprehensible and it is time that they came to grips with this problem, acted maturely and supported the amendment before the Senate.

Progress reported.

**QUESTIONS WITHOUT NOTICE**

**Taxation: Family Payments**

**Senator MARK BISHOP** (2.00 p.m.)—My question is to the Minister for Family and Community Services, Senator Vanstone. Can the minister confirm that wealthy families who borrow money to play the stock market can use these activities to reduce their income to access family tax benefit part A? Does the minister agree with her department’s view that trying to crack down on share investment activities that enable rich families to get the family tax benefit cannot occur due to ‘the complexities of assessment and verification by Centrelink’ and because it is not cost effective? Given that this minister has shown she is prepared to strip the tax returns of 650,000 average Australian families each year, no matter that the debts have come about through no fault of those families, when will she show the same alacrity to close this loophole for the rich?

**Senator VANSTONE**—I thank the senator for the question. I will deal first with this allegation of stripping families of their tax returns when the overpayment they might have incurred may have been through no fault of their own. That may be true. There may be families who have quite openly told Centrelink what their income estimate would be during the year and they might have changed it appropriately. There might be families who at the end of the year have a windfall of one type or another—it might be the opportunity for extra overtime, which is appreciated, or it might be a capital gains tax, for example, the selling of a beach house. The capital gain would come in in that year and dramatically push someone over. Of course, they would then incur an overpayment because adjusted taxable income for social security purposes is not the same as taxable income for income tax purposes.

The key point is of course that family tax benefit is paid on the basis of two things: your income and the number of children that you have, and there are differing rates for the age of the children because it has been ascertained that children cost different amounts at different ages. We can say this: families in the same circumstances should get the same amount of money. If a family overestimates their income because they think they are going to have a pay rise or they think they are going to get overtime and they therefore do not get as much family tax benefit from us, at the end of the year we do what has not been done in the past: we top them up and give them their entitlement so that a family in the same circumstances as another family will get the same amount of money. Equally, a family who has assessed their income in another way and who may have fallen short in their estimate and may therefore have
been overpaid will be required to pay that money back. It will be treated, in effect, as a down payment on the next year’s entitlement. Up to a certain amount of money, families pay back at $20 and at another amount of money at $40. I do not regard it as stripping them of tax returns.

The family tax benefit is integrated and related to the tax system. Just as in the tax system sometimes lucky people get a cheque saying, ‘Here you are; you have had too much tax taken away during the year and you get some tax back,’ and other people get a notice saying that they have to pay more, with the family tax benefit system some families who have been paid more will be told at the end of the year, ‘Hold on, you have an overpayment; we have to fix this up,’ and hundreds of thousands of families will be told, ‘Hold on, we did not give you enough,’ and we will top them up in a way that no government has previously done.

As to the first part of the question, which related to share trading, the advice I have at this point—and I want to qualify this because I think it needs further checking—is that the definition we use of ‘adjusted taxable income’—namely, income for social security purposes in relation to family allowances—is the same as Labor used when they means tested their family allowance.

Senator MARK BISHOP—Mr President, I ask a supplementary question arising from the partial answer by the minister. Is the minister aware that since 1996 the total value of this stock market margin lending has risen from $2 billion to $10.5 billion and that 130,000 individuals now have margin loans of more than $90,000? Why does this minister continue to hit hardworking low- and middle-income families with large end-of-year debts but reward the growing number of high-income families who play the stock market?

Senator VANSTONE—Firstly, in relation to the supplementary question, no-one is hitting hardworking low-income families. Hardworking low-income families—how did they fare in the recession we had to have? Is it the low-income families whose real incomes went down? Yes, it is. Is it low-income families who have got the biggest tax gains—huge tax gains—from us? Yes, it is. Is it low-income families who now get a lot more in family tax benefits? Yes, it is. And do low-income families expect to get more than someone in the same situation? Let me help you here. Senator: no, they do not. Did Labor take into account the averaging of shares? I do not think they did.

Senator, I have already said—you perhaps were not focusing on this issue because you were reading out a question from someone else—I have asked my department to look at this with the tax department and see if there is any loophole that can be reasonably closed, if there is in fact one. Lastly, do not assume that the only people who trade in shares are the rich. You are a bit outdated. (Time expired)

Health: Commonwealth-State Health Agreements

Senator BARNETT (2.06 p.m.)—My question is to the Minister for Health and Ageing, Senator Kay Patterson. Will the minister outline to the Senate the health reforms that are being undertaken as part of the health care agreements? Is the minister aware of any states or territories that have not fulfilled the requirements for reform agreed as part of the previous agreements?

Senator PATTERSON—The $42 billion offer to the states—a $10 billion increase, 17 per cent over and above inflation—is a huge increase to fund and contribute to public hospitals. One of the major reforms that we are requiring in the agreements is that the states—they have not done this before—as
they come up to the plate, should tell us what they are going to spend in this financial year and at least match our growth in funding. Some states have failed to tell us what they spent last year and what they spent the year before. So the public do not even know what they have spent for the past two years, let alone what they are going to spend for the next five years. Yet the states demand that the Commonwealth tell the public what we are going to spend five years in advance. So one of the reforms is about transparency and fairness. If the Commonwealth is asked to say what we are going to spend for the next five years, the states ought to tell us what they are going to spend, in order to give patients and hospitals certainty.

One of the other reforms is to ask the states to report on certain achievements under the health care agreements. Some states—for example, New South Wales—have not even achieved the number of separations that they have been paid for in the life of the last agreement. So we are saying to them that we want better reporting and more information so that the public knows how their hospitals are performing. We want to see how they have spent the money. It is very simple: come up to the plate and tell us what you are going to spend and make sure that you enable anybody who fronts up to a hospital to be treated as a public patient. Let me say that some people are being cajoled into using their private health insurance in ways that are totally unconscionable—they are being rung up and asked after they have left hospital to change their admission details in order to help with hospital funding. That is outrageous. We want the states to treat people, if they turn up to a hospital, as a public patient; we want to ensure that they report on how they have spent the money; and we want them to match our funding.

The health reform agenda has been driven by the health ministers. As I said yesterday, I have cooperated with the states—with nine groups who have given us ideas on how we can reform the relationship between the Commonwealth and the states. We spend $40 billion on health every year between the Commonwealth and the states. If we can drive those dollars further, we will get better health outcomes for people. We can actually reform and streamline cancer care, we can improve the delivery of mental health services, we can improve quality and safety and we can improve pharmaceutical benefits and the way they are used.

There is a summit going on at Old Parliament House. They will present a communiqué today saying that they want to delay the signing of the agreements for a year.

Senator Hutchins—Why aren’t you there?

Senator Patterson—Will I be there?

No, I won’t be there, because I do not agree with the way they are going about it. They are saying, ‘Don’t sign up to the agreements for a year.’ We will have an argy-bargy about funding for another 12 months when we need to get on with reform. What the states need to do is to sign up and get on the reform train and drive reform to get better outcomes for patients.

The other thing that they will be asking for is a national health commission. Can you imagine having a national health commission? Would we have equal representation for the states? Would the states give up sovereignty in deciding how money is spent? What happens if the commission decides to privatise hospitals in the states? They would have no control. Having a national health commission would be a backward step. It would add another layer of bureaucracy. We have a system in place now with elected representatives. We are elected—the commission would not be elected—to deliver health, to pay for health and to ensure that we get...
cooperation between the states and the Commonwealth. I have worked assiduously with the state health ministers to drive the reform agenda. We do not need a national health commission.

As for Mr Carr presenting information at the health summit, I would like to have the time to tell the Senate about what he has not done rather than what he has said has been done. (Time expired)

Senator Barnett—Mr President, I ask a supplementary question. The minister has carefully outlined some of the disturbing trends of the state and territory governments. Can the minister provide further evidence of the states’ and territories’ inaction or action with respect to implementing the health reform agenda?

Senator Patterson—I thank Senator Barnett. Mr Carr gave a speech which I thought showed monumental ignorance, gross ineptitude or blatant misrepresentation. He went on at length about a trial in the Hunter Valley. He extolled the virtues of that trial. He never once mentioned that it was a Commonwealth-led trial; nor did he once mention in his speech the fact that the Commonwealth, as a result of that trial, gave the state $14 million to extend it to the whole of the Hunter Valley. He was saying what a wonderful thing it was but he never said it had been led by the Commonwealth. He never said that the Commonwealth paid the state to extend it to the whole of the Hunter Valley.

He then went on about the pharmacy initiative. As I said yesterday, he ought to wake up; it has been going on in three states, it has been offered to New South Wales and they have never taken it up. In addition, he has failed to run out the meningococcal vaccine program. (Time expired)

Taxation: Family Payments

Senator Jacinta Collins (2.13 p.m.)—My question is to Senator Vanstone, the Minister for Family and Community Services. Can the minister explain why the estimates of families with foreign income claiming family tax benefit part A are taken on trust while the government has subjected parents of Australian children with disabilities like cerebral palsy and Asperger’s syndrome to a 30-page questionnaire and forced them to visit their specialist at their own cost in order to justify their payments? Isn’t this blatant double standard one reason why the minister has recently been described as the meanest woman in Canberra?

Senator Vanstone—Gee, Mr President, I’m shattered! I’m going to burst into tears or something! I might have an old boohoo, like Prime Minister Hawke used to do—get out the hanky and have a bit of a boohoo. Someone said something nasty; I’m sure I have a hanky here. Yes, I’ve got a couple of handkerchiefs here I could get out! However, what is important, Senator, is that we do not go for bits of information and therefore give out misinformation and mislead the public, so let me deal with these two matters separately.

In relation to the review of saved cases of carer allowance, a good portion of these are, of course, people who were saved cases and were saved by a Labor decision in 1992—which we did not disagree with and in fact continued the quarantining of. They were reviewed because there was a change in 1997 or 1998 and they were promised at the time that they would have no further review for five years but that when that five years came up they would be reviewed—and they are now in the process of being reviewed. What we have found with about 40 per cent of those reviews done is that there was a good and proper reason to do them. A third of the
people at one point last week who had had
their payments cancelled self-assessed as no
longer being entitled. There were children
who were asthmatic who obviously needed
assistance and care when they were younger
but who, as they grew older, were able to
manage their condition better, their medica-
tion improved or perhaps even their condi-
tion did. And so it is with insulin-dependent
diabetes, where very young children cannot
handle their medication but, as they grow
older, they can. In fact, we are told by the
various associations that we should treat
these children as they become adults as being
able to live perfectly normal lives—and I
think we have senators who understand that
very much in relation to diabetes.

So they were reviewed for medical condi-
tion, which was very important, and, of
course, they were reviewed for income and
assets—and I do not think anyone would
disagree that that should be the case. The
disgrace over those reviews is that one of
your colleagues encouraged plenty of people
to believe that they would necessarily lose
payment when, as you know, Senator, some-
because the child was not
in care or for some other reason, but not in
relation to the medical condition. That is the
disgrace of the saved cases review—
that you
and your colleagues chose to frighten a lot of
people who have a lot more on their plate
than they need and do not need to have
added a fear campaign so that somebody can
get a headline.

**Senator Conroy**—You are a hypocrite!

**The President**—Withdraw that, Senator Conroy—it is unparliamentary and
you know it is!

**Senator Conroy**—I withdraw.
would have received it who are already paying it back under the normal compliance measures. The reason you do not know that, Senator, is the question you did not ask.

**Howard Government: Health Policy**

Senator Johnston (2.19 p.m.)—My question is to the Leader of the Government in the Senate, Senator Hill. Will the minister inform the Senate how the Howard government’s responsible management of the Australian economy has helped provide better health services for Australians and their families?

Senator Hill—I thank Senator Johnston for the question. It is something that Labor never understood—that to deliver ongoing public benefit, you had to run a sound economy. It was made particularly difficult for us because, when we came into government, of course, we inherited $96 billion of Labor’s debt. The year we came into government we found a $10 billion deficit when Senator Cook, a senior economics minister on the other side, said it was actually in surplus.

Under Labor the books were a mess, but we have been able to turn them around. We have delivered five budget surpluses and we have taken the tough but fair decisions needed to strengthen the economy—and Labor opposed every one of them. But the people of Australia are now seeing the benefits, despite Labor. We have been able to create 1.1 million extra jobs; businesses are continuing to grow and employ people and invest; consumer confidence is up; interest rates are, of course, at record lows, which helps Australian home buyers; and, most importantly, by returning the budget to surplus we can now direct more money towards those areas that are important to Australian families—and health is just one area where the Commonwealth government is making substantial new investment.

We are investing in a better health system for all Australians. We have put on the table a record $42 billion for public hospital funding. As Senator Patterson said, that is an extra $10 billion over the last agreement or an increase of 17 per cent over and above inflation—it is a 17 per cent real increase; a $10 billion real increase. That would deliver greater certainty for hospitals and great benefits for the Australian people. It is in addition to the $917 million that we have invested to make Medicare fairer for all Australians, to improve affordable access to GPs, to reduce up-front fees and to train more doctors. Together, this represents the largest ever investment in health by an Australian government, and I congratulate Senator Patterson.

What is Labor offering? We saw the Labor premiers on the television last weekend calling for reform. What is the offer of the Labor state premiers? Not one of them has put forward an offer at all. The Commonwealth has $42 billion on the table but the state Labor premiers only call for talk. We know what that is code for. That is code for the Commonwealth having to take more funding responsibility and the states having to take less. And this is at a time when the states are awash with money. They have the GST: the growth tax in Australia. They have all of it, every single last dollar of it. How much of that are they offering for health? They are not putting a dollar on the table. They are awash with money from stamp duty. They have so much money they do not know how to spend it. But how much are they putting up for public health? What have they put on the table? Nothing. All they have said is that they want more consultation. They want another process of reform and they want to put it on the COAG agenda. If these state Labor premiers were genuine, they would be putting their money on the table and they would be matching the 17 per cent of the Com-
monwealth. Then the public would really benefit. *(Time expired)*

Senator JOHNSTON—Mr President, I ask a supplementary question. Can the minister further inform the Senate of the benefits to Australian families of the $42 billion of health investment by the Australian government, in contrast to state expenditures?

Senator HILL—This gives me the opportunity to reiterate that the Commonwealth has put on the table $42 billion more than the states and $10 billion more than the last agreement.

*Honourable senators interjecting—*

The PRESIDENT—Order! There is too much shouting in the chamber from both sides. Come to order!

Senator HILL—That is 17 per cent increase in real terms, over inflation, Senator Evans. What are the state Labor premiers putting up? What is their offer to their people? Nothing—not a dollar. They just want more talk. There has been a total failure to meet their public responsibilities. Let us see them put their money on the table and then you can have a debate.

**Taxation: Family Payments**

Senator SHERRY *(2.25 p.m.)*—My question is to Senator Vanstone, Minister for Family and Community Services. Can the minister confirm that the four families she referred to yesterday, in her partial explanation of the government’s payment of family tax benefit A to millionaires, were saved on benefits by this government in 1998? Given that these families’ grandfathered entitlement was to a non-means-tested carer allowance, as opposed to the means-tested family payment, why did this government save their family payments in 1998 and fail to review that family payment entitlement during the five years since that date? Isn’t the minister trying to deliberately confuse two separate acts of meanness in a desperate attempt to avoid accountability to both?

Senator VANSTONE—I thank the senator for his question. Yesterday I made it very clear that a number of these families were originally saved in 1992 and that we had continued to save them. In that sense, I was making the mistake of trying to be a parliamentarian and give the Labor Party credit for having saved the families in relation to a certain number of matters. But, since the ugly spectre of a cheap political point has come into this, I will dwell on some of the changes and edify Senator Sherry on what I am advised did happen.

It is true that in 1992 the child disability allowance people were saved. You might not remember what happened in 1992, Senator; you might be in Senator Wong’s situation. I do not know how old you are, but now that I think about it you might be quite a bit older than her. The family allowance or family payment, or whatever they were called then, were not means tested. Later in Labor’s term they were means-tested but the advice I have is that the child disability allowance people were nonetheless able to keep their disability allowance. I will check this but even the child disability allowance may have—in that short period of time under Labor—been means tested. Then who would look mean spirited? I am watching the clock so that I can get out of here and check that point.

Senator SHERRY—Mr President, I ask a supplementary question. If the minister has ‘a personal aversion’—or ‘revulsion’ is a better word—to people who should not be getting things getting them, why have you allowed millionaires to receive family tax benefit A without checking on changes in their circumstances? How can the minister invent and then attack an imaginary millionaire family—the Wrights—for welfare fraud
but then go on to ignore real millionaire families who actually get a tax advantage?

Senator VANSTONE—I dealt with the so-called millionaire families yesterday.

Senator Sherry—You didn’t.

Senator VANSTONE—The senator might not be happy with the answer that was given yesterday but I did say that I had some preliminary information and I gave that. I said that there were further investigations under way and I pointed out that four of those families were the child disability allowance saved families, and that a number of them had got either capital gain or fringe benefits income and either had paid it back or were in the process of paying it back. Some appeared to be on some sort of welfare and that was being looked at. It could be that they were on parenting payment single. I think I referred yesterday to a couple of people who may have taken the opportunity to be on parenting payment single and then had a very sophisticated form of fringe tax benefit payment. I said that we would be looking very closely at anybody who took such an opportunity. I remain revolted by people who claim things they are not entitled to. (Time expired)

Social Welfare: Protection of Children

Senator BARTLETT (2.29 p.m.)—My question is to the Minister representing the Minister for Children and Youth Affairs, Senator Vanstone. I refer to the latest revelations on television last night of extensive child sexual assault and abuse by an institution with responsibility for the care of those children, in this case the Salvation Army. I refer to the allegations of systematic paedophilia in the Anglican Church in her own state of South Australia and the continuing failure of child welfare authorities of the state government in Queensland, my own state, to ensure the protection of children who were in their care. Given the federal government has responsibility for ensuring the protection and safety of children throughout Australia, what is the government going to do to meet those obligations? Why does the government not establish a royal commission to get to the bottom of this massive social evil once and for all?

Senator VANSTONE—I thank the senator for his question. Actually, Senator, I am not aware of the allegations that you raise, but I certainly do not deny that they would exist. There have been a number of institutions involved, some of them religious and some not. You rightly identify the Queensland state government’s failure in this area. I do not know why you exclude some other state governments—by accident or just lack of time to include them in the question.

Even though I am not the minister directly responsible, I do take pay close attention to this area. I think there are a couple of points that need to be borne in mind. I think we all need to ask ourselves—what is served by a royal commission. Some people who have unfortunately suffered abuse will be pleased to come forward and get help. But I make the point that those people who have suffered abuse do have at the moment avenues to go through to get help, to tell their story and to get assistance. I am not saying that there should not be more, but there are some avenues there.

I want to lead on and link that, however, to those people who would rather forget. It is not for you or me to say to them that they ought to come forward, to make the assumption that their lives will be better if they do that. Therefore, I am not confident that a royal commission will, as you say, rid us of this problem once and for all. One of the rea-
sons I am not confident of that is that in fact the greatest majority of child abuse actually happens not in the institutions but in the home. What are you going to do? Call up hundreds of thousands of families in Australia and ask them about their experience of it? While we are naturally concerned—anybody would be—about institutions that hold themselves out to be in some way morally superior to the rest of us and that allow this to happen, so we should be revolted when it happens to any child. It does not matter to me if it is a priest, their father, their uncle or the boy next door.

You can always get a headline wanting to kick the churches, but the real problem lies in our own homes, not in the churches and—I will even let the state governments off the hook for a minute, but I would welcome a supplementary if you have one—not in places that provide state care. Let me make the point that there are a lot of people who take children into care who are good and decent people, who every day do the right thing by these children. When the general public talk about children who are abused in state care—and it does happen—those people who have got kids in state care in their homes think that the general public will believe that it is them. So there are degrees of sensitivity that need to be looked at in this area.

As for the state governments, there is a lot they can do. Later I will be raising a matter which I believe is one I can look to you for your support on. In some states, the rate at which a child who is accepted and agreed to have been abused and who comes back within 12 months with the same claim which is found to be right is higher than the rates in other states. If you have some energies to direct, I suggest you do it in a cooperative fashion rather than belting the churches. (Time expired)

Senator BARTLETT—Mr President, I ask the minister a supplementary question. Firstly, why is simply pointing to undenied and substantial abuse by churches somehow seen as church bashing, when clearly it is just highlighting a reality? The minister also pointed to the state government. There are failures of state governments, I admit, across the country.

Senator Ian Macdonald—Why don’t you ask a question about the state governments? Why didn’t you ask a question about them?

Senator BARTLETT—Senator Macdonald may not think this issue is important, but I think Senator Vanstone does. Is it not the federal government’s responsibility, through its ratification of the Convention on the Rights of the Child, to ensure the protection and safety of children throughout Australia? When state governments fail, when other institutions fail or when the family fails, isn’t it its responsibility to have a consistent and strong national approach to deal with those substantial failures of state governments that the minister has in part pointed to? What is the national approach that the government is going to take to show national leadership and ensure consistency of approach on this issue? (Time expired)

Senator VANSTONE—Signing up to international instruments is a commitment on behalf of Australia as a whole—signed by the Australian government but obviously in consultation with the state governments—that our laws and procedures will adhere to those international instruments. It is not an agreement to take on constitutional responsi-
bility for things that are the constitutional responsibility of the states, simply because the states do not do their job. Senator, can I urge you to see that in this area above all others—but, I would say, in all others as well—the answer to this problem is not to let the states mismanage as they so badly do and then simply say that the Commonwealth will pick up every failure on behalf of the states. If you believe that, if that is what you think, put in a constitutional referendum to get rid of the states. Our constitutional arrangements do not change because of international instruments. However, we do all charge ourselves with living up to our responsibilities, and that includes the states. (Time expired)

**Taxation: Family Payments**

**Senator FAULKNER** (2.36 p.m.)—My question is also directed to Senator Vanstone, the Minister for Family and Community Services. Can the minister confirm that on 11 August 2003 her department, in answer to a Senate estimates question asking for the full distribution of incomes of families receiving family tax benefit part A, provided only the incomes of families earning less than $60,000 a year? Did the minister sign off on this incomplete answer? Did the minister or her staff instruct her department to provide only an incomplete and misleading answer to a parliamentary question to cover up the fact that millionaires are getting family tax benefit?

**Senator VANSTONE**—I have spoken with my chief of staff about this matter expecting such a question. I am surprised that you did not ask it yesterday. The advice that I was given verbally—and I trust my chief of staff, so I do not ask for things in writing—is that the question came up and that it was reviewed by the adviser responsible for this area and that some changes were made. I immediately said, ‘What sort of changes were made?’ I was advised again, in a parliamentary context, that the changes that were sought on my behalf were to make the table more explicable—something in relation to the headings that were then provided.

Senator, you said that it stopped at $60,000. I was told that it had those incomes over $60,000 bulked up as one category of over $60,000, but you may be right; I will check that. In any event, I asked why that was so and the answer I have been given by the department is that that is the way the department has always done this. We have provided information up to $60,000 in graduations and then over $60,000 in a lump. There is no conspiracy, Senator; you can waste as much time as you like looking for it. I welcome you doing that because you will not find it and you will be wasting your time. But to the extent that you are prepared to take my word for it, I am telling you there is no conspiracy here at all. The advice I have from my chief of staff is that the only change that was made was, in fact, to improve the accessibility of the information rather than the contrary.

**Senator FAULKNER**—Mr President, I ask a supplementary question. Can the minister inform the Senate whether she signed off on that original answer on 11 August 2003—and I hear what she says about her chief of staff. I also ask whether the minister can confirm whether she or her staff directed departmental officers on 13 or 14 August to withdraw a second, more complete version of the answer to the same question I have mentioned on 11 August 2003 concerning family tax benefit A families? I ask again: did the minister sign off on the second answer before it was submitted to the estimates committee? Was this another attempt to hide the evidence of wealthy families getting welfare benefits?

**Senator VANSTONE**—I said to my chief of staff that I had no recollection of signing
off on the original answer, and that fits with practice. I do not ask to see all the answers that go to estimates committees. You can ask the senators who attend: I take a position which is different from some other ministers—but which was followed by some Labor ministers and not others—and that is to interfere as little as possible and let the Public Service do its job because I think estimates committees are a very important part of parliamentary accountability. Saving except for pains in the neck who ask the same question 20 times and you have to say, ‘We’re wasting time,’ or ‘You’re badgering a public servant,’ or, if there were some political point to be made, ‘Don’t interfere.’ So I do not generally look at these answers and my chief of staff’s advice concurs with that. I have not checked the answer. If I have signed off on it, I will come back and tell you. As to what has happened over the last couple of days, Senator, as you know, I was on my way to and/or in Derby on Thursday and in Fitzroy Crossing on Friday and had, as you would understand, very limited telephone communication over this. I will have to find out. (Time expired)

Education: Higher Education

**Senator Nettle** (2.41 p.m.)—My question is to the Minister representing the Minister for Education, Science and Training, Senator Alston. Last week the Senate discussed the research findings of the Department of Education, Science and Training that HECS payments disadvantage poor students in their access to university. Is the minister aware of reports in today’s *Age* newspaper that even the Group of Eight, the most elite universities in Australia, are saying that the government’s higher education package may not do enough for aspiring students from disadvantaged backgrounds? Given that its own department says that HECS is a financial barrier to poor students and the elite universities are now also expressing their concerns, what changes will the government make to its higher education package to ensure that poor students are able to access university?

**Senator ALSTON**—Senator Nettle may or may not know that this is a very vexed area of policy debate. If you have seen an article in today’s *Sydney Morning Herald* by Professor Bruce Chapman and Dr Chris Ryan—

**Senator Carr**—Was that yesterday?

**Senator ALSTON**—Yesterday, was it? Yes, that is true, it was, so you should have had plenty of time to have read it. What they make plain in the article is that, although there would seem to be some discrepancies between research conducted by them on the one hand and by the Department of Education, Science and Training on the other, in fact there is no inconsistency. They do say that there are a number of policy variables which make it difficult to determine whether or not students from lower socioeconomic backgrounds have greater difficulty, but they also say that it is very difficult to reach firm conclusions. There is a particular debate relating to the meaning of participation in higher education. The Chapman and Ryan research deals with enrolments, the DEST material deals with applications and, as they say, the distinction is very important.

Our work on HECS and the analysis of applications in the DEST research are posing difficult questions. It is therefore credible for the Chapman and Ryan research to find generally that the introduction of and changes to HECS had no effect on enrolments—as we did—and for the DEST analysis to suggest small decreases in applications for some groups after the 1997 changes. So what that means is that there will continue to be an ongoing debate, which of course is grist to the mill for those who are looking to try to demonstrate disadvantage, but the reality is
that you will be very hard-pressed to come to that conclusion.

There are a number of data problems associated with the analysis that has been conducted by the department. I think we have already gone over that in considerable detail. There is no doubt that the changes involved in this whole process do put greater pressure on universities to perform. That is at the heart of Dr Nelson’s challenge to get at least one Australian university into the top 100 in the world. Excellence may not be a critical factor as far as you are concerned, but for students it is absolutely important. They certainly want to see high-quality education options available. If they cannot get them from one institution, they should have the ability to go elsewhere. These changes are designed to try to ensure that the overall standard is raised without disadvantaging those from poorer backgrounds. There is no evidence to date to confirm that latter proposition.

**Senator Nettle**—Mr President, I ask a supplementary question. Given that the government’s own Department of Education, Science and Training research findings show that HECS is a financial barrier for disadvantaged students, and given that the next logical step from that would be to look at removing HECS, which is the Greens’ policy.

**Senator Brown**—Mr President, I raise a point of order. Senator Nettle did not ask about ALP policy; she asked why the government was not going to look at the option of removing HECS, which is the Greens’ policy.

**The President**—Senator Alston, could you please address your remarks through the chair. There was no point of order.

**Senator Alston**—I do wish to address them through the chair, Mr President. I was simply pointing out to Senator Nettle that there is a very cautionary tale involved here: do not make the same mistake Senator Carr makes on a constant basis. Do not just take one set of research findings and pretend that that somehow represents an unambiguous assessment of disadvantage. If you do not have any regard for Dr Chris Ryan and Professor Chapman, you suffer as a result.

(Time expired)

**The President**—Senator Alston, I remind you again to address your remarks through the chair.

**Trade: Free Trade Agreement**

**Senator Conroy** (2.47 p.m.)—My question is to Senator Hill, the Minister representing the Minister for Trade. Can the minister confirm that the free trade agreement currently being negotiated with the US will use a negative list approach, meaning that all aspects of trade will be completely liberalised except where they are specifically excluded? Can the minister advise the Senate whether the government has excluded the Pharmaceutical Benefits Scheme?
Senator HILL—I congratulate Senator Conroy because I understand that he has an overseas trip to the World Trade Organisation meeting coming up. He will be representing the Australian Labor Party. This has upset Senator Cook, of course, because he claims to be the trade expert on the Labor Party side, but the new blood has pushed the old blood to the back row and this time it will be Senator Conroy who has a chance to make an impression. He will not go there advocating higher taxes on the part of the Labor Party because he has already made that mistake once and he hopefully learns from his mistakes. In relation to the detail of the question that has been asked by Senator Conroy, I think we have said in this place before that the PBS is very important to Australia. I cannot imagine any circumstance in which it would be sacrificed by this Australian government. I hope that puts Senator Conroy’s mind at rest.

Senator CONROY—Mr President, I ask a supplementary question. Given that the minister seems from that answer to be implying that the PBS is still on the table, is the minister aware of a recent study showing that, if the basis of pricing under the PBS were deregulated, the cost of commonly prescribed drugs for asthma and arthritis could rise by up to 300 per cent? Given these findings, will the government now give a commitment that the price of drugs listed on the PBS will not increase due to the US FTA?

Senator HILL—As Senator Conroy knows, the Howard government is committed to the provision of affordable high-quality health care, including access to affordable medicine. The negotiation of a US free trade agreement will not compromise these commitments. The PBS is very important to the government and to the Australian public. This government will not let the public down.

DISTINGUISHED VISITORS
The PRESIDENT—Order! I draw the attention of honourable senators to the presence in the President’s gallery of members of the 20th delegation of the American Council of Young Political Leaders. On behalf of all honourable senators, I welcome you to the Senate and I hope that your stay in Australia is both enjoyable and informative.

Honourable senators—Hear, hear!

QUESTIONS WITHOUT NOTICE
Taxation: Compliance
Senator SANTORO (2.51 p.m.)—My question is to the Minister for Revenue and Assistant Treasurer. Will the minister inform the Senate of the government’s approach to taxation compliance to provide revenue for essential services in health and higher education? Equally importantly, is the minister aware of any alternative policy approaches?

Senator COONAN—I thank Senator Santoro for that very incisive question. The Australian Taxation Office recently released its compliance program for 2003-04. The program outlines the risks to Australia’s revenue and the steps the tax office is taking to address them. While the vast majority of Australian people do do the right thing, there are some specific areas identified for increased compliance focus.

The tax office will increase its use of data matching to identify those who try to operate outside the tax system. Last year, the tax office collected an additional $3 billion for the community as a result of audit work, and 67 people went to jail for avoiding their tax obligations. Over the three years to 30 June 2003 the tax office estimates that an extra $2.6 billion in revenue has been collected as a result of tax reform’s impact on the cash economy. The tax office’s compliance program is part of an effort to ensure a fair, efficient and effective tax administration system.
for all Australians, because this government believes that protecting Australia’s revenue base, low taxation and getting the economic fundamentals right underpin growth and wealth that can provide vital services such as health and education.

And what is Labor’s plan for health and education? Labor wants to increase taxes. It wants to increase the Medicare levy. The evidence that the Labor Party will rip into the taxpayer to meet additional spending is overwhelming. The ACTU’s Mr Greg Combet last night on *Lateline* claimed that Australians want higher taxes. Tony Jones said: I raise it because this is in your facts sheet about tax and I’m just trying to get to the point here of what you mean by saying Australia is a low taxing country relative to other OECD countries. It seems to be suggesting we could have higher taxes here.

Mr Combet said: Well, we’re stating the facts.

What we have here are too many contradictions. Labor argues that taxes are too high but the ACTU, which happens to control 50 per cent of the votes at ALP conferences, states in its tax fact sheet that OECD data indicates that Australia is a low-taxed country. Labor wants to spend more but still claims it will have a budget surplus at the end of the day. Both of these propositions cannot be right.

Senator Conroy was the first in a long line of Labor spokesmen who split the beans on Labor’s plans to slug the taxpayer when he fessed up to a group of schoolkids a couple of years ago. After Mr Latham had been shadow Treasurer for about eight hours he could not control himself—he hopped into negative gearing and he wants to wind back capital gains tax. Mr Combet, again on *Letter*, has also raised the question of company tax. Mr Jones said:

You clearly would like to have higher company tax. What is the ACTU proposing exactly?

Mr Combet said: We’ll be looking at that over the course of the next few days.

So, while the Howard government has cut taxes by $10.7 billion over four years, all six of Labor’s states and two Labor territories have increased taxes. When it comes to the Labor Party in control of the financial levers, it is not only taxi drivers who will be under attack; it will be each and every Australian taxpayer.

**Trade: Antidumping Legislation**

Senator MARK BISHOP (2.55 p.m.)— My question is addressed to the Minister for Justice and Customs, Senator Ellison. Is the minister aware of the Prime Minister’s statement in Beijing:

We have already on my advice made some adjustments to our anti-dumping legislation to accommodate some of the concerns of the Chinese.

Given that the government’s tough anti-Chinese antidumping legislation was introduced last December and that no government amendments have yet been foreshadowed, what specifically is being done to comply with the Prime Minister’s directive?

Senator ELLISON—As Senator Bishop would know, there has been ongoing consultation—

*Opposition senators interjecting—*

Senator ELLISON—There has. There has been ongoing consultation through the Chinese embassy. In fact, we have actually had Customs officials go to China in relation to this issue. Of course, it is no secret that as a result of representations from Australian industry we sought to clarify the situation of China as a market in transition. We introduced legislation which then went to a Senate committee, which took evidence in relation to that. We have taken on board that re-
report and we are considering our response to that.

We value both the strong relationship we have with China—China being our third largest trading partner—and achieving a viable situation in relation to the antidumping relationship between China and Australia. We believe that we have achieved a balance between Australian industry and the accommodation of that relationship with the Chinese, which is so important.

Senator Faulkner—Are you going to waffle on for the full four minutes?

Senator Forshaw—What are you going to do about it?

Senator ELLISON—They obviously do not want to hear this answer, Mr President.

The PRESIDENT—Order! Senators on my left: if you want to hear the answer to the question you should keep quiet.

Senator ELLISON—As I advised the Senate Legal and Constitutional Legislation Committee in a letter of 24 March this year, there had been prior consultation with China about the substance of the treatment of economies in transition and ministerial guidelines during 2001. The bill was intended only to clarify and place on a proper legal footing the policies and practices that had applied to economies in transition since 1999. This was sought by industry and all concerned.

Senator Mark Bishop—Mr President, I rise on a point of order. The minister does not appear to have understood the question, and my point of order relates to relevance. The question asked what specifically is being done to comply with the Prime Minister’s directive of yesterday, as announced in Beijing. I ask you to direct the minister to attend to that question.

The PRESIDENT—You would know, Senator, that I cannot direct a minister how to answer a question. But I will say that he has two minutes left for his answer and hopefully he will get to the points you raised.

Senator ELLISON—As I have stated, we have met extensively with the Chinese in relation to this matter. These amendments do not significantly alter the existing antidumping and countervailing legislation contained in part XVB of the Customs Act 1901. To a large degree, they merely enshrine the ministerial guidelines that have been in operation for the past two years. What we have been doing with the Chinese is taking on board their concerns in relation to the amendments. Mr President, Senator Bishop does not have to wait too much longer in suspense: we will shortly be providing our response to the report by the Senate committee in relation to any amendments to the bill that we have before the parliament.

I can say that we are committed to maintaining a positive trading relationship with China. This bill merely clarifies and puts on a proper legal basis what we have been practising now for some years. There is nothing more to it than that. The opposition would like to see something greater in that that suits their purposes. They would like to muddy the waters. Unfortunately there is nothing there to muddy because it is very clear. This is a straightforward process of putting on a legal basis what we have been practising for some years.

Senator MARK BISHOP—Mr President, I ask a supplementary question. For three minutes and 50 seconds the minister avoided answering the question so I will ask a supplementary question arising from his non-response. Minister, given the government’s lack of clarity on this matter, will it support the amendments to be moved by the Labor Party to implement the minority report of the Senate Legal and Constitutional Legislation Committee report on the bill or will
the government continue to not honour the Prime Minister’s directive of yesterday?

Senator ELLISON— The Prime Minister’s directive was to clarify the situation, and this is exactly what we have been doing. That is why we have a bill before the parliament. That is why it went to the Senate Legal and Constitutional Legislation Committee. That is why we have had submissions from industry and China. We have taken the responsible path of clarifying the situation and putting it on a proper legal basis. As to our response to the Senate committee, we will advise the Senate when we have it.

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

QUESTIONS WITHOUT NOTICE: ADDITIONAL ANSWERS

Taxation: Family Payments

Senator VANSTONE (South Australia—Minister for Family and Community Services and Minister Assisting the Prime Minister for the Status of Women) (3.01 p.m.)—I have further information in relation to questions asked of me at question time. Senator Faulkner asked me a question about a table that went to my office and whether the table had been changed. I indicated to him in question time that my advice was that headings and things like that had been changed to make it more comprehensible. That has been confirmed. I have spoken directly to the officer who handled the question and she confirmed that she did not touch the table at all. She also confirmed her recollection that the table did deal with $60,000 and over—in other words, it did not stop at $60,000, it just bunched all the incomes above $60,000 into one group.

The second part of the question that Senator Faulkner asked me related to the process by which the committee was told that the information should be withdrawn. I am advised that sometime on Thursday afternoon my office was rung by the department and alerted to a problem that material had been passed directly to the committee, that is, it did not go through my office, and that they thought that the information looked incorrect—and when you see the table you can see why you would think that something could not be right there. They were not certain of it and needed to verify it. My office— I think, properly—told them that they should immediately contact the committee, say that they lacked confidence in the data and that they were not sure that it was correct and therefore that the document should be withdrawn until we could verify it.

I do recall on one other occasion being criticised here for taking some time to get back to a committee because I took the view that I had to get the right information before I went back to the committee. I was criticised for not having immediately gone to the committee to tell them that what they had was incorrect. It seems that you cannot win one way and you cannot win the other. But on balance I think that on the previous occasion it would have been better to have gone straight to the committee and said, ‘This is wrong and you will have to wait until I get the answer.’ That is what we have done on this case.

ANSWERS TO QUESTIONS ON NOTICE

Question No. 1602

Senator ALLISON (Victoria) (3.03 p.m.)—Pursuant to standing order 74(5) I ask the Minister for Health and Ageing for an explanation as to why an answer has not been provided to my question on notice No. 1602, which I asked on 5 May.

Senator PATTERSON (Victoria—Minister for Health and Ageing) (3.03 p.m.)—I was not aware that the question had not been answered and I apologise to Senator
Allison. I try to answer all questions, but there were 22 separate questions to answer in that question and I have been advised that an answer is being prepared. There were 22 quite detailed questions, and I will try to get the answer back to her as soon as possible. I apologise. A lot of correspondence and questions come through to me. I try to get all the answers back to Senate estimates. We failed in this one and I apologise. We will fix it up. But there were 22 questions.

Senator ALLISON (Victoria) (3.04 p.m.)—I move:

That the Senate take note of the explanation.

It is more than three months—it is almost four months—since I asked the questions on 5 May. I would argue that there are a lot of people who really need answers to those questions. They are timely and urgent. As the minister will recall, all Pan Pharmaceuticals products were recalled with a class 1 classification. That means that they were deemed to be potentially life threatening. The TGA has said that the majority of the recalled items did not fall into class 1 classification—in other words, they were not life threatening. In fact it is probably disputable whether Travacalm, the one product which was said to have triggered the recall, was even that. However, the vast majority of those recalled items fell under what is known as ‘medicine potencies outside standard limits’ and a routine recall would have been necessary. But there is not even any evidence that the majority of those items were outside standard limits. No testing was done to indicate that.

My question was: what prompted the government to set up an expert committee to review complementary health care? This would appear to have been a failure in quality control in manufacture, not a failure of the complementary health care system or complementary health products. This government chose this opportunity to set up a council which would look into those products that many would say did not need looking into.

A member of that committee, Professor Alastair MacLennon, is reported to have said that the government should not support the complementary health care industry. Why then was Professor MacLennon not ruled out as a biased member? Instead, the government put him on this committee. These are serious questions, and the minister has had them since May and has not bothered to answer. I asked who on the committee has expertise in regulatory controls to meet appropriate standards of quality, safety and efficacy, and I asked for details to be provided. Again, there was no indication of that. I asked who on the expert committee has expertise in the interaction between complementary and prescribed medicines and the communication of this information to health care practitioners, and I asked for details to be provided. They are pretty obvious questions and they point to a lack of proper process in this whole recall matter.

It was said that 15 August was the date that this committee was to report to the government. My question does not include whether that report has been received and what the minister proposes to do with it. Presumably she has had it for some days, but I would like to ask the minister to include that question here as well: what has this committee discovered and when are we all going to hear about it? I asked whether the committee called for public submissions but I understand this did not happen. Again, three months ago it was a reasonable question; now it is probably passe. But how will this committee collect its evidence? I ask: why was this a level 1 recall? Clearly it was not and should not have been. Why is it that other options were not taken up? Why was it that Pan Pharmaceuticals’ products other than Travacalm were recalled at all? There
may have been poor practices at the manufacturing base but this is no reason to recall all of those products and, I must say, to thrust so many small businesses into a dire situation. Many of them found that people came back to return the products and they had to hand over money for refunds, but there was no question of compensation for them. The whole thing really is a serious mess.

Why didn’t the TGA examine some of these products before doing that recall? As I said, they were not a classification 1 recall, not posing a danger to anybody and, by recalling them, they simply inconvenienced consumers and small business people. I think it would have been more sensible for the TGA to have informed the Complementary Healthcare Council so that the industry could work together with the TGA to test all those products in question. It is my understanding that Wal-Mart in America was selling and still is selling Pan’s recalled products, and that they tested them and found them to be of good quality. I looked up the Internet and there was certainly a warning in the UK that this has happened in Australia but, to my knowledge, no other country has seen fit to recall every product that had a Pan Pharmaceuticals component to it. So I asked whether the government could confirm that in Europe Pan’s products were still being sold, likewise in New Zealand. I think this is information that we in this place are entitled to know, as are those people who use these products and the small businesses that use them too.

According to the Complementary Healthcare Council, sales of medicines are down 20 to 40 per cent and export sales are down $200 million. My question still is: does the government intend to compensate small retail businesses for that economic loss and the general decline in consumer confidence? What response has the government made to the request from the Complementary Healthcare Council for funds to invest in marketing for the industry and for positive statements to be made by the government about complementary medicines? We are not talking about a small sector; it is well known that vast numbers of people use these products and by all accounts they use them safely. It is a bit like the ethanol debate: once you start to suggest that there is a serious problem then people wonder about whether they ought to be taking these products—wonder unreasonably, I would suggest.

We wanted to know what progress there had been to the government’s request to major distributors that claims by small business for refunds to consumers for recalled products be expedited. We would like to know whether the government is monitoring the financial impact of this recall on small business. If it is not doing that, why is it not doing that and what does it propose to do? I would say to the minister and to all ministers in this place that the Senate is getting a little fed up with the way questions put on notice are treated with disdain. I know there are a lot of questions in this set of questions but it is the case that this is a topical issue. It affects thousands of people. I know that all senators in this place will be receiving messages in the hundreds from people in the complementary health care system. If they are not then they are not looking at their emails. If you think that there is no interest in this question then that would be a mistake. What we do want is to have answers to questions provided in good time. I certainly do not think that almost four months is in good time, and I urge the government to get the answers to these questions to the Senate as quickly as possible.

Senator PATTERSON (Victoria—Minister for Health and Ageing) (3.12 p.m.)—Let me set the record straight. I got up and apologised. Senator Allison will never know—being a Democrat—the amount of work that goes through a minis-
ter’s office. I apologised to her but she got up and said she asked the question on 5 May. My office have contacted me and said that she did ask a question about allied health on 5 May which has been answered. The question she is referring to was asked on 7 July. I apologise if the answer was late. She might want to get up and apologise. It is a bit pompous and it is a bit pretentious that, when I got up and courteously apologised, she gets up and says that she asked the question on 5 May. I try to get the answers back to senators as quickly as I can. I think that I have had two that have not been answered since I have been health minister but I will not be held to that. I try to get answers back. We have changed the record for answers to estimates questions phenomenally. Nearly every estimates committee member compliments us on getting answers back—

Senator Knowles—Hear! Hear!

Senator PATTERSON—Senator Knowles is chairman of that committee. But Senator Allison might get up and correct the record. If it was 7 July, it is still late but it is not as bad as if it had been asked on 5 May. Maybe she could get her facts straight when she comes in and makes some sort of claim which also reflects on my staff and the department.

Senator ALLISON (Victoria) (3.15 p.m.)—I do apologise to the minister. I beg your pardon. It was another question that was asked on 5 May and I confirm that. The date that I put those questions was 7 July. I do say, however, that it is still beyond the 30 days. I accept the minister’s apology for not getting them in on time and I, in turn, do apologise for that mistake.

Question agreed to.

QUESTIONS WITHOUT NOTICE: TAKE NOTE OF ANSWERS

Taxation: Family Payments

Senator MARK BISHOP (Western Australia) (3.15 p.m.)—I move:

That the Senate take note of the answers given by the Minister for Family and Community Services (Senator Vanstone) to questions without notice asked today.

Just one week after the debacle of the carer allowance reviews, today we have again seen why the Minister for Family and Community Services, Senator Vanstone, is not a suitable person to have charge of this most delicate portfolio. On the one hand, we have a minister who is happy to justify stripping the carer allowance from 30,000 families with disabled kids and, on the other hand, evidence has emerged that indicates hundreds, if not thousands, of high-wealth families have accessed family tax benefit payments. The double standard is quite stark and obvious for all to see. Right under the minister’s nose families earning hundreds of thousands—if not millions—of dollars per year have pocketed payments which are worth up to $4,300 per child; yet low-income and middle-income families caring for kids with severe asthma, ADD, diabetes or cerebral palsy are being stripped of a modest $87 per fortnight benefit. Moreover, these are not completely new issues.

The income test for FTB is an original fault, of which the minister has had full and adequate knowledge for a long time—yet she has done nothing. Today she professes innocence and is suddenly talking to her department and trying to receive some advice about the problem. Now that the figures are out there, the minister is running for cover and blaming everyone but herself. The minister has failed to adequately address the loopholes that Labor has been identifying. Firstly, when a claim for family tax benefit is
lodged, no verification is made of current family income. Payments are made on the basis of customer estimates alone. Secondly, margin lending losses from playing the share market may be used by families to artificially reduce assessable income. Thirdly, and finally, the government relies on the self-reporting of foreign income with no verification measures in place.

I will take the points one by one. The first is verification of income. The fact is that high-wealth individuals may access family tax benefit A payments because, at the time of claim, no verification of family income occurs and payments commence on the basis of a customer estimate alone. Indeed, the current family tax benefit rules mean that families may obtain these payments for up to two years before they must provide details of their actual income. While they may have to eventually repay the benefit, it does allow high-wealth individuals and families to pocket payments for up to two years interest free. It is this same flawed estimation system that punishes honest families. Even if they advise Centrelink of changes in their income, they may still have their tax returns stripped to recoup the money.

The second point is margin lending losses. Unlike the negative gearing of property, families who negatively gear shares may reduce their assessable income for family tax benefit. This is an illogical and clear loophole. It is also a practice that has exploded in recent years. The net value of margin lending loans has exploded from $2 billion in 1996 to more than $10.5 billion today. There are 130,000 individuals who have margin loans in Australia and, even if just one uses the mechanism to claim more of the family tax benefit than they would otherwise have received, it is one too many. This loophole should be closed forthwith.

The final point is foreign income. The other loophole pointed out by Labor is that, while foreign income impacts on family tax benefit payments, no verification is made by Centrelink. Essentially it is an honour system. Foreign income is, of course, a major problem for taxation as well. Currently only foreign cash transactions of more than $5,000 are tracked by financial institutions and AUSTRAC, and only a small proportion of these may be investigated by the ATO. As a bare minimum, Centrelink ought to seek bank statements and obtain data from financial institutions to obtain concrete information on those who derive a foreign income. (Time expired)

Senator HUMPHRIES (Australian Capital Territory) (3.20 p.m.)—One salient piece of information should be put into this debate to take note of answers by the Minister for Family and Community Services in question time. That fact is that there are around two million Australian families—something like 3½ million children—who are, at the present time, benefiting from the introduction of the family tax benefit by this government. That is a huge number of people who depend upon the capacity of the government to deliver benefits to them through this mechanism, and I think it ill behoves us to begrudge them receiving that kind of benefit. The vast majority of Australian families with dependent children benefit from the government’s family tax benefit. Expenditure on family assistance under this program has increased by about $2 billion, and I will come back to why that is in a moment.

With so many people benefiting from these arrangements and so much money involved in this program, it is inconceivable that, from time to time, anomalies in that arrangement will not arise. Anomalies were identified during the process of the estimates committee hearings earlier this year. They were identified and acknowledged not just
by members of the estimates committee who might have been sitting opposite but also by the minister herself. Much has been made of the so-called discovery that some very wealthy people—15 millionaires, supposedly—are receiving the family tax benefit. That information was discovered by virtue of a table being produced at the Senate estimates committee. On production of that table, some doubts were raised about its accuracy. At the upper end of the income spectrum, the numbers supposedly receiving benefits were quite small. But still it did appear to show that 15 people on incomes greater than $1 million were receiving the family tax benefit.

To her credit, Minister Vanstone took that information and ordered an investigation into how that could be. Minister Vanstone has not come to this place and argued, as those opposite would like to pretend, that it is fine for millionaires to receive the family tax benefit. On the contrary, she has made it clear she does not believe that is an appropriate outcome, and she has said instead that there should be an analysis of how the system throws up such results, if indeed there are millionaires receiving the family tax benefit. Careful analysis of each of the cases in that particular matter has had to be undertaken, and that analysis is not yet complete. Of course, there are privacy issues in that as well.

In any system this large, there could well be perfectly innocent explanations as to why this kind of result might be thrown up. There could be the incorrect transfer of data from one set of figures to another. There could be some cases where benefits have been saved from earlier recipients and preserved in some way that goes against the current guidelines. It could also be that some people are claiming those benefits who are not entitled to them, and perhaps in some way the system has not properly identified them. Whatever the explanation, it behoves us all to let that analysis which Minister Vanstone has initiated be completed and then we can come back and decide whether or not—

**Senator Ludwig**—Will you guarantee you will bring the review back?

**Senator HUMPHRIES**—It is not up to me to do that, Senator. It behoves us all to look at that analysis and decide whether or not the system needs to be fundamentally changed. I remind senators that there are two million Australian families receiving benefits under this scheme. If you think you can administer a scheme that large without anomalies on occasion being thrown up, good luck to you. I think it is as credible as any other promise the Labor Party is making at the present time, if that is what you say. This government deserves credit for seeing a problem in the way in which the system is being delivered and moving quickly to identify solutions to that problem. *(Time expired)*

**Senator BUCKLAND** *(3.25 p.m.)*—Last week we had the debacle of the carer allowance reviews, and here today we have been given a further insight into why the Minister for Family and Community Services is not suitable to have responsibility for this very critical portfolio. I guess really we should be asking ourselves, ‘Why did the Prime Minister appoint this minister to this particular portfolio?’ because it was about eight years ago that the Prime Minister, John Howard, told us about his fairer Australia. We have seen nothing fair from this minister. And then we heard about his commitment to look after Australia’s battlers. The last two weeks has shown us that the understanding of what an Australian battler is is not known either to the Prime Minister or to Minister Vanstone.

The double standards of the government have been exposed by what we have seen in the past couple of weeks. At the same time as families earning hundreds of thousands, if
not millions, of dollars have been pocketing up to $4,300 per child, we have at the other end of the scale the low- and the middle-income families caring for children with severe asthma, diabetes, attention deficit disorder and cerebral palsy being stripped of a modest $87 per fortnight in benefits. Clearly the minister has lost control of the day-to-day running of her portfolio. I think it is open to question as to whether she has any feeling for those in the community who are less well off and less able to cope with the difficulties thrown up by life from time to time. Even worse, the minister is blaming everyone but herself for the mess that we are confronted with. It seems to be a part of the government’s philosophy that ministers blame someone else if they make a mess. The minister has clearly failed to adequately address the loopholes, and it has been left to the Labor Party to raise them.

When a claim for family tax benefit is lodged, there is no verification of current family income payments made at all—it is the applicant’s estimate alone that is taken into account. This leaves those big salary earners at liberty to show their absolute greed, and they feel no embarrassment about it whatsoever. We could say, ‘We should deal with those people,’ and no doubt the minister will deal with those people now that it has been exposed. But it has shown us another side of some of them—you cannot mark all of them down—who are wealthy within the community. Many of those who are wealthy in our community are out there to get anything they can and to lean on everyone barring their own capacity to earn. Yet those who are least able to provide—those who are less well off and those with children who need acute care—would not think to, and do not have the capacity to, look for rorts of the system or to look for loopholes that have been left open. (Time expired)

Senator McGauran (Victoria) (3.30 p.m.)—What we have seen in question time today is an attack on the Minister for Family and Community Services, Senator Vanstone, and the government—an attack on the government’s and the minister’s administration of this important big budget item and sensitive portfolio of social welfare. It is an attempt of course—not unusual for an opposition, particularly this one—to paint the government and the minister as uncaring, and thereby gain political advantage. It is an opportunist attack on the minister who properly defended her position all week—and last week. It is an old tactic.

I can tell the opposition this: as we enter an election year—if it has not dawned on you—this government is happy to stand on its record with regard to social welfare. In fact it has been one of our finest and proudest reforms. We have had two ministers carry that welfare: the first minister, who is not in the chamber any more, Jocelyn Newman, and now this minister, Senator Vanstone. It requires a pretty cool head, a pretty tough exterior and a soft interior. Knowing Amanda Vanstone, I can tell you that she has all those qualities to deliver the government’s reform. Since 1996 it has been one of the finest reforms that this government has introduced. It has not been easy. We have had to balance targeting the needy against the users of the system. The public demanded such change, almost from day one when we came into government. Excuse me, Mr Deputy President, you can tell I have a cold.

The Deputy President—Would you like a glass of water, Senator?

Senator McGauran—No, that is all right, Mr Deputy President. Thank you for your care; it is more than is being shown from those opposite. My point is that almost from the time we came into government, from day one, the public demanded—
Senator Ian Campbell—What about an Irish whiskey?

The DEPUTY PRESIDENT—Senator Ian Campbell, stop interjecting on your own speaker.

Senator McGauran—Senator Campbell was kindly offering me a shot of whiskey, which I might have.

The DEPUTY PRESIDENT—That would be quite out of order in this chamber. I offered you water. You may proceed.

Senator McGauran—My point is that the public pressure for change in the social welfare system was brought on the government almost from day one. The government was seeking a new transparency in the system, and a new accountability in the system. Our first step was to introduce and enhance the mutual obligation policy. What epitomises that program is the most successful and publicly accepted—and those on welfare accepted it—Work for the Dole system. Secondly, the government introduced a tougher and more accountable audit system of existing payments so that those that deserved payment got payment—and, I should add, increased payment—and those that were using the system were found out. This must sound terrible.

The DEPUTY PRESIDENT—It does, I can assure you, Senator McGauran.

Senator McGauran—I will battle on, nevertheless. Those cheats were found out. To this end it went straight to the budget bottom line, which was turned back into the welfare system itself, a saving to the tune of $1.4 billion a year. That is an enormous saving that can be turned back in, as I said, to the welfare system.

The opposition raised the matter of family tax benefits today as part of their attack on the government. As my colleague said, there are over two million Australian families benefiting from this system and where loopholes have occurred this minister has acted. In her press release about the family tax benefits she said that some millionaires might be receiving payment and that concerns her, and she has sought an inquiry into the matter. To bring your concerns into the chamber before presenting them to the minister privately, as every electorate officer does when it comes to social welfare payments and always gets the proper response—

The DEPUTY PRESIDENT—Senator McGauran, you have been spared. Your time has expired.

Senator Stephens (New South Wales) (3.35 p.m.)—I take up the comments from poor Senator McGauran who can now have his glass of water and his lozenge. We have a serious issue here in the minister’s response to the questions both last week about the carer allowance and today about the whole issue of the number of people who have extraordinary levels of income and who are receiving the family tax benefit. There are some issues that still need to be raised in the debate.

This afternoon in answer to a question from Senator Faulkner the minister talked about the fact that she had checked with her chief of staff and her staff had actually made changes to the answer. She said that she does not interfere. She said that she likes to let the public servants do their job. Unfortunately, the outcome of that decision is that we have a minister who does not know what is going on in her department. Given the sensitivity of the department and the issues that are raised in this debate, that is a real area of concern for us.

The minister’s responses to the questions and the excuses she offered us today in her answer are of concern to us all as well. First of all, yesterday she suggested that Labor was somehow responsible for these wealthy
families keeping their benefits. She knows that is simply not true. While it is true that some families were receiving child disability allowances in 1993 and they retained the family payment when the benefits were overhauled, the coalition decided to preserve their benefit again in 1998 when the carer allowance was introduced.

So the last review, which occurred in 1998, and which gave five years grace for the reviews, was a decision of the coalition. The minister also claimed that Labor’s opposition to the current carer allowance review was somehow preventing wealthy families from being removed from receiving the benefits. That is a pretty desperate kind of claim because we all know, and the minister certainly ought to know, that the carer allowance is not means tested. Perhaps the minister is considering introducing an income test for the carer allowance. If she is, she certainly should say so. But there are many, many unfortunate families currently being thrown off the benefit and losing it because of the tighter medical assessment, not their income.

I will give an example of the hardship caused as a result of the stinginess of this whole approach. Let me tell the Senate about a delightful young woman that I know. Alice is 13 and has Down syndrome. Her father is 52 and he earns about $26,000 a year. Her mum is a stay-at-home mum, not by choice but by necessity. Alice’s mother has not been able to contribute to the family’s income. Alice’s parents have spent a fortune on sensory equipment to help Alice’s development. They receive just $78.80 a fortnight in carer allowance and the maximum family tax benefits allowable.

Last year Alice’s father was directed to do overtime owing to a new contract given to the construction company he works for. As a result of that overtime Alice’s family received a debt advice from Centrelink for overpayment of family tax benefit parts A and B, irrespective of the fact that they reported changes to their income throughout the year. This system is a system where one in three families—that is about 600,000 to 700,000 families every year—accumulate an average debt of around $850 through no fault of their own. The Ombudsman says this system is flawed. He has pointed out that families cannot avoid these debts and that we have to do something to change the system.

In terms of Alice’s family, to add insult to injury, Centrelink sent them a carer allowance review form after the minister decided that some children with disabilities do get better and conditions become more manageable. Of course, we know that Down syndrome does not go away. In cases like Alice’s, sometimes children are able to achieve incredible results and show improvements, but improvements for a Down syndrome child or young adult do not mean the same as they do for an able-bodied child. Improvements might include actually being able to get a bus independently. Improvement could mean maybe being able to cook toast or pour cereal for themselves for breakfast. But what it does not mean is that those daily chores can be done unsupervised. (Time expired)

Question agreed to.

NOTICES
Presentation

Senator Hutchins to move on the next day of sitting:
That the time for the presentation of the report of the Community Affairs References Committee on poverty and financial hardship be extended to 27 November 2003.

Senator Ridgeway to move on the next day of sitting:
That the Senate—
(a) notes that
the United States (US) Under Secretary of Commerce, Mr Grant Aldonan, has stated publicly that the US wishes to challenge reference pricing as part of the Free Trade Agreement negotiations with Australia, saying, according to the Australian Financial Review of 13 August 2003, ‘there is a sense of unfairness in the US’ because US consumers paid high prices under a free market while consumers in Australia and elsewhere benefited from low ‘reference prices’ under schemes like the Pharmaceutical Benefits Scheme (PBS),

(ii) the price of pharmaceuticals and the PBS would increase significantly in Australia if our PBS ‘reference pricing scheme’ was diminished or abandoned, and

(iii) any free trade agreement with Australia must pass the US Congress; and

(b) calls on the Australian Government to:

(i) advise the US that it will not agree to change Australia’s ‘reference pricing’ on the PBS and remove the matter from US free trade agreement negotiations, and

(ii) bring any free trade agreement to the Parliament for ratification.

Senator Stott Despoja to move on the next day of sitting:

That the Senate—

(a) notes that:

(i) the Fifth Meeting of States Parties to the 1997 Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction (the ‘Mine Ban Treaty’), will be held in Bangkok from 15 September to 19 September 2003,

(ii) not more than half the countries in the Asia-Pacific region have banned landmines, while about twelve countries continue to produce and use them, making the Asia-Pacific region the most prolific producer and user of landmines of any region in the world, and

(iii) mine casualties were recorded in 13 of the 16 mine-affected countries within the Asia-Pacific region in 2002;

(b) welcomes the Australian Government’s ongoing financial commitment to landmine clearing within the Asia-Pacific region; and

(c) calls on the Australian Government to increase efforts to encourage other Asia-Pacific countries to sign and ratify the Mine Ban Treaty, through its bilateral discussions with the relevant countries and through its dialogue with forums such as the Association of South East Asian Nations.

Senator Bartlett to move on the next day of sitting:

That there be laid on the table by the Minister representing the Minister for the Environment and Heritage (Senator Hill) by no later than 3 pm on 21 August 2003, the following documents:

A copy of any correspondence from the Minister for the Environment and Heritage (Dr Kemp) to the Minister for Fisheries, Forestry and Conservation (Senator Macdonald) in which the Minister for the Environment and Heritage indicated a willingness not to prosecute fishers under the Environment Protection and Biodiversity Conservation Act 1999 for the incidental capture of members of listed threatened species, listed migratory species and listed marine species in Commonwealth areas if the fishers were operating in accordance with fishing concessions granted under the Fisheries Management Act 1991.

Senator Bartlett to move on Thursday, 21 August 2003:

That the Senate—

(a) notes that:

(i) according to Amnesty International reports, at least 6 031 prisoners were executed between 2000 and 2003,
(ii) Australia has ratified the Second Optional Protocol to the International Covenant on Civil and Political Rights, thereby undertaking not to execute anyone within Australia,

(iii) the preamble to the Second Optional Protocol indicates the intention of the parties to undertake an international commitment to abolish the death penalty and sets out the belief of the parties that the ‘abolition of the death penalty contributes to enhancement of human dignity and progressive development of human rights’; and

(iv) pursuant to the Mutual Assistance in Criminal Matters Act 1987, the Government may refuse to provide assistance to foreign countries with respect to a criminal investigation if the provision of assistance may result in the death penalty being imposed; and

(b) calls on the Australian Government to reaffirm its commitment to work towards the international abolition of the death penalty.

Senator Nettle to move on Thursday, 21 August 2003:
That the Senate—
(a) notes:

(i) the strong campaign for ‘fair trade’ being conducted by the Australian Council of Trade Unions (ACTU) and its United States (US) counterpart, the American Federation of Labor-Congress of Industrial Organisations (AFL-CIO), in relation to the current Free Trade Agreement being negotiated by the US and Australia, and

(ii) the unanimous support at the ACTU Congress for freezing current Australian tariff levels, excluding public services, incorporating enforceable International Labour Organisation (ILO) standards and adopting anti-dumping provisions in any trade deals; and

(b) calls on the Federal Government to:

(i) openly declare its exclusion of Australian cultural industries and standards from the Australian-US Free Trade Agreement,

(ii) remove public services and other services of national or social significance from the Free Trade Agreement negotiating table, and

(iii) include enforceable ILO standards and environmental standards in all trade deals with Australia.

Senator Brown to move on the next day of sitting:
That the Senate—
(a) notes that community, church, chamber of commerce, union and other non-government organisations are pushing for the establishment of a Truth and Reconciliation Commission in the Solomon Islands; and

(b) calls on the Australian Government to offer the Solomon Islanders financial, technical and other support for the establishment of such a commission.

Senator Brown to move on the next day of sitting:
That the Senate—

(a) recognises that as many as 170 Indo-Pacific bottlenose dolphins are being held in primitive sea pens in the Solomon Islands;

(b) notes that a recent inspection by Solomon Island non-government organisations and Australian diplomatic staff indicates that six of these dolphins have died from starvation in the past week and the remaining dolphins are lying motionless in overcrowded and shallow pools contaminated by faeces, and a number have blistered due to exposure to the sun; and

(c) calls on the Australian Government:

(i) to provide immediate veterinary attention to the dolphins, and

(ii) after the dolphins have received veterinary attention, to press the
Solomon Islands’ authorities for their immediate release.

COMMITTEES
Corporations and Financial Services Committee
Meeting
Senator FERRIS (South Australia) (3.42 p.m.)—by leave—At the request of the Chair of the Parliamentary Joint Committee on Corporations and Financial Services, Senator Chapman, I move:

That the Parliamentary Joint Committee on Corporations and Financial Services be authorised to hold public meetings during the sittings of the Senate on 19 August and 20 August 2003 from 4.30 pm, to take evidence for the committee’s inquiry into Australia’s insolvency laws.

Question agreed to.

Environment, Communications, Information Technology and the Arts References Committee
Extension of Time
Senator RIDGeway (New South Wales) (3.43 p.m.)—by leave—At the request of the Chair of the Environment, Communications, Information Technology and the Arts References Committee, Senator Cherry, I move:

That the time for the presentation of the following reports of the committee be extended to 16 September 2003:

(a) the role of libraries as providers of public information in the online environment; and
(b) environmental performance at the Ranger, Jabiluka, Beverley and Honeymoon uranium operations.

Question agreed to.

NOTICES
Postponement
Items of business were postponed as follows:

Business of the Senate notice of motion no. 2 standing in the name of the Leader of the Australian Democrats (Senator Bartlett) for today, relating to the disallowance of the Migration Amendment Regulations 2003 (No. 1), as contained in Statutory Rules 2003 No. 57, postponed till 9 September 2003.

General business notice of motion no. 528 standing in the name of Senator Stott Despoja for today, relating to human rights in Hong Kong, postponed till 20 August 2003.

General business notice of motion no. 542 standing in the name of Senator Mackay for today, relating to the cancellation of the ABC program Behind the News, postponed till 20 August 2003.

A postponement notification was announced in respect of business of the Senate notice of motion no. 1 standing in the name of Senator Brown, relating to the disallowance of Amendment 41 of the National Capital Plan (Gungahlin Drive Extension), to be postponed till 4 November 2003.

Senator LUNDY (Australian Capital Territory) (3.45 p.m.)—Pursuant to standing order 67, I ask that the question for the postponement of business of the Senate notice of motion No. 1 for today, Tuesday, 19 August 2003, be put to the Senate for determination without amendment or debate. I seek leave to give a brief explanation.

Leave granted.

Senator LUNDY—I do this on the basis that we had a similar occurrence in the chamber yesterday where the Australian Greens were seeking to postpone this same notification. At the time, Senator Faulkner rose and convinced the Australian Greens to withdraw that postponement notification to allow this issue to come on for debate. I ask the Greens to do the same today: to withdraw the postponement notification to allow this issue to be debated in the chamber today. I do so on the basis that this issue is a very important one to the people of the ACT and also that it has come to my attention that, in
the Australian Capital Territory (Planning and Land Management) Act, it seems to be quite an anomaly that there is no time limit for which this disallowance motion can actually stay on the Notice Paper. What appears to be a developing tactic on behalf of the Australian Greens is to notify postponement in perpetuity.

Senator BROWN (Tasmania) (3.46 p.m.)—by leave—It may help Senator Lundy and the chamber to point out that this disallowance motion is coming up for debate very shortly, and I intend to move the motion.

The DEPUTY PRESIDENT—You have notified the postponement of it today. That is what the Clerk read out. The Clerk postponed it on your advice.

Senator Faulkner—We should be able to reach agreement. There has obviously been an error.

The DEPUTY PRESIDENT—Senator Brown, are you seeking to withdraw that postponement notification on the basis that it will be dealt with in the proceedings this afternoon?

Senator BROWN—Yes, my apologies to the Clerk, through you, Deputy President. That notification was given yesterday and obviously I have failed to withdraw it, but I now do so.

The DEPUTY PRESIDENT—No, there was another one given today, Senator Brown. It came in today, according to the Clerk. So you are now seeking leave to withdraw that postponement notification?

Senator BROWN—That is correct.

Leave granted.

COMMITTEES
Community Affairs References Committee Reference
Senator HUTCHINS (New South Wales) (3.48 p.m.)—I move:

That the following matters be referred to the Community Affairs References Committee for inquiry and report by the first sitting day of the 2004 winter session:

(a) the history of post-transfusion Hepatitis in Australia, including when Non-A, Non-B Hepatitis (Hepatitis C) was first identified as a risk to the safety of blood supplies in Australia and internationally;

(b) the understanding of Hepatitis C by blood bankers, virologists, and liver specialists during the past 3 decades, including when Hepatitis C was first identified as a virus transmissible through blood;

(c) when the first cases of post-transfusion Hepatitis C were recorded in Australia;

(d) when the Australian Red Cross and the plasma fractionator Commonwealth Serum Laboratories first become aware of infections from blood contaminated by Hepatitis C, and the actions taken by those organisations in response to those infections;

(e) the process leading to the decision by the Australian Red Cross not to implement testing (such as surrogate testing) for Hepatitis C once it became available;

(f) the likelihood that Hepatitis C infections could have been prevented by the earlier implementation of surrogate testing and donor deferral;

(g) the implications for Australia of the world’s most extensive blood inquiry, Canada’s Royal Commission (the Krever Report);

(h) the implications for Australia of the recent criminal charges against the Canadian Red Cross for not implementing surrogate testing for Hepatitis C in the 1980s;

(i) the Commonwealth’s involvement in the provision of compensation to victims of transfused Hepatitis C, including the use of confidentiality clauses in those compensation payments;

(j) the high infection rate of Hepatitis C for people suffering from haemophilia;
(k) the extent to which Australia has been self-sufficient in blood stocks in the past 3 decades;
(l) the importation of foreign-sourced blood plasma for use in the manufacture of blood products, and its potential role in the proliferation of Hepatitis C infected blood;
(m) the number of Australians who have been infected with Hepatitis C through blood transfusion;
(n) the impact that blood-transfused Hepatitis C has had on its victims and their families; and
(o) what services can be provided or remedies made available to improve outcomes for people adversely affected by transfused Hepatitis C.

Question agreed to.

Economics Legislation Committee
Extension of Time

Senator FERRIS (South Australia) (3.49 p.m.)—At the request of Senator Brandis, I move:

That the time for the presentation of the report of the Economics Legislation Committee on the provisions of the Financial Services Reform Amendment Bill 2003 be extended to 21 August 2003.

Question agreed to.

Rural and Regional Affairs and Transport References Committee
Extension of Time

Senator RIDGEWAY (New South Wales) (3.49 p.m.)—I move:

That the time for the presentation of the report of the Rural and Regional Affairs and Transport References Committee on forestry plantations be extended to 8 October 2003.

Question agreed to.
(iii) receiving the Aboriginal Woman of the Year award in 1988, and
(iv) participating on many government and non-government committees concerned with land preservation and cultural heritage, including the World Heritage Committee.

Question agreed to.

HEALTH: DIABETES

Senator FERRIS (South Australia) (3.51 p.m.)—At the request of Senator Barnett, I move:

That the Senate notes:

(a) that children in Australia who have type 1 or insulin dependent diabetes face the future of long-term health and social consequences of this disease and its complications;

(b) that people with type 1 diabetes also have to inject themselves between two and five times each day, monitor their blood glucose levels (BGL) and maintain the balance between too high BGL which leads to complications and too low BGL which can lead to hypoglycaemia, in which the person can lose consciousness;

(c) the complications of type 1 diabetes which include:
(i) cardio-vascular disease such as heart disease,
(ii) kidney disease,
(iii) ulcers and limb amputation, and
(iv) retinopathy that is still the leading cause of blindness in Australians under the age of 65;

(d) that of every 100 Australians with diabetes it is estimated that:
(i) over 75 will develop heart disease,
(ii) 43 will have severe kidney disease by the time they are 50 years old,
(iii) 60 to 70 will have mild to severe forms of nervous system damage,
(iv) 24 will develop retinopathy after 5 years, almost 60 after 10 years and all 100 after 20 years, and

(v) one will have had an amputation, as a result of diabetes;

(e) type 2 diabetes is costing Australians a staggering $3 billion a year with the bill for each sufferer averaging nearly $11 000 in expenditure and benefits according to the Ausdiab Study (26 September 2002) but, on a per person basis, the cost of type 1 diabetes is higher, with people with type 1 diabetes accounting for 10 per cent of the diabetic population but 42 per of the economic burden;

(f) that Australia has one of the highest rates of type 1 diabetes in the world;

(g) the important work of the Juvenile Diabetes Research Foundation to highlight the concerns of Australians with type 1 diabetes and, specifically, the watershed event ‘Kids in the House’ held in Parliament House, Canberra, during the week beginning 17 August 2003;

(h) the outstanding work by Australian researchers to find a cure for type 1 diabetes through pancreatic islet cell transplantation;

(i) that research is essential to finding a transplant procedure that is safe and available to children with type 1 diabetes; and

(j) the need for support from the Australian Government to establish:
(i) a national clinical islet cell transplant centre to advance islet cell transplantation, and
(ii) a research grant to attract the world’s best scientists and ensure Australia’s position at the forefront of global research.

Question agreed to.

DONOVAN, MR CHARLIE

Senator RIDGEWAY (New South Wales) (3.51 p.m.)—I move:

That the Senate notes:

(a) with sadness, the death of Mr Charlie Donovan on 23 July 2003;
(b) that Charlie was a pioneer Indigenous sportsperson in athletics and in rugby league during the 1950s and 60s and played with Canterbury Bankstown, Parramatta, and South Sydney Rugby League Football Clubs; and

(c) Charlie’s love of the South Sydney Rugby League Football Club with whom he played and later worked as a volunteer gear man for many years, with the club recently rewarding him with a ‘Life Membership’ award.

Question agreed to.

NATIONAL SCIENCE WEEK

Senator RIDGEWAY (New South Wales) (3.52 p.m.)—At the request of Senator Stott Despoja, I move:

That the Senate notes that:

(a) 16 August to 24 August is National Science Week 2003;

(b) National Science Week is an annual nation-wide celebration of science, innovation and technology with the aim of inspiring curiosity, discussion and debate about science and its impact in our world;

(c) during National Science Week numerous universities, private companies, museums, galleries and research centres will offer members of the public access to their facilities and staff;

(d) National Science Week events are being held in every state and territory and will look at topics as diverse as the science of sex, drugs and rock ‘n’ roll to that of code breaking machines and burping sheep; and

(e) as 2003 is the Year of Freshwater, this will be the focus for National Science Week 2003 and school students are encouraged to ‘investigate freshwater’ during the week.

Question agreed to.

COMMUNICATIONS LEGISLATION AMENDMENT BILL (No. 2) 2003

First Reading

Bill received from the House of Representatives.

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Treasurer) (3.54 p.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 CAMPBELL (Western Australia—Parliamentary Secretary to the Treasurer) (3.54 p.m.)—I move:

That this bill be now read a second time.

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

Leave granted.

The speech read as follows—

The Communications Legislation Amendment Bill (No. 2) 2003 amends the Telecommunications Act 1997, the Australian Security Intelligence Organisation Act 1979 and the Administrative Decisions (Judicial Review) Act 1977 to enhance the security of Australia’s telecommunications services and networks and to improve existing arrangements relating to call data disclosure and interception services.

The Telecommunications Act provides the legislative basis for Australia’s open and competitive telecommunications industry. The telecommunications industry is attracting significant new investment which increases the potential for national security and law enforcement issues to arise.

Under the Telecommunications Act a person may apply to the Australian Communications Authority (the ACA) for a carrier licence so long as the person is a constitutional corporation, a partnership of such corporations or a public body. Under the existing framework in the Telecommunications Act, consideration of national security and
law enforcement interests is currently not required as part of the carrier licensing process. The ACA is not required to consult with the relevant national security and law enforcement agencies prior to issuing a carrier licence to an applicant and whilst the grounds for refusing to grant a carrier licence are not limited under the Telecommunications Act, the ability to refuse to grant a carrier licence on national security grounds is not provided for expressly.

The bill amends the Telecommunications Act to ensure that national security and law enforcement interests are considered in the carrier licensing process by:

(a) requiring the ACA to consult with the agency co-ordinator in the Attorney-General’s Department prior to granting a carrier licence; and

(b) allowing the Attorney-General, in consultation with the Prime Minister and the Minister administering the Telecommunications Act, to direct the ACA to refuse to grant a carrier licence on national security grounds.

The agency co-ordinator is a senior official in the Attorney-General’s Department who liaises with national security and law enforcement agencies. The agency co-ordinator will be able to extend the consultation period up to a maximum of 12 months in four 3-month periods to deal with any security issues raised by an application for a carrier licence. For example, it may be possible to enter into a contractual arrangement with a carrier licence applicant during this period to address security concerns.

The provision of extended consultation periods will allow any security risks that have been identified to be effectively managed within the carrier licensing process to ensure that the need for the Attorney-General to exercise the power to issue a direction to the ACA would arise only in extreme circumstances, where the risk to national security could not be effectively managed through other mechanisms such as a contractual arrangement.

The bill will also allow the Attorney-General, again in consultation with the Prime Minister and the Minister administering the Telecommunications Act, to direct a person not to use or supply, or to cease using or supplying, a carriage service or all carriage services to itself or any other person on national security grounds. The direction may be issued with respect to particular individuals, groups or existing telecommunications industry participants, whose activities pose a risk to national security.

Similarly to the power to direct the ACA to refuse a carrier licence on national security grounds, it is expected that the Attorney-General would exercise the power to direct a person to cease using or supplying a carriage service only in extreme circumstances where the risk to national security cannot be managed effectively through other mechanisms.

The bill amends the Telecommunications Act to allow for the application charge for a carrier licence to be refunded to the applicant if an application is refused by the ACA or upon review. There is no current provision in the Telecommunications Act for the refund of a carrier licence application charge. While there has not been a carrier licence refusal to date, the new provisions in the bill that will allow the Attorney-General to issue a written direction to the ACA to refuse to grant a carrier licence on national security grounds could increase the likelihood of a licence being refused.

The bill amends the Australian Security Intelligence Organisation Act (the ASIO Act) to enable a carrier licence applicant, a carrier or a carriage service provider to apply to the Administrative Appeals Tribunal for review of an adverse or qualified security assessment that ASIO has provided to the Attorney-General. It is expected that ASIO would provide a security assessment to the Attorney-General in connection with the Attorney-General’s consideration of whether to issue a direction on national security grounds to the ACA to refuse to grant a carrier licence or to a person not to use or supply, or to cease using or supplying, a carriage service or all carriage services to itself or any other person. The proposed amendments to the ASIO Act will also require the Attorney-General to notify a person of an adverse or qualified security assessment in respect of that person except where such notification would be contrary to the interests of national security.
The bill amends the Administrative Decisions (Judicial Review) Act (the ADJR Act) to exclude from judicial review under the ADJR Act decisions made by the Attorney-General under the proposed amendments to the Telecommunications Act on national security grounds. The exclusion of judicial review under the ADJR Act is consistent with existing exclusions under the ADJR Act for similar decisions based on national security considerations. Judicial review will still be available in the Federal Court under section 39B of the Judiciary Act and in the High Court under section 75(v) of the Constitution.

This bill also contains several other minor amendments to the Telecommunications Act to improve the efficiency and effectiveness of current call data disclosure and interception arrangements. The amendments will:

(a) accommodate current law-enforcement agency management structures in the definition of “senior officer” in subsection 282(10) of the Telecommunications Act;

(b) clarify that, when executing a telecommunications warrant, carriers and carriage service providers should provide all relevant information associated with that communication, along with the call content;

(c) clarify that the capability to intercept a communication passing over a network, facility or carriage service is the fundamental legal obligation to be met by carriers and carriage service providers under Part 15 of the Telecommunications Act;

(d) impose a 60-day timeframe for the agency co-ordinator to consider applications by carriers and carriage service providers to be exempted from the obligation that their networks, facilities and carriage services have an interception capability;

(e) require carriers and nominated carriage service providers to include in their interception capability plans statements about current and continued compliance with their interception obligations, and to require interception capability plans to be signed by, or on behalf of, the chief executive officer of the carrier or nominated carriage service provider;

(f) change the date on which carriers and nominated carriage service providers must lodge their interception capability plans with the agency co-ordinator and the ACA from 1 January each year to 1 July each year; and

(g) change references to the Criminal Justice Commission of Queensland to the Crime and Misconduct Commission of Queensland which was established in 2002.

The package of amendments contained in the bill will lead to more secure telecommunications networks and services and improved arrangements for the provision of assistance to law enforcement agencies by telecommunications carriers and carriage service providers.

Debate (on motion by Senator Moore) adjourned.

NATIONAL CAPITAL PLAN (GUNGAHLIN DRIVE EXTENSION) Motion for Disallowance

Senator BROWN (Tasmania) (3.54 p.m.)—I move:

That Amendment 41 of the National Capital Plan (Gungahlin Drive Extension), made under the Australian Capital Territory (Planning and Land Management) Act 1988, be disallowed.

I would like to explain to Senator Lundy that I would have preferred to have delayed this motion but it is the Labor Party’s support for the government position to have it brought on and dispensed with today that leaves me no option but to bring the motion forward. That then brings us to the debate on the substantial matter, except for one thing: the major reason for delaying this vote of the Senate would have been to allow the Joint Standing Committee on the National Capital and External Territories, which is inquiring into this matter, to have deliberated. It has not done so, and I always believe that a debate is better when you have the information which gives the best determination. I think this should have been delayed longer so that we could get the evidence from all the citizens involved, all the authorities involved and the
government instrumentalities involved—both at territory and national level—before this determination to proceed with the eastern alternative goes ahead.

I am not going to canvas in detail the arguments for the alternatives, except to say that there is a very strong local community group, headed up by the Save the Ridge residents, who are opposed to the decision that has been made because they believe—and they have a very cogent argument—that this alternative is going to have by far the most detrimental impact on the environment. That does not mean just the local environment; it means the natural heritage of this important part of the ACT’s constitutional make-up. They believe that there are better alternatives. One can argue very well—as a number of residents and organisations in the ACT do—that there is not a need for this debate to be taking place. They argue that there are better alternatives, including the one thing the ACT lacks greatly and needs very importantly: a better public transport system. Canberra, by design, is a beautiful, pleasant place to live in but it is the most spread out capital city in the nation. It has a bus service but it does not have a rail service. Residents have been pushing for a light rail service and for alternatives which would lessen the impact of road transport on the wonderful amenity that Canberra has. This Gungahlin expressway is simply going to increase the impact. It is going to be a further incentive for the motor car and motor truck to dominate Canberra at a time when—and we were debating this earlier—we should be sensibly going to clean, quick, efficient public transport.

You cannot divorce the two. The more you press for expressways and the more you put up to $100 million into this particular roadwork, the less money there is available for public transport. It has become too much embedded in the mind of both Labor and Liberal governments that public transport is an add-on. It is not; it is a real alternative. Until the mindset changes so that you understand that the future of world society depends on efficient, clean public transport—particularly public transport not based on fossil fuels—then we are adding to the problem every time we link one part of a city with another part by a new expressway, as is happening in almost all capital and major cities in Australia.

That said, the argument against the route that has been chosen by the National Capital Authority is a very strong one. The Save the Ridge group have made their submission to the Joint Standing Committee on the National Capital and External Territories inquiry into the National Capital Authority. They have a list of reasons for their concerns, particularly their concern with the planning route that has been decided by the NCA for the Gungahlin Drive extension. Their concerns come under the headings:

1. Lack of accountability and transparency of NCA.

2. Conflict of Interest.

3. Lack of rigor by consultants and subsequent erroneous (bordering on fraudulent) claims by NCA re conclusions reached on environmental impacts.

That particular section goes on to talk about the impact of this road on the really important natural values of the ridge, which is open forest dominated by scribbly gum and red stringy-bark. It has got important plant and animal communities, it is in the city and it is going to be very badly affected by this expressway. The submission goes on to list further concerns under the headings:

4. The terms of reference set by the NCA were skewed.
5. The NCA ignored its legislative obligation to maintain the integrity of the inner hills and ridges.

6. The NCA report is based on concerns which do not exist, and if they did exist they are outside the charter of the NCA.

7. Bias in NCA assessment due to favourable redesign of the Eastern route.

The eastern route endorsed by the NCA was designed by Young Engineers during the NCA study.

The submission goes on:

8. Lack of rigor by NCA in accepting without criticism the poor quality and limited scope of work undertaken by the engaged consultants.

9. Further lack of rigor by NCA in accepting without criticism the poor quality and limited scope of work undertaken by the expert peer reviewer.

10. Bias in conclusions

11. Lack of consistency by the NCA in relation to its views and involvement with GDE.

12. Enormous financial burden of NCA actions on the ACT Community.

The final paragraph states:

If NCA has the ultimate mandate for making decisions such as this on freeways such as GDE (as claimed by Federal Minister Wilson Tuckey), why does it fall to the ACT Government to do all the planning and design work and pay the enormous costs associated with this road (an anticipated final cost close to $100 million)?

Finally, in saying why we have to be very careful in simply stamping a vote on to a discussion which is not yet complete within the community, I will quote comments from Dr Geoffrey Wasteneys, who is the coordinator of the O’Connor Ridge Parkcare Group. Part of his letter, which has gone to the opposition, says this:

As an ANU scientist I am also the chief investigator on a $1.2 million ARC funded linkage project that uses the natural resources on Black Mountain reserve and Bruce ridges. We are exploiting the unique properties of some orchid species in this area in a project on embryo development. This project, potentially worth billions of dollars to agriculture, has attracted interest from a consortium of three multinational seed companies. The GDE—

that is, this expressway, the Gungahlin Drive extension—

threatens our research project and undoubtedly many others. I have recently been offered a Canada research chair and am now considering moving my team and our research project to the University of British Columbia. It is now my opinion that the NCA and the ACT government provide no support or incentive for research projects in the ACT. The Gungahlin Drive extension is a fine example of short-sighted planning that will not only destroy a unique asset but with it destroy opportunities for research that could be of huge benefit to the prestige and economy of the ACT and Australia. I urge you to consider this request very seriously.

That request should be met in the way the doctor asks. I brought forward this disallowance motion because there is strong feeling in the community about it. The Senate is the backstop here. We do have responsibility in this fashion for what is happening in the ACT. There are community groups and large numbers of residents and academics who are opposed to the ACT’s decision in this matter, and it is quite proper that that opposition should find expression in the Senate.

Senator LUNDY (Australian Capital Territory) (4.04 p.m.)—It is also with some regret that I find myself in this position in the Senate. Had due process been followed and the policy of the ACT, now Labor, government on their preferred route, the western route, been adopted and accepted then we would not in fact be here. If that had happened, we would not have to be debating this
disallowance motion of the amendment that would allow the eastern route to be constructed. There is some important history of this debate that I think needs at least a little airing this afternoon. First and foremost is that the eastern route is not the ACT government’s preferred option. In fact, the western route was, which in large part would have satisfied the concerns of the Save the Ridge group and other citizens concerned about the eastern route. Obviously it would have provided the solution to a growing traffic problem in the new area of Gungahlin.

However, the Labor government in the ACT, in their wisdom, have determined that a road to solve the Gungahlin problem is their first and foremost policy. For Labor it is not a question of the western route or no road. This is where the concerns of Save the Ridge diverge from the ACT government. The Labor government was put in a position where it had no choice if it were to build a road. It was forced to accept the route determined, effectively, by the National Capital Authority. I can say that because the chain of events that emerged following the election of the ACT government very clearly demonstrated how the National Capital Authority asserted its powers under the ACT (Planning and Land Management) Act to directly influence what could or could not be done. Without going into the detail now, because I do not think it is necessary to the germane issues we are debating here today, the NCA concluded that in their view only the eastern route was allowable.

In my view, this was a very politically fraught debate. I certainly have alleged on more than one occasion that I felt the National Capital Authority’s actions were highly political with the involvement of Minister Tuckey. I think that is highly regrettable. It actually does not change anything because, whatever the circumstances, if the ACT government were going to build a road to serve the needs of Gungahlin residents they would have to build it on the eastern route. They made that decision in those circumstances in December 2002.

Under the provisions of the act, that amendment to the National Capital Plan is subject to a disallowance and it is that disallowance moved by the Greens in March this year that we are debating. One of the interesting things about this debate and why we are now debating the disallowance in these circumstances is that, unlike any other act that I could find or have been made aware of, that particular act governing the National Capital Plan does not have a time limit on the number of days that a disallowance can stay on the Notice Paper. Usually legislation requires and specifies 15 days, and this debate would have been brought on in that manner. But for some reason this act does not have that provision, hence the concern I expressed when I rose earlier to prevent further postponement of this debate that we are in fact in a situation whereby it could be postponed in perpetuity, never allowing the Senate to actually debate the disallowance, regardless of the various views. That is of concern and certainly why Labor feels very strongly that this issue has to be decided. For the record, it has actually been on the Notice Paper for some 28 sitting days, but that amounts to some four months of deliberation.

This disallowance motion does not prevent works beginning on the road. With respect to the deliberation, once gazettal has occurred work can actually start, but it is not particularly desirable. I for one would certainly argue that, if a disallowance is on the Notice Paper, it is reasonable that that be respected, particularly if it is known that the prospects are that it is going to be successful. However, that is not the case in this regard and now we find ourselves needing to bring on the debate, and I acknowledge the Greens
withdrew what seemed to be some confusion about a further postponement to allow this matter to be debated.

I now turn to some comments made by Senator Brown about the role of the Joint Standing Committee on the National Capital and External Territories. That committee is currently inquiring into the role of the National Capital Authority, but those terms of reference do not specifically go to whether or not the Gungahlin Drive extension should proceed on either the western or the eastern route. That inquiry is able to reflect upon those issues and is continuing to do so. But the terms of reference do not play a formal role one way or the other in determining matters relating to this disallowance.

I guess my view in following this area is that, ultimately, the ACT government is the appropriate body to determine the location of the route. In the lead-up to the ACT government election, the western or eastern route was the big issue. I said at the time that the ACT election should effectively serve as a referendum on the western or eastern route of the Gungahlin Drive extension, and I believe it did. The upshot was that Labor was not allowed to proceed with its policy of the preferred western route. It was prevented from doing so because of the views held by the National Capital Authority and, I believe, the federal Liberal Party. As a result, Labor put the need for the road—and the only option left to it by the National Capital Authority, that of the eastern route—at the forefront, making it policy to allow that road to proceed. I do not believe that it had any choice in doing that. It was a situation whereby Labor was forced to concede to the powers of the federal act governing the ACT land and planning issues as a result of our status as the nation’s capital.

It is my hope that in the future, when we have had time to reflect on this and other circumstances, we can find a way to better establish the roles of the different territory and national capital planning authorities and how they can work together to achieve the best outcomes for the ACT. I do regret that the ACT government has been reflected upon by Save the Ridge and others as somehow not representing their interests, because there is not a government that has fought harder for its own policy than the current ACT Labor government. I will also say that I respect and think it appropriate that the ACT Labor government believes that a road is necessary over the proposition put by the Australian Greens that no road is the best option.

**Senator HUMPHRIES** (Australian Capital Territory) (4.13 p.m.)—I also rise to oppose the disallowance motion which Senator Brown originally moved in this place, as pointed out by Senator Lundy, in March of this year and then over a series of postponements dealt with today. The motion to disallow amendment 41 to the National Capital Plan would have the effect, if it were to be passed, of preventing the route of the Gungahlin Drive extension being determined to the east of the Australian Institute of Sport, although it is obvious from what Senator Brown has had to say that his intention is that the road be prevented from being built at all. He would prefer that there was not a road on any alignment down, or close to, the O’Connor ridge—and I will comment on that aspect of his position in a moment.

The route for this road has been a matter of debate in the territory for a very long time. The idea of a road travelling between Belconnen and north Canberra was first foreshadowed in planning documents issued by the NCDC in the mid-1960s. The proposal firmed up in the late 1970s and early 1980s, when the road was described as the John Dedman Parkway. More recently its name has been changed to the Gungahlin Drive extension, acknowledging that there is a road
called Gungahlin Drive travelling through part of Gungahlin and the new road will be an extension of that.

The first question I would like to pose in this debate today is very simple: why are we debating this matter? Why should we be debating this matter? The National Capital Authority is responsible by statute for determining the location of national and arterial roads in the ACT. That is clear from its legislation. It does not build the roads, generally speaking, but it does determine their location. The Gungahlin Drive extension is not a national road; it is, however, an arterial road. It is designed to service the needs of Gungahlin residents, most particularly, undertaking domestic journeys between Gungahlin and areas in the south of the ACT like south Canberra, Woden, Weston Creek, Tuggeranong and perhaps, as a very long diversion, the city centre of Canberra.

What is the national interest in determining the route of an arterial road within the ACT? It is true that the Commonwealth has had its interest sparked by the proximity of the road to the Australian Institute of Sport and has quite appropriately felt the desire to protect the integrity and the interests of the Australian Institute of Sport in the deliberations about the route for the road. But in a sense that is a coincidence. This debate would still be proceeding even if the AIS were not located in that corridor, because the NCA retains a responsibility to decide what the route should be, given that it is an arterial road. With great respect, it seems to me that, as the ACT is self-governing, the location of arterial roads within the territory servicing the domestic needs of ACT residents ought to be determined by ACT residents themselves through their elected parliament and not by the national parliament.

That is a personal view and a digression. I return to the matter which is before the house. As has been indicated by Senator Brown and Senator Lundy, there are two essential issues in this debate. The first is whether the road is needed at all—that is, whether we need to reserve a route for an extension of Gungahlin Drive into the central part of the city. The second, if we do need to reserve a route, is whether the route should travel to the east or to the west of the Australian Institute of Sport. Let me address the first question: whether a road is needed. I think that the case for this road along this corridor is simply irresistible. It is extremely difficult to argue on the basis of any comparable city plan anywhere else in Australia that a road of this kind could be dispensed with.

As I have said, this road is designed to serve the needs of the residents of Gungahlin. At present Gungahlin has between 30,000 and 40,000 residents but it is planned to ultimately have 110,000 residents. When it is complete, if it has been completed in accordance with the present territory plan, it will be the largest of the territory’s townships—larger than Belconnen is at present, with something like 90,000 residents. Yet it is the only township that has been planned until now without a choice of arterial escape routes to allow egress by residents. With the current level of vehicle use in the ACT—or, indeed, anywhere else in Australia—it is simply inconceivable that a road would not be necessary to service such a large number of people. For example, the planning for Belconnen—with, as I mentioned, 90,000 people—includes four arterial exits. In Tuggeranong, which is a bit smaller—with about 80,000 residents—there are, again, four major arterial exits.

At present in Gungahlin there is only one—Northbourne Avenue, the main entrance into Canberra city and the road used by people coming by car from Sydney or Melbourne. It is very significant route which
is at present seriously congested for periods during the morning and the afternoon. That generates a very large amount of so-called rat running whereby residents are forced to use suburban streets in Belconnen and particularly in north Canberra to avoid those congested roads in finding their way into more southern parts of the territory. Even with the creation of the Gungahlin Drive extension and a further arterial road to the east of Mount Ainslie, the so-called Majura Drive through the Majura Valley, Gungahlin residents will have less accessibility than residents in Tuggeranong and Belconnen. There will be fewer lanes available to them to drive anywhere out of Gungahlin. That is unfortunate.

Senator Brown said that one of the reasons why roads need to be provided at a high level in the ACT is that Canberra lacks a good public transport system. Senator Brown said that Canberra needs a better public transport system. With great respect, I think that is nonsense. The ACT has an excellent public transport system. I challenge Senator Brown to travel on one of the ACTION buses and see what a good public transport system it is. It is clean, it is efficient, the timetables are very well kept to and the routes are in good locations. Frankly, I think it would be very hard to compare ACTION with any other public transport system in any part of the country and not find this city’s public transport option excellent.

The problem with the public transport system is that it is not well used. People do not take advantage of the public transport system. In part, that may be because the option to use cars has historically been available in the ACT, and most residents in the ACT do in fact choose to use cars. But the argument that we can avoid the need for the Gungahlin Drive extension by merely closing off access routes to and from Gungahlin, forcing people to use public transport because there are no other options available, is a very poor way of producing the outcome that Senator Brown would argue for—that is, presumably, that we have a much higher take-up of public transport and do not need roads like the Gungahlin Drive extension.

Indeed, some comment was made on this when the earlier work that was done in the ACT addressed the question of the alternatives of public transport. The ACT government previously commissioned the preliminary assessment evaluation for the John Dedman Parkway proposal, as it was then called, in 1997. That followed the earlier preliminary assessment under the territory’s planning legislation by Maunsell Pty Ltd. They commented in that evaluation on a document produced by the Conservation Council of the South-East Region and Canberra entitled Canberra at the crossroads: a way out of the transport mess. I quote from the evaluation:

The report suggests that if much higher levels of public transport patronage are achieved then the John Dedman alignment will not be needed. It suggests targets of 30% of work trips, 65% of city centre work trips and 50% of trips to ANU.

The PA assessed traffic demand at three levels of public transport patronage: the current 10%, 20% (twice current levels) and 30% (three times current levels). The 30% overall patronage level equates to over 50% transit share for civic work trips (close to the suggested target of 65%). Even under this scenario traffic modelling in the PA demonstrated that a John Dedman Parkway would still be needed.

The crossroads report suggests that traffic demand can be further ameliorated by reducing the population of Gungahlin from 110,000 to 85,000. Gooromon Ponds is a proposed base for a township for the ACT which in fact lies outside the present borders of the ACT beside the road between Canberra and Yass. It is being considered at this stage because alter-
nate options in the ACT are very limited. The evaluation goes on to say:

It is likely that Gooromon will be a substantial development area in the future especially as Jerrabomberra is increasingly constrained by grassland and endangered species issues. Population not accommodated in Gungahlin may well go to Gooromon. Gooromon traffic will access the city via the Barton, Northbourne and John Dedman corridors. The John Dedman alignment should be retained to meet this need if and when it arises.

Of course, the need most certainly has arisen, at least as far as planning for it is concerned at this stage.

It is very hard to argue that in some way the residents of Gungahlin in the ACT should be discriminated against vis-a-vis other residents who enjoy much better road access to their residences. Equally, a much more carefully researched and compelling case needs to be made than the one which is presently available to us, which is that somehow if a magically much greater level of public transport usage can be engineered the road will not be required. I suspect that even if public transport levels of the order found in Sydney or Melbourne were engineered for Canberra we would still not be able to do without a second major arterial route out of a township of the size that Gungahlin will ultimately be—that is, in the order of 110,000 people. If you look at similar population centres elsewhere you will see that very well demonstrated.

Senator Lundy, in particular, raised the question of the issue of the eastern route versus the western route. I do not want to go into that in great detail because that is perhaps a debate for another day. Clearly, Senator Brown wants to achieve a situation where there is no route specified. He may or may not prefer the western route over the eastern route, but the fact is that once you have got over the argument—as I think you must—that there is not a need for the road, then the question of east versus west is an interesting argument.

Very briefly, the case for the eastern route as opposed to the western route is based on three main grounds. The first is that the western route takes the road much closer to housing, particularly in Kaleen. We have generally tended to avoid major arterial roads passing close to housing in the territory. It would be a pity if that principle were not to be applied in the case of this road. The second is that to put the road on the western route would make it pass through developed parts of the ACT, particularly through the suburb of Bruce. It would be a road effectively bisecting the suburb and facilities of Bruce. It would have the effect, for example, of separating the sports precinct in Bruce from the industrial estate there. It would have the effect of putting the road very close to the student residences at the Institute of Sport—and having a major motorway just a few feet from their bedroom windows is hardly the kind of encouragement one would want to give to our young aspiring sportsmen and sportswomen.

The most compelling argument is that the western route would be significantly more expensive for the ACT consumer. That route would cost at least $10 million more and, on some estimates, $30 million or more than the cost of the eastern alignment. It might be very generous of members of this place to decide magnanimously that they prefer the western route over the eastern route but, of course, it is the residents and the taxpayers of the ACT who have to foot the cost of the alternative route. I do not think it is appropriate for us to make that decision. The fact is that, on a number of grounds, the eastern route is a much better route.

As to the impact on the environment, I concede that the arguments between east and west are rather closer, but it is wrong to sug-
gest that the western route is free of environmental problems. It is not. It is also wrong to suggest that the eastern route is extremely damaging to the environment. I have personally walked the area concerned to examine it. It is, in some parts, seriously degraded. In fact, part of the route was a tip for ACT residents in past years. It does not travel along the route of the ridge itself—that is, the highest part between north Canberra and Belconnen. In fact, it travels very close to the developed areas where the Bruce Stadium and the Institute of Sport are currently located, minimising the impact on the environment.

Particularly for reasons of cost, I think it is very likely, notwithstanding what Senator Lundy has told the Senate today, that the ACT government was quite relieved to be told that it could not have the western route because of the very considerable costs and problems associated with that route. It can at least now look the Save the Ridge group in the eye and say, ‘We did our best,’ but still pocket the saving between the eastern and western routes.

Senator Lundy indicated also that she regretted the role that the NCA has played in interfering with the ACT government’s decision. Given what I have said about what I think should be the role of the NCA in such matters, I have a smidgin of sympathy for that point of view—just a smidgin—but I also point out that Senator Lundy did propose at the time the previous government was in place and was talking about the eastern alignment that perhaps disallowance of that eastern alignment might have to be contemplated by presumably Senator Lundy and her colleagues in the Senate. If it is wrong of the NCA to overturn the decision of an elected ACT government, presumably it is also wrong of the Senate to do so.

I close by saying that I think, irrespective of whether the Senate should be having this debate, it is very important to make a decision which allows a route to be settled upon and to proceed. I invite senators who have any doubt about the subject to travel to Gun-gahlin early one morning, climb in a car at about quarter past eight or half past eight and attempt to travel to Parliament House and see how long it takes them. They should compare that kind of travel with similar routes elsewhere in the territory and see how very difficult the position is for residents of Gun-gahlin. I urge the Senate to oppose this motion of disallowance.

Senator STOTT DESPOJA (South Australia) (4.33 p.m.)—I rise on behalf of the Australian Democrats to lend our support to the disallowance motion today. I begin by saying that I agree with much of Senator Humphries’ articulation of the issues. I may not agree with all the conclusions or the answers that the senator put forward, but I think all of us involved in this debate today have raised—or, indeed, will raise—concerns, whether a smidgin or a lot, about the role of the NCA. The issue of the role of the federal government in arguably a self-governing territory is perhaps an important debate but, as the previous speaker has said, perhaps one for another day, although it is of course quite pertinent to the debate before us.

Senator Lundy commented that the previous election in the ACT was in a way a referendum on the issue, and I agree with her on that. I put on record again the position of the Australian Democrats. When we went to the last ACT election, we had a very clear policy on this issue. It was a clear policy of opposing the eastern alignment of the GDE, and the Democrats intend to stick to that commitment, whether it is through our federal representatives or, indeed, through our member of the ACT Legislative Assembly, Roslyn
Dundas. We believe that the eastern alignment of the Gungahlin Drive extension should be removed from the National Capital Plan altogether. As colleagues may know, my ACT colleague Roslyn Dundas has been involved in many debates on this issue in the assembly and has articulated her opposition to the eastern route in the media and in the community. So that comes as no surprise. On behalf of the Democrats, she has met with the AIS on occasions to identify its concerns, with the goal of course of resolving some of the issues. An inspection of the western route was also conducted to inspect the social and environmental impacts of the road. That is obviously an issue that has been raised.

As a member of the Joint Standing Committee on the National Capital and External Territories, I have also put on record the opposition of the Australian Democrats to the approval of this process; hence, our final opportunity today through this disallowance motion to put on record our concerns and our opposition. We have actively participated in the protection of O’Connor Ridge in discussions to assist the campaign to stop the eastern route of the road going through. One of the main concerns we have of course is the environmental devastation that we believe, and others believe, would be caused by the eastern alignment of the GDE. We believe that this would be the worst possible environmental outcome that could be produced. The previous speaker made clear that perhaps there are environmental considerations with the western and the eastern routes and, yes, we concede that, but we believe that the eastern alignment is the least preferable.

We have been concerned by the ACT government’s dogged determination to push the Gungahlin Drive extension through the east despite overwhelming evidence that there are environmental and other impacts and also against strong public opposition. Despite the fact that the inquiry by the Standing Committee for Urban Services had of approximately 1,000 submissions only 2.5 per cent that favoured the government’s position that the road went to the east of the AIS rather than to the west, the government has maintained its stance regardless of that community concern. Besides major public opposition to the eastern option, there is also evidence that the western route can be better, more economical and, arguably, more efficient than the eastern route, which could require the running of an inferior highway up and down slopes through the most ecologically significant part of the Canberra Nature Park.

We know—and I am sure that the last thing the Senate probably needs is additional history, but I will attempt to be brief because I think colleagues have already outlined some of the history—that the current plans have been on the table for around 40 years since town planners recognised that an effective road link to Gungahlin was needed to deal with the population expansion in the national capital. A transport corridor for the Gungahlin Drive extension was originally identified before the Australian Sports Commission and the AIS were built at the Bruce precinct. In 1991 the Joint Committee on the Australian Capital Territory ratified the need for this road link. In 1997 several routes were examined as part of the John Dedman Parkway preliminary assessment. From this process, two proposed alignments emerged as the only viable options: the first, the eastern option, which would run on the O’Connor Ridge side of the Australian Institute of Sport side of Bruce; and, the second, the western route, which would run through the western side of the AIS. Over the years consultancies commissioned by the NCDC have favoured routes to the west of the AIS. There are the two previous studies, to which you have already heard references—Maunsell back in 1975 and 1977—
recommending and confirming the western option.

The issue of the Gungahlin Drive extension has, since its inception, been a political issue. I do not think anyone in this chamber debates that fact. It has particularly been a political football for the two major parties. With a growing population in Gungahlin, what I would call poor transport and infrastructure planning and the increased pressure on the Gungahlin roads, the ACT government was forced to make a decision. Hence, we found ourselves in the position before the last election where both major parties were forced to make a decision as to their preferred options. The parties took two clear and distinct proposals to the electorate at that time. The ACT Liberals promised to build the road along the eastern alignment, cutting through the nature reserve, while the ALP committed itself to the western route. Recognising that both major parties were committed to a road and that a road would be built one way or the other—and the Democrats do recognise that fact—the ACT Democrats took the position that a western route was preferable to the eastern alignment. We took a very clear stance opposing the eastern route. This is not a new-found position.

The ramifications of the Labor and Liberal decisions, it could be argued, were quite electorally significant. The issue of saving the O’Connor and Bruce Ridges, Canberra’s inner city nature park, became a very strong community issue—and it still is. I mentioned that overwhelming community opposition to the proposed eastern alignment before. I think that the Save the Ridge campaign is a cry with which many Canberrans and others of us are familiar. I think that is an important part of this debate, because it does involve the issue of an election promise being broken.

Following the Labor Party’s success in the 2001 ACT election, Labor did progress planning and design work to ensure that the GDE would be built to the west of the AIS. The construction of the GDE to the west of the AIS required an amendment to the National Capital Plan—the jurisdiction of the National Capital Authority. Late in 2002 the NCA indicated that they would not support a road built along the western route. Apparently their basis for this was a concern that a road along the western route would impact adversely on the Australian Institute of Sport. This argument, we believe, has been brought into question by the Fitch report, among others, commissioned by the ACT government. This one was released earlier this year. The report, which has been discussed through the joint standing committee, particularly at last week’s hearing, states that an eastern alignment would have a greater environmental impact than a western alignment—again, a concern for the Democrats. It states that an eastern route would cut through the bushland through which AIS athletes regularly jog and cycle as part of their training and that a western alignment, with all the additional noise abatement and impact reduction that have been proposed by the Stanhope government, would surely have impacted less than an eastern route.

Our concern is this: with the Labor Party having promised the voters of the ACT a particular route and that, if elected, it would protect the valuable inner city bushland, what was the response of the Labor government when the NCA made its position clear? Again, this relates back to the powers of the NCA—an unelected, arguably unrepresentative government agency—to tell a democratically elected government the path that it should pursue. The debate as to whether or not the Labor government put up a sufficient fight is one which has no doubt raged within the assembly and the community. It is not
one which I will explore today, because all of us have touched on the broader issue: the powers of a self-governing elected assembly and government as opposed to the government agency that is the NCA.

Today we are presented with an opportunity to stand up against a decision that was made by the NCA and acknowledged and accepted without the fight that we would have liked to have seen by the Stanhope government. We have got an opportunity today to stand up for the interests of those Canberra residents who were promised an alternative route, a chance to knock back the NCA’s decision on this particular issue and maybe send the draft amendment back to the National Capital Plan for a closer look. As I mentioned earlier, the standing committee is currently conducting an inquiry into the NCA and is in the process of hearing evidence about a range of these issues. I look forward to the outcome of that inquiry.

Again, the Democrats reiterate our concern for what is a broken promise to the people of Canberra. Our concerns relate to the powers of the NCA and the backflip by a Labor territory government. We hope Senator Brown will have the numbers and the disallowance motion before us today will be passed. Our concern is that if this process goes ahead, valuable bushland will be destroyed. This bushland provides a rare and valuable inner urban recreational amenity as well as a habitat to wildlife. It is enjoyed, and has been enjoyed, by generations living in the inner north of Canberra.

The Democrats also reiterate our call for something that is long overdue: a long-term integrated transport strategy. I will not pick up Senator Humphries’s point in detail here—the notion that there is a good public transport system that is not necessarily well used. I think that is an interesting debating point. I would urge Senator Humphries to read some of the submissions that are coming into the joint standing committee, particularly in relation to the issue of public transport. I do not think any state or territory in Australia has public transport right yet, from a range of perspectives, so there is always room for improvement. A long-term integrated transport strategy is appropriate.

We believe—and my colleague Ros Dun-das in the ACT Legislative Assembly certainly also argues this—that the people of Canberra have not had sufficient transport planning and they have had an ineffective allocation of funds in that area. We must deliver a scheme that will focus on the transport needs of the ACT for the next few decades, not just for the next few years. The Australian Democrats will be supporting the disallowance of the approval of amendment 41 of the National Capital Plan, the Gun-gahlin Drive extension, as part of our long-running concern about and opposition to the route that will be going ahead if this disallowance motion is not supported.

Senator BROWN (Tasmania) (4.47 p.m.)—I congratulate Senator Stott Despoja for that very good summation of why this disallowance motion should proceed. I will be very brief because most of the issues have been canvassed. However, I want to refer a little to Senator Humphries’s submission, because I thought it was quite extraordinary. The first thing is that Senator Humphries says it is not appropriate for us to make this decision. Here is the democrat at work versus the market fundamentalist. What we have in Senator Humphries’s submission is that due democratic processes of ACT governance do not count and that the backstop that the Senate provides in a debate like this, with its elected representatives—one on either side from the ACT, to boot, both of whom have contributed—ought not to count.
That leaves the NCA. I might ask: who elected them?

If you go a little bit further back, it leaves the Minister for Regional Services, Territories and Local Government, Wilson Tuckey, pulling the strings. So much for democracy when it gets to a true market fundamentalist. It really has to be taken out of the people’s hands and determined by people behind closed doors, with their ears shut to public submission but with a very big clout at the end of the day. I would have thought Senator Humphries, as a Liberal, would have more respect for democratic processes than that. What it boils down to is him supporting Wilson Tuckey against the democratic options that the people of the ACT have had. If you go back to the election then you go back to the western alternative for the Gungahlin Drive extension.

The second thing is that Senator Humphries got down to the real grit of the environmental argument with his comment that east versus west is an interesting argument. No, it is not. There is a compelling argument for the western alternative, and that is what is driving many of the people who are fighting to save the ridge. It is not interesting; it is compelling. No wonder Senator Humphries did not get into a rebuttal of it—because there is none. He simply goes right across the top of the environmental values and, true to a market fundamentalist, gives them zero weighting—nothing at all. We come back to this argument that we are moving large numbers of people, and then always the rational, fastest way to do that is what comes out because there is a dollar sign attached to it at the end of the day—$10 million on this occasion, Senator Humphries says. So dollars count and environmental values and long-held legal planning principles—guidelines to the NCA—go out the window when it is convenient. Bring in other alternatives and make it expedient, and ultimately the decision here is not made by the people of the ACT but by Wilson Tuckey and the NCA, behind closed doors.

Senator Humphries says, ‘I will verbal Senator Brown while I am at it and say that he doesn’t want this at all, that he stands for public transport and that the expressway is not an alternative.’ In case he is tempted, as I think he may be, to go and spread that about, let me make it clear that the Greens have been arguing for the western alternative. Added to that has been a very good argument—and Senator Stott Despoja just outlined it very well—that public transport should be considered and brought into this debate. Had that been done long ago—had a start on it been made in 1910 or 1920—we would not be having this debate. We would have a city with a public transport system second to none in the world instead of a city with a future linked to expressways only, in a world where that is a prescription for greater environmental and traffic difficulties. Senator Humphries strayed to it a little when he said we do not want roads and cars near houses. But we are talking about cities. If you do not want roads and cars near houses, what is your alternative? It is public transport: clean, efficient, quick, cheap public transport.

But, as always with market fundamentalists, there comes into it a cost factor. They do not even look at it because they presume it is going to be more expensive, and they discount social and environmental costs. Those costs equal zero in that line of argument—even for a great city like Canberra, whose ambience and amenity are salubrious and beyond the dreams of every other capital city in the world. Those other values equal zero in the argument put forward by Senator Humphries. I reject that.

I believe it is our right to be debating this matter here. The Greens are not the least bit
on the back foot about bringing up this matter. After all, there is a motion that the Senate can choose to or choose not to deal with. The Greens have said: ‘Let us deal with it. Let us have the arguments put out and let us, seeing a determination is being made on the eastern alternative, for goodness sake have another look at that. Ameliorate it if you can. Take Senator Humphries out of the room when you do so because, if that amelioration is going to cost a few dollars, he will be opposed to it.’ There are other values there that might advantage all concerned. Let them be considered. If nothing else comes out of this debate, at least let those be considered.

Finally, there has been and there will continue to be a strong public debate about this issue and trenchant opposition to the NCA-Wilson Tuckey-Senator Humphries alternative because it is the wrong one. The people of the ACT need to be recognised. They are citizens. This is their city. They deserve better than to have their submissions ignored behind closed doors. They deserve better than to have their vote in their territory government ignored. They are not going to get recognition from Senator Humphries, they are going to get it from Wilson Tuckey and they are not going to get it from the NCA, but they are recognised in this place today. I think they are recognised very strongly by Senator Stott Despoja, by Senator Lundy and by me. That is the function of this place. You never know what will happen in these campaigns, and I personally hope that people will keep up their strength and yet see better sense and greater wisdom brought into this debate so the decision foisted upon them is altered.

Question put:

That the motion (Senator Brown’s) be agreed to.

The Senate divided. [5.01 p.m.]

(A The Acting Deputy President—Senator J.O.W. Watson)

Ayes.............. 9
Noes.............. 42
Majority.......... 33

AYES

Allison, L.F. *  Bartlett, A.J.J.
Brown, B.J.  Cherry, J.C.
Geog, B.  Murray, A.J.M.
Nettle, K.  Ridgeway, A.D.
Stott Despoja, N.

NOES

Abetz, E.  Barnett, G.
Bishop, T.M.  Boswell, R.L.D.
Buckland, G.  Campbell, G.
Carr, K.J.  Colbeck, R.
Collins, J.M.A.  Cook, P.F.S.
Crossin, P.M.  Denman, K.J.
Eggleson, A.  Evans, C.V.
Ferris, J.M. *  Forshaw, M.G.
Harris, L.  Hill, R.M.
Hogg, J.J.  Humphries, G.
Hutchins, S.P.  Johnston, D.
Kirk, L.  Knowles, S.C.
Ludwig, J.W.  Lundy, K.A.
Marshall, G.  Mason, B.J.
McGauran, J.J.J.  McLucas, J.E.
Moore, C.  O’Brien, K.W.K.
Patterson, K.C.  Payne, M.A.
Ray, R.F.  Scullion, N.G.
Sherry, N.J.  Stephens, U.
Tchen, T.  Troeth, J.M.
Watson, J.O.W.  Webber, R.

* denotes teller

Question negatived.

NOTICES

Postponement

Senator BROWN (Tasmania) (5.06 p.m.)—I seek leave to amend business of the Senate notice of motion No. 3 to read as follows:

That item 3 of Schedule 1 of the Parliamentary Entitlements Amendment Regulations 2003 (No. 1), as contained in Statutory Rules 2003 No. 149 and made under the Parliamentary Entitlements Act 1990, be disallowed.
Leave granted.

Senator BROWN—by leave—I move:

That business of the Senate notice of motion no. 3 standing in my name for today, relating to the disallowance of the Parliamentary Entitlements Amendment Regulations 2003 (No. 1), be postponed till the next day of sitting.

Question agreed to.

POSTAL SERVICES LEGISLATION AMENDMENT BILL 2003

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

Senator EGGLESTON (Western Australia) (5.07 p.m.)—On behalf of the Senate Environment, Communications, Information Technology and the Arts Legislation Committee, I present the report of the committee on the provisions of the Postal Services Legislation Amendment Bill 2003, together with the Hansard record of proceedings and submissions received by the committee.

Ordered that the report be printed.

ENVIRONMENT AND HERITAGE LEGISLATION AMENDMENT BILL (No. 1) 2002

AUSTRALIAN HERITAGE COUNCIL BILL 2002

AUSTRALIAN HERITAGE COUNCIL (CONSEQUENTIAL AND TRANSITIONAL PROVISIONS) BILL 2002

In Committee

Consideration resumed.

ENVIRONMENT AND HERITAGE LEGISLATION AMENDMENT BILL (No. 1) 2002

The TEMPORARY CHAIRMAN (Senator Cook)—Order! The committee is considering the Environment and Heritage Legislation Amendment Bill (No. 1) 2002, as amended, and opposition amendment (2) on sheet 3039, moved by Senator Lundy. The question is that the amendment moved by Senator Lundy be agreed to.

The committee divided. [5.13 p.m.]

(The Temporary Chairman—Senator P.F.S. Cook)

Ayes…………… 35

Noes…………… 37

Majority……… 2

AYES

Allison, L.F.
Bishop, T.M.
Brown, B.J.
Campbell, G.
Cherry, J.C.
Cook, P.F.S.
Denman, K.J.
Faulkner, J.P.
Greig, B.
Hutchins, S.P.
Ludwig, J.W.
Marshall, G.
Moore, C.
Nettle, K.
Ray, R.F.
Stott Despoja, N.
Wong, P.

NOES

Alston, R.K.R.
Boswell, R.L.D.
Calvert, P.H.
Chapman, H.G.P.
Coonan, H.L.
Ellison, C.M.
Ferris, J.M.
Harris, L.
Hill, R.M.
Johnston, D.
Lees, M.H.
Macdonald, I.
Mason, B.J.
Minchin, N.H.
Patterson, K.C.
Santoro, S.
Tchen, T.
Troeth, J.M.

Bartlett, A.J.J.
Bolkus, N.
Buckland, G. *
Carr, K.J.
Collins, J.M.A.
Crossin, P.M.
Evans, C.V.
Forshaw, M.G.
Hogg, J.J.
Kirk, L.
Lundy, K.A.
McLucas, J.E.
Murray, A.J.M.
O’Brien, K.W.K.
Ridgeway, A.D.
Stephens, U.
Webber, R.

Barnett, G.
Brandis, G.H.
Campbell, I.G.
Colbeck, R.
Eggleston, A. *
Ferguson, A.B.
Harradine, B.
Heffernan, W.
Humphries, G.
Kemp, C.R.
Lightfoot, P.R.
Macdonald, J.A.L.
McGauran, J.J.J.
Murphy, S.M.
Payne, M.A.
Scullion, N.G.
Tierney, J.W.
Vanstone, A.E.

CHAMBER
Tuesday, 19 August 2003

Senator BROWN (Tasmania) (5.18 p.m.)—I move Australian Greens amendment (1) on sheet 3050:

(1) Schedule 1, item 31, page 33 (after line 4), after subsection 324L(5), insert:

(5A) To avoid doubt, if the Minister by instrument removes all or part of a place, or a National Heritage value of a place in accordance with this section, the instrument is a disallowable instrument for the purposes of section 46A of the Acts Interpretation Act 1901.

This amendment is identical to one proposed by the opposition. It is an important amendment, and I hope committee members will take particular notice of it. It is to ensure that in the future any components of Australian heritage that are so important that they have been listed by a minister under the new system are not delisted without the authority of parliament. In other words, delisting has to be by regulation. The reasons for that are very obvious: pressure can be brought on any minister of the day to delist part of Australia’s heritage, whether cultural or natural, by big-masted interests—when what Senator Hill calls ‘social and economic values’ come into play. The amendment simply gives parliament that authority. It is a very important backstop to the protection of national heritage.

I think Senator Hill, being a democrat by nature, will support this. I am pleased to be able to draw it to his attention, because it was just one of those things that he overlooked. It is an extremely good amendment. I know that Senator Lees will want to support it as well, because it is such an important backstop for protecting Australia’s heritage down the line. Mark my words: there will come a time when a minister of the national government of Australia will be under back-room pressure to delist part of the Australian heritage, to take off one of its values, to remove some acres of it or to give over some buildings, some foreshore or some forests, because a developer wants to get at them in some way or other. If the arguments are good for that, put them to the parliament and have the parliament make that decision. It should be done by regulation. There should be the option for both houses of parliament to look at it, to give their stamp of approval before a heritage area, place or value is delisted.

Senator LUNDY (Australian Capital Territory) (5.21 p.m.)—I was about to leap to my feet to move Labor amendment (1) on sheet 3051 but, given that it is identical—and given that Senator Brown leapt to his feet and moved his amendment on the issue of the disallowance—I indicate that Labor will support Australian Greens amendment (1) on sheet 3050. We do so on the basis that this bill will allow the minister to remove places from the National Heritage List in two circumstances. The first is where the place no longer has heritage values, and the second is where it is necessary to do so in the interests of Australia’s defence or security. Where the minister wishes to remove places because of a loss of heritage value, she or he must do so using the vehicle of a disallowable instrument.

Labor believe that removing a place is a significant step. To make sure that there is absolutely no doubt about the role of parliament in the decision making process, Labor’s amendment—we are debating the Greens amendment but ours is identical—requires that a disallowable instrument be used. I have to say that this is again an attempt by Labor to make this government accountable.
Our primary complaint with these heritage bills is that effectively the opportunity to maintain the independence of the Heritage Commission has gone. Labor, as I have said before, are not in a position to support these bills but have supported this particular amendment because we proposed to move one that expressed the same thing and it presented an opportunity to improve specific accountability to the parliament.

**Senator HILL** (South Australia—Minister for Defence) (5.23 p.m.)—I have to say that I do not understand Senator Brown’s amendment and therefore I rise to seek some clarification. The government bill has the effect that if a site is to be removed—if the minister decides to remove it as a result of loss of value—it is a disallowable instrument; it can be disallowed. The only instance that I can see where it cannot be disallowed is if it is being removed on national security grounds. That seems to me to be a reasonable outcome. If the government has taken a national security decision then I do not think it is appropriate that it be disallowable; if it is a values issue then there is an argument that it should be. The government has accepted that, and that is the way the bill has been drafted. If that is clear, as I think it is, I cannot see the point of Senator Brown’s amendment unless he is trying to achieve some other outcome that is not apparent to me. It is interesting that both Senator Brown and Senator Lundy can clearly see something here that I cannot see. One of the two might explain it to me.

**Senator BROWN** (Tasmania) (5.25 p.m.)—It is a removal of doubts clause. There is some doubt, in the way the government has written the legislation, that in all cases there will be an opportunity for parliament to disallow the removal of a place of national heritage value from the Heritage List. Already the minister has said, ‘Except where national security is at stake’. Could the minister give us an example of where that would be the case? In any event, when he gives the example, I ask committee members to think about this: why should the parliament not be involved in an important matter like that? We are talking about a very short-listed national heritage register which lists the most important components of the nation’s heritage. This is a doubts removal clause. It simply says the parliament should be there to validate the delisting of an entity from that list, whatever the circumstances.

**Senator HILL** (South Australia—Minister for Defence) (5.26 p.m.)—If we are debating whether or not a disallowance on national security grounds should attract a disallowance then that clarifies the issue. There is clearly an issue between the government and Senator Brown; I do not know about the opposition. If that is the issue between the government and Senator Brown then we stand by our position that, if it is removed on national security grounds, it is inappropriate that it be disallowed because of the executive responsibility of the government on national security issues. What would be such a circumstance? I have to concede that it takes a bit of imagination to conjure up a circumstance in which a matter of national heritage significance would be withdrawn on national security grounds. Perhaps the national item could be a defence site and the weight of circumstances in which Australia finds itself could mean that a certain defence activity should take place on that site that has a higher precedent in terms of Australia’s national interests than the heritage value. I think that is highly unlikely to occur, so we are probably spending time here arguing about nothing. I certainly believe that there is an argument to include the provision in the bill—and the government has done that. If the provision is included—that is, that there is a capacity to remove on national se-
security grounds—it is inappropriate that that be subject to parliamentary disallowance.

Senator BROWN (Tasmania) (5.28 p.m.)—I reiterate that in all circumstances, and particularly because the minister has not been able to give an example of what he means by national security being at stake, the parliament should be the authority, not the minister of the day, whoever that might be. If specific security grounds could be conjured up—and I cannot think of any—which would require the delisting of a piece of the national heritage, and presumably its destruction or damage as a result of that, the parliament should be involved. We are dealing with the Environment and Heritage Legislation Amendment Bill (No. 1) 2002, schedule 1, section 324L, entitled ‘Removal of places or national heritage values from the National Heritage List’. Subclause (5) says:

If the instrument—

that is, the delisting notice—

deals only with removal for loss of value, the instrument:

(a) is a disallowable instrument—

that is, parliament can say no to the minister, and—

(b) takes effect—

within 15 days, effectively—

or to be taken to have been disallowed, under that section as it applies to the instrument because of section 46A of that Act.

Then the minister must publish it. The amendment says:

(5A) To avoid doubt, if the Minister by instrument removes all or part of a place, or a National Heritage value of a place—for the concept of place is being introduced here, as well as the value—in accordance with this section, the instrument is a disallowable instrument for the purposes of section 46A of the Acts Interpretation Act 1901.

It is simply saying that, whether it is a place or a value that is listed on the National Heritage List, a move to deregister it by a minister of the day will be allowed only after the authority of parliament has been added to the minister’s wishes.

Senator HILL (South Australia—Minister for Defence) (5.30 p.m.)—I am sorry, Mr Temporary Chairman: I do not think that there is any ambiguity. If we were to agree with Senator Brown’s amendment, that in fact would introduce an ambiguity. The questions would then be asked: why has an additional, unnecessary clause been added and how does the disallowance provision of Senator Brown’s amendment relate to the disallowance provision that the government has already put in the bill? Apart from the defence issue, on the values issue I do not think that we have a disagreement with Senator Brown in principle. It is just a question of the best way to legislate, and we believe that our bill as it stands effectively achieves our objectives. Therefore, we would not support Senator Brown’s amendment. I beg the indulgence of the chamber: I have to be out of the chamber for a short while and I plan to leave the bill in the very capable hands of Senator Campbell, who has strong credentials in the environment and heritage area.

Senator Ian Campbell—I am parliamentary secretary to an excellent minister.

Senator LUNDY (Australian Capital Territory) (5.32 p.m.)—I think Senator Hill’s reasoning that to support this particular amendment would be to increase ambiguity is somewhat farcical. The amendment states that its purpose is to avoid any misunderstanding. The intent of it is, of course, to clarify. So I do not accept that for a second. I thought that I would take this opportunity to again reflect on the overall nature of this bill. I will do so by quoting from an article authored by Tom Uren that was referred to earlier in this debate. It appeared in the Canberra Times on 13 August this year. Tom
Uren’s words certainly sum up much of Labor’s concern—which, I hope, I have conveyed adequately to the chamber in the course of this debate. I will not, obviously, go through the entire article, but I think that its central passages are extremely pertinent.

Tom Uren writes:

Gough Whitlam’s Government set up the Justice Hope Committee in 1973 to inquire into the National Estate. The Hope Report, tabled in April, 1974, said in essence: “The Australian Government has inherited a National Estate which was downgraded, disregarded and neglected. A permanent statutory body should be set up to manage the National Estate.”

The Hope inquiry recommended that the new authority be granted independence from governments. The Whitlam Government created the AHC as a statutory authority, with both houses honouring Hope’s recommendation. David Yencken was appointed the first chairman of AHC in 1975.

The now Emeritus Professor David Yencken gave evidence in 2001 before the Senate Environment Committee on the proposed Australian Heritage Council Bill 2000. He spoke on a joint submission by seven former commissioners, including five former chairs of the commission.

Professor Yencken said that the proposed bill contained some positive elements but noted obvious deficiencies. He said that the maintenance and continued development of the National Estate would be jeopardised by the change. Responsibility for listing should rest with the council as it now does with the commission and the council should retain all the powers of the existing commission.

Professor Yencken said that the 25 years of experience gained by the commission should not be lightly cast aside. The AHC Act requires an annual report from the commission, which also has the power to make reports at any time on any subject of its choosing. The minister has to table those reports.

I have advocated to senators that Parliament can strengthen the commission’s powers but that ministerial control would suffocate it.

Tom Uren goes on to reflect upon the support that he understood he had for his campaign; in particular, the ALP and Greens support is acknowledged. But Tom Uren was under the impression that:

Two independent senators intimated they would vote to support the commission as an independent authority.

The results in this place have indicated that that is not happening. Tom Uren also goes on to reflect upon the role of the Democrats and urges the Democrats to support his campaign. We now know, as well, that that certainly was not forthcoming in the early part of the debate. It remains to be seen how the Democrats will treat the final form and shape that this bill takes.

Finally, in reflecting on Tom Uren I would like to acknowledge his role in seeking to protect Australian heritage through his campaign and his continued advocacy of the need for an independent commission to look after the interests of Australian heritage. Indeed, I acknowledge the fact that that campaign should continue in the context of this bill and following its passage through this place. I thought that it was a timely opportunity to read that excerpt from Tom Uren’s piece in the Canberra Times. I think that it serves as a timely reminder that the amendment we are now debating is another effort to remove ambiguity on the accountability aspect that having a disallowable instrument for all removals of heritage items from the list brings into this place.

Senator BROWN (Tasmania) (5.37 p.m.)—Let me put the argument again, in regard to what Senator Hill said, to express clearly why this amendment is necessary. We are dealing with the clause in the bill which describes how a minister may remove places or national heritage values from the National Heritage List—and there are five clauses. All of them mention, in one way or another, the
removal of places or values from the National Heritage List by the minister. But when you get to the clause which says that the parliament can disallow the minister’s decision, it is only about values, not about places. So a piece can be taken out of a place provided it does not, in the opinion of the minister, affect the values. Why the sudden restriction to values in the disallowable instrument? My amendment ensures that there is consistency right through and that, when it gets to what the minister can disallow, which is places and values, the parliament can override the minister on places and values, not just values. That is the minister’s wording. Let us be consistent about it. This amendment, which is shared by the Greens and the Labor Party, says, ‘Let us make sure, so there can be no doubt about it, that the minister cannot remove either a national heritage place or a national heritage value from the list without the authority of parliament.’

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Treasurer) (5.39 p.m.)—The government’s problems with this have been enunciated by Senator Hill, but I want to reiterate because I heard Senator Lundy, when she began her last intervention, intimate that she was attracted by the argument in Senator Brown’s amendment about creating more clarity. The reality, however, is that it would create internal inconsistencies in the legislation and, more importantly, it would ensure that subclause (1)(b), which allows the minister to remove either a national heritage place or a national heritage value from the list without the authority of parliament,’

Senator BROWN (Tasmania) (5.42 p.m.)—First, the government has just said that this measure is based on the World Heritage model which looks at values. That is not right. There has just been a move by the Australian government, backed up by the British and American governments, to try to have a values only system of listing and assessing World Heritage properties. It was voted down in the world forum in Paris. The Australian public know the value of heritage places and know the historical, Indigenous, cultural, natural and environmental values in places, but they want those places protected because they hold those values. Here we have a bill in which the minister has written in subclause (3):
The Minister may remove all or part of a place ... However, when it comes to what parliament can do, they can only object to the removal of a value because it has been lost or something. My amendment says, ‘No, you don’t. If the minister can remove a place from the National Heritage List, then the parliament ought to be able to overrule the minister on that.’ That is why this amendment is important.

Senator ALLISON (Victoria) (5.43 p.m.)—I question the need for any sort of exemption in the national interest, be it for defence or for any other reason, from the disallowable instrument status of the rest of the power to revoke. As I understand it, we already have an exemption power under section 158, which is that a site is not to be listed because it is not in the national interest. I would have thought that if there was a defence-sensitive site, then it would not be listed in the first place. It is hard to see why we need to have that exemption from a disallowance.

Senator IAN CAMPBELL (Western Australia—Parliamentary Secretary to the Treasurer) (5.44 p.m.)—The obvious answer is that we are talking about something that is already on the list. It would not be on the list if the national interest exemption had applied in the first place. But this is something that could be on the list. I heard Senator Hill say before he left that this will obviously be a very rare occurrence. He could not even think of an example, though he tried to come up with one. It may well be a piece of coastal land in the north-west of Western Australia, for example, that has some wonderful values—is a wonderful place and has those values attached to it—but which may be required for defence purposes. For that reason, it may need to be delisted. That is something that is in the future. We are applying it to something that is listed now that a future government may want to delist.

Senator BROWN (Tasmania) (5.45 p.m.)—Neither Senator Hill nor Senator Campbell can give us an example.

Senator Ian Campbell—I just gave you one.

Senator BROWN—You gave us a non-specific example. Let me be specific. If a future government does want to resume Bennelong Point because there is some defence reason for doing that, or it does want to resume a central part of Melbourne city or any other capital city in this place, or a coastal reserve, or a marine reserve, the parliament should be involved in that. That is what my amendment says.

Question put:
That the amendment (Senator Brown’s) be agreed to.

The committee divided. [5.51 p.m.]

(The Chairman—Senator J.J. Hogg)

Ayes............ 35
Noes............ 34
Majority........ 1

AYES

Allison, L.F.  Bartlett, A.J.J.
Bishop, T.M.  Bolkus, N.
Brown, B.J.  Buckland, G. *
Campbell, G.  Carr, K.J.
Cherry, J.C.  Collins, J.M.A.
Cook, P.F.S.  Denman, K.J.
Evans, C.V.  Faulkner, J.P.
Forshaw, M.G.  Greig, B.
Harradine, B.  Hogg, J.J.
Hutchins, S.P.  Kirk, L.
Ludwig, J.W.  Lundy, K.A.
Marshall, G.  McLucas, J.E.
Moore, C.  Murray, A.J.M.
Nettle, K.  O’Brien, K.W.K.
Ray, R.F.  Ridgeway, A.D.
Sherry, N.J.  Stephens, U.
Stott Despoja, N.  Webber, R.
Wong, P.
Tuesday, 19 August 2003

SENATE

CHAMBER

NOES

Abetz, E.
Boswell, R.L.D.
Campbell, I.G.
Colbeck, R.
Eggleston, A.*
Ferguson, A.B.
Heffernan, W.
Johnston, D.
Knowles, S.C.
Lightfoot, P.R.
Macdonald, J.A.L.
McGauran, J.J.J.
Murphy, S.M.
Payne, M.A.
Scullion, N.G.
Tierney, J.W.
Vanstone, A.E.

Barnett, G.
Brandis, G.H.
Chapman, H.G.P.
Coonan, H.L.
Ellison, C.M.
Ferris, J.M.
Humphries, G.
Kemp, C.R.
Lees, M.H.
Macdonald, I.
Mason, B.J.
Minchin, N.H.
Patterson, K.C.
Santoro, S.
Tchen, T.
Troeth, J.M.
Watson, J.O.W.

PAIRS

Conroy, S.M.
Crossin, P.M.
Mackay, S.M.

Calvert, P.H.
Hill, R.M.
Alston, R.K.R.

* denotes teller

Question agreed to.

Senator NETTLE (New South Wales) (5.57 p.m.)—by leave—I move Greens amendments (1) and (2) to (6) on sheet 2868 together.

(1) Schedule 1, page 67 (after line 20), after item 38, insert:

38A At the end of subsection 523(1)
Add:
; and (f) a funding decision or recommendation.

(2) Schedule 1, page 67 (after line 20), after item 38, insert:

38B Section 524 (heading)
Omit “not”.

(3) Schedule 1, page 67 (after line 20), after item 38, insert:

38C Subsection 524(1)
After “decision”, insert “or recommendation”.

(4) Schedule 1, page 67 (after line 20), after item 38, insert:

38D Subsection 524(2)
Omit “not”.

(5) Schedule 1, page 67 (after line 20), after item 38, insert:

38E Subsection 524(3)
Omit “not” (first occurring).

(6) Schedule 1, page 67 (after line 20), after item 38, insert:

38F Section 524A
Omit “not”.

Amendment (1) aims to capture funding decisions within the definition of an action. Of course, a definition of an action is critical to triggering the application of the proposed heritage legislation. The government’s proposed definition of an action significantly weakens the heritage protection laws by substituting the strong definition of an action outlined in the Australian Heritage Act with the weak definition contained in the EPBC Act.

Under the Heritage Act, the taking of an action includes the making of a decision or recommendation—including direct financial assistance to a state or territory—the approval of a program, the issue of a licence or the granting of permission. It also includes a recommendation in relation to direct financial assistance granted or proposed to be granted to a state or territory. The EPBC Act’s definition of an action, the weaker, excludes these decisions. The effect of using the narrower definition is to exempt all government decision making and funding activity from the operation of the legislation. This amendment is about maintaining the status quo of the definition of an action in relation to heritage, but it also addresses the flaw in the EPBC Act by applying the definition in the Australian Heritage Act and thereby ensuring a higher standard of protection of Australia’s natural and cultural heritage than the government has proposed with this bill. That is amendment (1) in this set of amendments.
Amendments (2) to (6) also deal with the definition of an action. They are directed at widening the scope of the action to include a recommendation. So the first amendment is about including funding decisions and these ones are about including the recommendation. The Heritage Act says:

... if the adoption of a recommendation would adversely affect a place, the making of a recommendation shall be deemed to affect the place adversely.

The bill before us weakens the protection for our national heritage by omitting a recommendation from the definition and, therefore, the scope of the activities that trigger the act. Reducing the type of actions to be covered in this bill will result in many Commonwealth actions that affect heritage places being exempted from proper consideration, assessment and decision. The narrow definition of the action that the government proposes in this bill is the same as the one in the EPBC Act, as I said before. The Greens believe that this is one of the major flaws in the legislation that was, as we have heard before, guillotined through the parliament with the support of the Australian Democrats.

The definition fails to capture policy plans and programs. Only significantly advanced development proposals are captured. By the time they trigger the act, they have significant political and financial momentum and it becomes difficult to properly scrutinise or stop them. This is borne out by the statistics of the operation of the EPBC Act where, of the near 900 referrals to the Commonwealth so far, only one proposal has been stopped. That was the matter of Booth, a case involving a Queensland orchid farmer who wanted to install electrified barriers against flying foxes, and the proposal was stopped because it was already illegal under state law.

The Greens believe that the critical component of the EPBC Act needs to be fixed, and this amendment does that by extending the definition in the act to ensure that it includes recommendations and funding decisions in accordance with the provisions of the Australian Heritage Commission Act. This will ensure that the full sweep of government decisions is captured. In talking further about the weak definition of an action that we find in the EPBC Act, I think it is quite astounding not to include government decisions and funding decisions in the definition of an action to trigger such action. In the EPBC Act, some other things are not included in the definition of an action, such as a decision by a Commonwealth agency to grant a governmental authorisation under a whole range of different acts, including the Customs Act, the Export Control Act, the Export Finance and Insurance Corporation Act, the Fisheries Management Act, the Foreign Acquisitions and Takeovers Act, the Petroleum (Submerged Lands) Act, the Quarantine Act and the Trade Practices Act.

I turn to how these acts in the past and the predecessor to the EPBC Act were able to be used to protect national heritage in Australia. Of course the Export Control Act is an act that I have been familiar with as part of the environment movement in the way in which it regulates the export of uranium from Australia. It is a clear act that has implications in protecting heritage areas of Australia. The Foreign Acquisitions and Takeovers Act was used in the 1980s to quash a proposal for sandmining at Shelburne Bay in Far North Queensland. The Shelburne Bay region has outstanding conservation and cultural heritage values and is known for its magnificent pure white sand dunes, the Barrier Reef coastline, the heathlands and the forests. The traditional white sands of Shelburne Bay have been described by the traditional owners of the land as ‘an image of the great white manta ray’ landing in that area. Proposals in the 1980s by a Japanese company
to mine Shelburne Bay were opposed by the Hawke government. In 1987 the government used the Foreign Acquisitions and Takeovers Act to quash such a proposal for sandmining at Shelburne Bay. Under the current EPBC Act, these acts are excluded, and it would not be possible for the Commonwealth government to stop a sandmining proposal at Shelburne Bay under this definition of an action.

The series of Greens amendments that I have moved seeks to redress this situation and return us to a situation much closer to the legislation that we had in the predecessor to the EPBC Act of being able to use all these pieces of legislation, including government funding decisions and recommendations in the definition of an action. I urge the committee to support these amendments.

**Senator LUNDY (Australian Capital Territory)** (6.04 p.m.)—I place on the record Labor’s view, consistent with our position on certainly the vast majority of other amendments moved by senators in this place, that we will not be supporting these amendments.

**Senator ALLISON (Victoria)** (6.04 p.m.)—While it is an attractive proposition to extend the definition of an action, we think that there are many other amendments that would be required to be made in order to bring this into effect. No doubt the minister will indicate that there would be constitutional problems for the states as well, because many of those decisions would be matters for the states. As I have said, while this is attractive, particularly the funding option, if some decisions could be nipped in the bud earlier on in the decision-making process that would be desirable. Much as we would like to support these amendments, we will not be doing so.

**Senator LEES (South Australia)** (6.05 p.m.)—I stress again that I simply cannot agree with the view of the Greens that we are weakening protection of heritage by continuing to work on this legislation. We will, in fact, considerably strengthen the protection of Australian heritage both here and overseas if this legislation is passed. In response to Senator Brown’s incorporating a letter earlier today from the ACF criticising the legislation, I seek leave to incorporate the response to that letter from the Heritage Commission. It is a three-page document. There are also two other pages: one from the National Trust supporting the legislation and one from the Humane Society International and the Tasmanian Conservation Trust supporting the legislation.

Leave granted.

The documents read as follows—

New Deal Will Boost Australia’s Heritage Protection

Two bills currently before parliament will provide stronger protection for Australia’s heritage icons and historic places, if a deal between the Howard government and Senator Meg Lees enables their passage through parliament.

Australia’s leading environment organisations have welcomed news of the deal and say the new bills will finally bring national heritage protection under the protective umbrella of the Commonwealth’s EPBC Act.

“These bills are a major advance over existing Commonwealth heritage laws”, said Alistair Graham, Tasmanian Conservation Trust.

“Before these bills, Commonwealth legal protection was very limited, applying only to heritage sites on Commonwealth land and Commonwealth activities. This meant that many of the 14,000 properties listed on the Register of the National Estate received no Commonwealth legal protection.”

The new bills will provide clear and accessible procedures for people to notify the Minister if the values of listed heritage properties are under threat.

“We are looking forward to seeing an independent and reinvigorated Australian Heritage Council as a result of this new legislation”, said Michael Kennedy, Director, Humane Society International.
The Groups also welcomed the Howard government’s additional $13.3 million dollars in the recent Budget for its new Distinctively Australian heritage initiative on the condition that this package of heritage legislation is passed. They also noted the earlier work done by a wider range of groups and the Democrats over the last two years or so in preparing elements of the package agreed between Prime Minister Howard and Senator Lees.

Sent to all Opposition (ALP) Greens, Independents
19th May 2003
Dear Senator
During its recent 17/18 May Board meeting the Australian Council of National Trusts (ACNT) discussed the matter of the heritage bills which are currently before the Senate.

The ACNT, along with a large number of other interested parties, has made its support for the amended bills publicly known for sometime. In the ACNT’s view the proposed legislation will significantly enhance the Commonwealth government’s role in the protection of Australia’s heritage. For the first time the Commonwealth government will be required to assume responsibility for the protection and good management of all places entered onto the National list. Furthermore individual Commonwealth agencies will be required for the first time to identity and conserve their places of heritage value. The Government has also made it apparent, with its Distinctively Australian budget announcement that financial support will be provided.

The legislative package has been nearly 4 years in the making, involving considerable consultation with interested parties. It has reached the point where it has the support of all state and territory heritage agencies and peak heritage advocacy bodies including the National Cultural Heritage Forum (NCHF)

The protection of the nation’s cultural heritage has been an area of environmental policy that has been badly neglected in recent times. These bills before the Senate provide an opportunity to rectify this. Not only will the Commonwealth have greater responsibilities but because the bills are linked to the existing Environmental Protection, Biodiversity and Conservation Act the Commonwealth’s protective powers are extend to the heritage domain.

On behalf of the Australian Council of National Trusts (ACNT) I urge you to lend your support to the passage of these Bills.

Yours Sincerely
Alan Graham
Executive Officer, ACNT

Senator
The Australian Conservation Foundation sent a position to you on the Heritage Bills. I am supporting the aspirations of a large number of stakeholders including the Commission since 1996.

Mr Don Henry
Executive Director
Australian Conservation Foundation
60 Leicester Street
CARLTON Vic 3053
Dear Mr Henry
Thank you for your letter of 24 June 2003 concerning my press release of 18 June. In response to the points you have made:

1. The ACF stands alone in opposition in the spectrum of stakeholders who have engaged in the consultation with the Heritage Bills in recent year. At the meeting of the National Cultural Heritage Forum the following stakeholder groups indicated their strong support for passage of the Bills: Australia ICOMOS Australia Council of National Trusts, Institution of Engineers Heritage Committee, Federation of Australian Historical Societies, Australian Academy of the Humanities, National Heritage Chairs and Officials (representing the state, territory and NZ heritage councils), Royal Australian Institute of Architects, Australasian Society for Historical Archaeology, Australian Institute of Archaeology, Property Council of Australia Museums Australia. Mr Wayne Smith of the ACF was not counted as a supporter. I note the inclusion of the
Wilderness Society in your letter. Mr Marr attended the National Heritage Convention in 1998 but has not participated in consultation since that date. The Society has been regularly invited to participate in consultations through the development of the Bills. The offer was not taken up.

2. I do not understand your claim about the weakening of the existing AHC Act provisions. I expect you are referring to the removal of the grants trigger. In practice this has, in recent years, largely a waste of time and money. By far the majority of the AHC Act section 30 advice matters has been the Director of the Heritage Commission providing formal written advice to the FA Director responsible for heritage grants. They are the same person. I remain surprised you see substantial criminal penalties as a weakening. You would be aware that in the recent case relating to the protection of outstanding Commonwealth heritage on Norfolk Island listing of the area on the RNE proved useless. Section 26 of the EPBC Act was used to provide effective protection.

3. Your point about needing to place these sites on the Commonwealth Heritage List is simply wrong. These places are protected now through the existing operation of sections 26 and 28 of the EPBC Act whether they are listed or not. That is why the Bills do not include penalty provisions for Commonwealth places. They are already in place. The Bills provide further clarity, tighter definitions and a management framework for protection that is already there. Having said that, all Commonwealth places on the RNE with heritage values will be transferred to the Commonwealth list. Work is continuing on checking the values for relevant places and significantly upgrading the Statements of Significance. In the last 18 months the AHC has almost exclusively confined its RNE listing action to Commonwealth sites in anticipation for the operation of this provision.

Your link any alleged World Heritage strategy on the part of the Commonwealth Government is a mystery to me. The Bills focus on ‘values’ vs ‘places’ is based on aiming to achieve the best conservation and practicable management outcome.

With reference to my comment ‘existing arrangements are maintained’. This is reference to the fact that, under the new system, the Register of the National Estate is to be maintained by the Australian Heritage Council together with the power of the Council to add to the Register. If there is a departure from these arrangements then it is in the area of a significant expansion of the Council’s function vis a vis the Commission.

The proposal to accommodate social and economic considerations for heritage places is widely seen as sound governance. Comparisons with other EPBC triggers are irrelevant. It is impossible to contemplate that an non-answerable body of heritage experts could make decisions that could impose significant impacts, severe penalty provisions and oversight of the Federal Court on citizens for the potentially large sweep of areas and tenures potentially covered by heritage listing without the opportunity for those citizens to put their case. Almost all those engaged in the consultation process now accept these decisions are rightly to be taken by elected representatives answerable to Parliament. The Bills however readily recognise that the final decisions must me made in an open, proper and transparent way with ready, broad standing, legal redress to transgressions.

I notice again that something is being made out of any delay on placing Commonwealth RNE on the Commonwealth list. Let me restate the position that delay does not matter. These places are already protected by sections 26 and 28 of the EPBC Act. Any ‘delay’ will be the result of checking that each of the c800 places actually exist and their statements of significance reflect the heritage values set by the legislation. This work is well underway. There is no other agenda at work here. Why would a conservation body want to take an action that misses an ideal opportunity to have sound upgraded statements of significance which, for the first time, become the statutory basis for protection when the alternative is outdated and in many cases, one-line statements of significance?
Your comments about a partisan position are not understood. The current Bills have their origins in a reform process established in 1996 by Australian Heritage Commission Commissioners appointed by the previous Government. The second major tier of the Bills is the protection of Commonwealth heritage. The provisions are a direct implementation of an inquiry conducted on the matter by the previous Government. The basis for the national heritage listing policy is an intergovernmental agreement signed in 1997 by all state and territory governments as well as the Commonwealth and the Local Government Association. Successive AHC Commissioners have remained strongly committed to the measures now detailed in the Bills.

At the recent meeting of Australasian Heritage Chairs and Officials in Wellington NZ there was considerable enthusiasm to see the Bills passed. All of these jurisdictions are Labor Governments. The suggestion of a partisan position is therefore incorrect. There are a number of national heritage strategy programs in train that will implement a coordinated approach to heritage protection. There is already coordinated work addressing early themes for listing, maximising the value of heritage for tourism in regional Australia and a coordinated approach between the protection of national, Commonwealth and state/territory heritage places and areas.

Even the matter of overseas listing is the subject of enthusiastic engagement. Australia and New Zealand are working collaboratively to achieve early inscription of the Anzac area on our respective national registers. This is been done in close cooperation with Turkey as part of a possible collaborative effort to see the Gallipoli Peace Park put forward for World Heritage nomination backed by the national inscriptions of Australia and New Zealand.

I hope my points of clarification have been of assistance.

Yours sincerely

Tom Harley Chairman

cc Australia Heritage Commissioners

Australian Democrat, Green and Independent Senators

Senator LEES—I thank the chamber. I would like to answer another criticism of Senator Brown’s on an ongoing issue that we have been debating since we began debate on these bills I do not know how many days ago: values. Senator Brown has some difficulty with the concept of our protecting values. I look at just a couple of World Heritage listings and at the system of protection of values. To start with Kakadu National Park, it was ‘inscribed on the World Heritage List in three stages over 11 years’. It goes on to say, ‘It is one of the few sites included on the List for both outstanding cultural and natural universal values.’ I will not read any further, but it talks about the various natural and cultural values that Kakadu has under the World Heritage listing.

Looking at the World Heritage listing for Heard and McDonald Islands, the values table there sets out a variety of values. One relates to the outstanding examples representing major stages in the earth’s history. Another value relates to the outstanding examples representing significant ongoing ecological and biological processes. These are all values for which places are listed. I just want to reiterate that this bill is strengthening the protection because it will be recognising not just an individual building or an individual particular place—but the values of that particular area.

Senator BROWN (Tasmania) (6.08 p.m.)—I understand Senator Lees’s argument and find it very wanting. Of course places are inscribed on the World Heritage List because of the values that they contain which are of universal significance: natural values, cultural values and those dynamic values of evolution of species and cultures to which Senator Lees referred. If you look at the nomination for the Tasmanian Wilderness World Heritage place, Senator Lees, you will find that it is nominated for all four of those natural values. It is one of only a handful of
the hundreds of World Heritage nominations in which that conjunction is held.

But there is a growing move by the Australian and American authorities to say, ‘Let’s just list the values.’ It is a very clever move, because what it says is, ‘Then we can get at the rest of these places with developments. Then we can have the historic building kept intact while we exploit the perimeter around it for car parks. Then we can have the wild river kept intact, but we can log the forests on the hillsides to the east and west. Then we can list a rare and endangered species habitat, but we can allow some incursion in the vicinity which is not going to materially affect it’—mining or tourist ventures for some developer who has got at some government. You are opening the door to serial erosion of a place and, with it, the threatening of the values that are within it.

Everybody understands where a place is and where the boundaries are on a map. As soon as you go to values, you get into opinions. It is a moving feast and, even though those values have been listed, under this legislation it becomes the prerogative of the minister—getting some advice from a council, but it does not have any strength—to determine what those values are. Not so with lines on maps: you know where the boundaries are. But when it gets to values a minister can look a camera and a nation straight in the face and say, ‘I’m going to protect that value and I’m going to protect that rare plant there, but I am going to allow this tourist development right next to it.’ Of course, if a bushfire gets away, people trample on that plant or rootrot gets in as a result of the road going into that development, he did not know about that at the time and some other government has moved in in the meantime. It becomes a moving feast of erodability of the place that has been put on the Heritage List.

That is why that last amendment was important. The minister has in his legislation mentioned place as much as he mentioned value, but when it comes to the parliamentary powers to do something about deregistration only the values would be able to be deregistered. The minister would be able to come in here and say, ‘I am protecting that value—while I take a big lump out of that place.’ It is a very dangerous drift. Australia, Senator Hill, the Hon. David Kemp, the Minister for the Environment and Heritage, and the Hon. John Howard, the Prime Minister, are pushing not just in this country but in world fora to try to pull the rug out from under this protection of place. They say, ‘Leave it to us; trust us with values.’ Of course, behind them is a whole suite of developers wanting to get at heritage. It is very important that that be stood against.

It was a very important victory in Paris earlier this year when the Australian government’s move to undermine World Heritage through this ‘Let’s have values and not place’ was lost—but now we have it being advocated here. Senator Lees, I just disagree with you. I think you should protect both the place and the heritage values for which it is listed. It is very important to understand, if it is going to be a continuing debate, that the public will side very much with the places being protected. You know where they are, you know where the lines are and you know what the boundaries are. If you just leave it to values, then anything can get clobbered, ultimately, by a minister asserting that they are going to protect the value while they erode the place.

Question put:
That the amendments (Senator Nettle’s) be agreed to.

The committee divided. [6.18 p.m.]
(The Chairman—Senator J.J. Hogg)
Ayes……2
Noes……48
Majority……46

AYES
Brown, B.J. Nettle, K. *

NOES
Abetz, E. Allison, L.F. 
Bartlett, A.J.J. Bishop, T.M. 
Boswell, R.I.D. Brandis, G.H. 
Buckland, G. Calvert, P.H. 
Campbell, G. Campbell, I.G. 
Chapman, H.G.P. Cherry, J.C. 
Colbeck, R. Collins, J.M.A. 
Crossin, P.M. Denman, K.J. 
Faulkner, J.P. Ferguson, A.B. 
Forshaw, M.G. Greig, B. 
Harris, L. Hill, R.M. 
Hogg, J.J. Humphries, G. 
Hutchins, S.P. Johnston, D. 
Knowles, S.C. Lees, M.H. 
Lightfoot, P.R. * Ludwig, J.W. 
Macdonald, J.A.L. Marshall, G. 
Mason, B.J. McLucas, J.E. 
Moore, C. Murray, A.J.M. 
Payne, M.A. Ray, R.F. 
Ridgeway, A.D. Scullion, N.G. 
Sherry, N.J. Stephens, U. 
Stott Despoja, N. Tchen, T. 
Tierney, J.W. Troeth, J.M. 
Watson, J.O.W. Webber, R. 

* denotes teller

Question negatived.

Senator HARRIS (Queensland) (6.23 p.m.)—I seek leave to have the vote on Australian Greens amendment (1) on sheet 3050 put again and to give a brief explanation.

The CHAIRMAN—Is leave granted?

Senator Faulkner—We give leave for the explanation.

The CHAIRMAN—Senator Harris, leave is granted for the explanation. Subject to the explanation, you will need to seek leave for the motion to be put again.

Senator HARRIS—I thank the Senate. I apologise to the Senate. I was participating in the Fatherhood Foundation workshop. I was actively participating in it and genuinely missed the call. I place it clearly on the record that I would have voted for the government. Therefore, the record as it stands does not reflect the will of the chamber.

Senator BROWN (Tasmania) (6.24 p.m.)—by leave—I would never stand in the way of a recommittal of a vote which may—and will, by the sounds of it—alter the outcome of an amendment, even of one I have moved. I think the amendment is extraordinarily important to this piece of legislation, and it will be lost if we allow a recommittal. But the will of the Senate must out. However, it is a very high duty of ours—and I have been caught out in different circumstances—to make sure that the reasons for a recommittal like this are justified. I reiterate: the importance of this motion is that it empowers the Senate to have a say in the future heritage and delisting by a minister of national heritage. It is a very important amendment and it warranted keen attention and presence here. I will agree to Senator Howard’s—Senator Harris’s—request for a recommittal.

Senator Faulkner—It was a Freudian slip!

Senator BROWN—I did not say Senator Howard; I said Senator Harris. But I will agree to it.

Senator Faulkner—It wasn’t a Freudian slip?

Senator BROWN—Yes, it was. But I would have preferred that Senator Harris had been in here to either hear the debate or take part in—

Senator Robert Ray—He was at the fatherhood forum. If you’re wanted at the fatherhood forum—

Senator BROWN—Quite a few members of the government know Senator Harris’s
movements today; I do not. I just say that it is a grave matter and it is going to have very significant outcomes.

Senator BARTLETT (Queensland—Leader of the Australian Democrats) (6.26 p.m.)—by leave—I reiterate the importance of the principle that has been mentioned, although it is important to note that recomitting a vote that will reduce the power of the Senate to have control over the operation of the legislation is unfortunate. I would be interested to know if in the fatherhood forum they had on the debate for the arguments to be heard. It is worth noting the Democrats’ willingness, and the Senate’s willingness, to operate in good faith. It should also be noted that that is in complete contrast to the total bad faith the government has shown throughout this process.

The CHAIRMAN—Senator Harris, do you wish to seek leave?

Senator HARRIS (Queensland) (6.27 p.m.)—Before I do that, I seek leave to respond to an issue that was raised by Senator Bartlett in questioning my integrity and my having been in that workshop.

The CHAIRMAN—No leave has been granted for that. Are you now seeking leave for the motion—

Senator HARRIS—I seek leave to have the vote on Australian Greens amendment (1) on sheet 3050 put again.

Leaves granted.

The CHAIRMAN—The question before the chair is that Greens amendment (1) on sheet 3050 be agreed to.

Question put:

That the amendment (Senator Brown’s) be agreed to.

The committee divided. [6.33 p.m.]

(The Chairman—Senator J.J. Hogg)

**Ayes:**............ 32

**Noes:**.......... 33

**Majority:**......... 1

**AYES**

Allison, L.F.    Bartlett, A.J.J.
Bishop, T.M.    Bolkus, N.
Brown, B.J.    Buckland, G.
Campbell, G.    Carr, K.J.
Cherry, J.C.    Collins, J.M.A.
Crossin, P.M.    Denman, K.J.
Faulkner, J.P.    Forshaw, M.G.
Greig, B.    Harradine, B.
Hogg, J.J.    Hutchins, S.P.
Ludwig, J.W.    McLucas, J.E.
Marshall, G.    Murray, A.J.M.
Moore, C.    Ray, R.F.
Nettle, K.    Sherry, N.J.
Ridgeway, A.D.    Stott Despoja, N.
Stephens, U.    Webber, R.

**NOES**

Abetz, E.    Barnett, G.
Boswell, R.L.D.    Brandis, G.H.
Calvert, P.H.    Campbell, I.G.
Chapman, H.G.P.    Colbeck, R.
Coonan, H.L.    Ferguson, A.B.
Ferris, J.M.    Harris, L.
Heffernan, W.    Hill, R.M.
Humphries, G.    Johnston, D.
Knowles, S.C.    Lees, M.H.
Lightfoot, P.R.    Macdonald, J.A.L.
Mason, B.J.    McGauran, J.J.J.
Minchin, N.H.    Murphy, S.M.
Patterson, K.C.    Payne, M.A.
Santoro, S.    Scullion, N.G.
Tchen, T.    Tierney, J.W.
Troeth, J.M.    Vanstone, A.E.
Watson, J.O.W.

**PAIRS**

Conroy, S.M.    Kemp, C.R.
Evans, C.V.    Macdonald, I.
Kirk, L.    Eggleston, A.
Mackay, S.M.    Ellison, C.M.

*denotes teller

Question negatived.
Senator HILL (South Australia—
Minister for Defence) (6.36 p.m.)—by leave—I move government amendments (1) to (10) on sheet RA234:

(1) Schedule 1, item 8, page 13 (after line 35), at the end of subitem (1), add:

Note: So far as those Subdivisions have effect in relation to places and actions outside the Australian jurisdiction, those Subdivisions apply only to persons with a jurisdictional connection with Australia or the external Territories. See subsection 5(3) of that Act.

(2) Schedule 1, item 31, page 24 (lines 10 to 15), omit subsection 324D(3), substitute:

(3) The regulations must prescribe criteria for the following:

(a) natural heritage values of places;
(b) indigenous heritage values of places;
(c) historic heritage values of places.

The regulations may prescribe criteria for other heritage values of places.

(4) To avoid doubt, a criterion prescribed by the regulations may relate to one or more of the following:

(a) natural heritage values of places;
(b) indigenous heritage values of places;
(c) historic heritage values of places;
(d) other heritage values of places.

(3) Schedule 1, item 31, page 25 (after line 12), after subsection 324E(7), insert:

(7A) If the place is wholly or partly in a foreign country, the Minister must inform the following of the fact that the nomination has been made, unless the Minister rejects the nomination under this section:

(a) the Minister responsible for foreign affairs;
(b) if another Minister has administrative responsibilities relating to the place (if it is wholly in a foreign country) or to a part of the place that is in a foreign country—that other Minister.

(4) Schedule 1, item 31, page 25 (line 23), after “place”, insert “wholly in the Australian jurisdiction”.

(5) Schedule 1, item 31, page 27 (line 4), after “place”, insert “wholly in the Australian jurisdiction”.

(6) Schedule 1, item 31, page 27 (after line 29), at the end of section 324G add:

(6) If the Minister requests the Australian Heritage Council to assess whether a place meets any of the National Heritage criteria, and the place is wholly or partly in a foreign country and not the subject of a nomination, the Minister must inform the following of the fact that the Council is making the assessment:

(a) the Minister responsible for foreign affairs;
(b) if another Minister has administrative responsibilities relating to the place (if it is wholly in a foreign country) or to a part of the place that is in a foreign country—that other Minister.

(7) Schedule 1, item 31, page 29 (after line 9), after subsection (2), insert:

(2A) The Minister must not include in the National Heritage List a place that is wholly or partly in a foreign country unless:

(a) the Minister is satisfied that the national government of the foreign country has agreed to the inclusion in the List of the place so far as it is in the country; and
(b) the Minister has informed:

(i) the Minister responsible for foreign affairs; and
(ii) if another Minister has administrative responsibilities relating to the place (if it is wholly in a foreign country) or to a part of the place that is in a foreign country—that other Minister;
of the proposal to include the place in the List and given the Ministers informed a reasonable opportunity to comment in writing whether the place should be included in the List; and

(c) the Minister responsible for foreign affairs has agreed to the inclusion in the List of the place.

(8) Schedule 1, item 31, page 29 (line 14), after “place”, insert “in the Australian jurisdiction”.

(9) Schedule 1, item 31, page 30 (after line 20), after subsection (5), insert:

(5B) The Minister must not alter the boundary of the listed place under subparagraph (5)(a)(ii) so as to include within the altered boundary an area in a foreign country unless:

(a) the Minister is satisfied that the national government of the foreign country has agreed to the inclusion in the List of the place including the area; and

(b) the Minister has informed:

(i) the Minister responsible for foreign affairs; and

(ii) if another Minister has administrative responsibilities relating to all or part of the area—that other Minister;

of the proposal to alter the boundary in that way and given the Ministers informed a reasonable opportunity to comment in writing whether the boundary should be altered in that way; and

(c) the Minister responsible for foreign affairs has agreed to the inclusion in the List of the place including the area.

(10) Schedule 1, item 32, page 44 (line 31) to page 45 (line 4), omit subsection 341D(3), substitute:

(3) The regulations must prescribe criteria for the following:

(a) natural heritage values of places;

(b) indigenous heritage values of places;

(c) historic heritage values of places.

The regulations may prescribe criteria for other heritage values of places.

(4) To avoid doubt, a criterion prescribed by the regulations may relate to one or more of the following:

(a) natural heritage values of places;

(b) indigenous heritage values of places;

(c) historic heritage values of places;

(d) other heritage values of places.

Senator NETTLE (New South Wales) (6.37 p.m.)—I understand that the nature of government amendment (1) is to limit the capacity for emergency listing of sites that are overseas and therefore out of Australian jurisdiction or jointly managed by Australia in relation to their heritage values. I recognise that for ongoing listing of sites that are overseas a cooperative management regime would be put in place between the Australian government and whichever government. But I imagine an emergency listing where it is an interim measure could be used to stop a heritage place being destroyed whilst an agreement was reached between the two governments about ongoing management of the site. So I recognise that in an ongoing sense there needs to be joint management, but I am wondering why that needs to be the case in an emergency listing, given that it is an interim measure. Would it allow time for such a joint management proposal to be negotiated between the two governments in question? Minister, could you just explain that for the committee?

Senator HILL (South Australia—Minister for Defence) (6.38 p.m.)—I am a bit puzzled, because in our bill we do not give ourselves the capability for emergency
listings on overseas sites. The amendments we are now debating that Senator Nettle is referring to apply generally but, as you cannot list an overseas site, they are not going to be of any consequence. These amendments, as I read them, are not going to have an effect in any event. Senator Nettle might have a problem, but I do not think the problem—

Senator Nettle (New South Wales) (6.39 p.m.)—I do not know if the minister’s microphone was on then, but I was having difficulty hearing him. I heard the end of the answer but I did not hear the beginning. Can the minister explain that again.

Senator Hill (South Australia—Minister for Defence) (6.39 p.m.)—As I understood what Senator Nettle was saying, she has a concern that we cannot make an emergency listing on an asset that is overseas. That is a different debate—that was a debate we had several days ago. As I understand it, it is not specifically affected by the amendment before the chamber at the moment, which has a general effect.

Senator Nettle (New South Wales) (6.40 p.m.)—Perhaps the minister could explain what the effect is of amendment (1) in this package of amendments being put up by the government, just so that I am clear on the distinction that the minister is making.

Senator Hill (South Australia—Minister for Defence) (6.40 p.m.)—As I understand it, what it does is make it clear that the provisions will only apply to persons with a jurisdictional connection with Australia, as outlined in subsection 5(3) of the EPBC legislation. Arguably, that may not be necessary. You can have a debate as to whether in fact it is necessary, because arguably it cannot have an effect unless there is a jurisdictional connection. To be on the safe side we are putting it up as a second amendment, but I do not think it deals particularly with the issue that Senator Nettle was raising.

Senator Nettle (New South Wales) (6.41 p.m.)—I thank the minister for his answer.

Senator Allison (Victoria) (6.42 p.m.)—I indicate that the Democrats will not be supporting these amendments. We see them as a significant weakening of the legislation. I would be interested in hearing the minister’s arguments, but it seems to us that there is no justification for the amendments. After all, this legislation applies to Australian citizens and their actions—so, if an Australian corporation decided to bulldoze something on the Kokoda Trail or one of the other sites that are being considered for listing, there would be no opportunity to put in place the emergency listing quickly enough. It seems to us that it is a necessary and sensible thing to advise foreign countries of our actions, but we are talking about Australian citizens or Australian corporations. If we cannot through this legislation determine, or at least stop, any behaviour or action being taken by Australian citizens overseas then I think it is a poor showing. I think the emergency listing process is a good one. It prevents sites being damaged by actions that would otherwise take place if such a provision did not exist. It is too late once the damage has been done. We think it should be sufficient to notify the foreign country of our intention to act and explain why. I cannot imagine a country saying, ‘No, we need to go through 15,000 processes before you can tell your own citizens that they are not to damage a heritage site.’
It also seems to us that a number of these amendments, such as amendment (6), are putting into legislation matters which are simply departmental correspondence. It should not be necessary to put into law the necessity to notify foreign departments. That ought to be something that happens in any case. I do not know whether the minister wants to give us a more thorough explanation of the need for this or some examples where it might be necessary, but it is very difficult to see any good reason for this. It did not come up in the inquiry process and I wonder, as I said, why it is necessary.

Senator Hill (South Australia—Minister for Defence) (6.45 p.m.)—I was not party to the negotiation, but it seems to me that being able to list extraterritorially is quite a radical step in itself. It is a good step. Under this legislation, we will be able to list assets that have very important heritage values to Australia albeit they are located overseas. There has already been public discussion in relation to the Gallipoli Peninsula. It would be not only radical but highly provocative if we were to give ourselves the power to make emergency listings. In our relationships with other states, I think they would regard that as highly provocative and, in a piece of legislation where we are trying to build public confidence in the protection of Australian heritage, taking unnecessarily provocative steps may well prove to be counterproductive.

The philosophy behind this legislation is a little different to that of the past. Under the existing legislation we have ended up with 20,000 listings or nominations because parties went out and sought nominations against threats or perceived threats and we ended up with a totally unworkable system. We prefer to approach this in perhaps a little more conservative way but a way that can give confidence that we will build assets that we are capable of protecting. We will put in proper processes for their conservation and protection. I guess that means the philosophical basis is a little different to what Senator Allison is looking for, but that is the philosophical basis on which we drafted the bill.

Senator Allison (Victoria) (6.47 p.m.)—But the minister would acknowledge that this legislation applies only to Australian citizens and Australian corporations. Let us take the example of Gallipoli that he provided. If there were the need for an emergency listing, it is hard to see that Australia would just sit back and not act quickly in the event that whatever values we determined worthy of heritage listing at Gallipoli were damaged by an Australian citizen who might be taking such action as to do that. It is very hard to see how this would be offensive to the Turkish government.

Senator Lundy (Australian Capital Territory) (6.48 p.m.)—For the record, Labor will oppose the government amendments.

Question put:
That the amendments (Senator Hill’s) be agreed to.

The committee divided. [6.53 p.m.]
(The Chairman—Senator J.J. Hogg)

Ayes………………. 32
Noes………………. 32
Majority………. 0

AYES

Abetz, E. Barnett, G.
Boswell, R. L. D. Brandis, G. H.
Calvert, P. H. Campbell, I. G.
Chapman, H. G. P. Colbeck, R.
Coonan, H. L. Ferguson, A. B.
Ferris, J. M. * Harris, L.
Heffernan, W. Hill, R. M.
Humphries, G. Johnston, D.
Knowles, S. C. Lees, M. H.
Lightfoot, P. R. Macdonald, J. A. L.
Mason, B. J. McGauran, J. J. J.
Minchin, N. H. Patterson, K. C.
Payne, M. A. Santoro, S.
Senator CHERRY (Queensland) (6.57 p.m.)—I move:

That the Senate take note of the document.

I rise to speak to the Australian Competition and Consumer Commission telecommunications reports 2001-02—report 1, Telecommunications competitive safeguards; report 2, Changes in prices paid for telecommunications services in Australia; and report 3, Telstra’s compliance with price control arrangements—subsections 151CL(5) and 151CM(3) of the Trade Practices Act 1974. These reports are a timely reminder, in the context of the government’s proposal to fully privatise Telstra, as they raise critical issues about Telstra’s readiness for full privatisation. The reports conclude that competition has not developed as extensively as expected because of issues to do with the industry’s structure, Telstra’s network ownership and the integrated nature of its operations. The reports state:

Competition has clearly not developed as extensively as was expected following the opening of the telecommunications markets in 1997.

While there are signs that competition is increasing in long-distance and mobile services, the ACCC believes that it is still not being effectively competitive. In particular, the ACCC argues:

... that the markets for local call and fixed-to-mobile services are a long way from being effectively competitive.

Surely this has to be of some concern to the government and to consumers generally? The ACCC found that in 2001-02 telecommunications prices decreased more slowly than in any year since 1996. Small business for the first time experienced an increase in price, while large business customers got twice the price reductions of those ordered to residential customers. The ACCC’s report to the minister in June this year, entitled Emerging market structures in the communications sector, stated:

... the ongoing lack of effective competition in many telecommunications markets means consumers continue to pay higher prices and receive lower quality services across the entire communications sector than they otherwise would.

Today’s ACCC reports raise serious concerns about the way in which Telstra measures price movements, raising serious questions about whether Telstra is complying fully with the price cap determinations. Under the price control arrangements affecting Telstra, the ACCC has to ascertain whether Telstra has complied with those price control arrangements. It should be noted that this
compliance is a condition of Telstra’s carrier licence. On page 165, it states:

… without independent confirmation the auditor is unable to satisfy itself about the accuracy of the price movements and Telstra’s compliance with the price movement cap for the first and second basket of services …

On page 157 it further states:

Telstra has breached its price control obligations …

and that:

This breach is central to the possibility of a more substantive breach of the 2002 determination in the 2002-03 price cap year, should there be no carry over from 2001-02.

Part of the problem is that Telstra is not complying with the ACCC methodology. According to the ACCC there is a disparity of views between the ACCC and Telstra in relation to the measurement of price movements. Clearly, Telstra needs to be pulled into line. The ACCC report shows that the government has a lot of regulatory issues to sort out before it can convince Telstra’s customers—the Australian public—that the pricing and regulatory system is fixed, full privatisation can proceed and an out-of-control corporate gorilla can be created.

Question agreed to.

ADJOURNMENT

The ACTING DEPUTY PRESIDENT (Senator Brandis)—Order! That concludes the consideration of government documents. I propose the question:

That the Senate do now adjourn.

Fuel: Ethanol

Senator SANDY MACDONALD (New South Wales) (7.01 p.m.)—I wish to take the opportunity tonight to say something about the ethanol industry, which of course has had considerable publicity in the last couple of weeks. I want to make the point that our coalition government is in the business of working in partnership with communities and shows a particular interest in the development of an activity and business that will encourage growth in regional areas—and that is the ethanol industry. One of the ways in which the government has sought to do this is by backing a home-grown industry which, if expanded, has the potential to create employment growth, increased productivity in rural areas and a renewable biofuel which will be of great value to all Australians.

I am greatly surprised that the ethanol industry has not gained bipartisan support. You might expect opportunism from the Greens, but you would hope that it would not come from the alternative government. Labor has shown a complete lack of understanding of regional affairs and a complete lack of regard for the ethanol industry. Instead, it has concentrated its efforts on scoring cheap political points by trying, firstly, to embarrass the Prime Minister—who is in favour of an expanded Australian ethanol industry and increasing development in rural and regional areas—and, secondly, to attack the main player at present, which is the Manildra Group. The Manildra Group is based at Manildra in the central west of New South Wales and is a very large employer. At this time it purchases around one million tonnes of grain each year, so it is a very important player in the grain market.

There are a number of benefits in producing and using ethanol petrol in Australia. Firstly, from a production point of view, ethanol is a renewable energy source that is produced from sources such as sugarcane, wheat and barley—crops that Australia produces very well. These crops are the lifeblood of Australian agriculture, and an expanded ethanol industry would provide an additional alternative market for grain and crop producers. I might say a little bit more about this in a minute, but the US experience
shows the advantages of having one extra choice for producers of those grains. Market opportunities are improved substantially if ethanol production is in place.

There are plans for two major ethanol plants in my home region, which is northern New South Wales, at Gunnedah and Quirindi. These two projects combined would provide a massive injection of good into our local regional economy. At Gunnedah the proposed $55 million plant, if it goes ahead, would provide 150 jobs during construction and around 34 permanent positions. It is estimated that the production of 120 megalitres of ethanol at Gunnedah would lead to spending in the north-west of about $1 billion during the initial five years of operation. At Quirindi, Syngrain, a branch of the Research Foundation Institute, has a proposal to develop an ethanol plant based on new processing designs utilising higher contents of starched wheats. Initially, the plant would see production of 60 megalitres of ethanol per annum, with an eventual increase to 100 megalitres. One hundred and forty jobs would be created during the construction phase, with an additional 300 jobs envisaged once the plant is operational. It has been estimated that the plant will provide a $30 million regional injection, mostly in new farm incomes. Even if both these plants were established in the same region, neither would intrude on each other, as both would use different processing and import methods and, possibly, different grains.

The second reason an expansion of the ethanol industry in Australia should be encouraged is that such biofuels offer greenhouse, air quality and regional benefits while reducing our dependence on imported fossil fuels. The use of these renewable fuel alternatives will reduce our dependence on both domestic and overseas oil resources. The advantages are very obvious. The use of ethanol blends can reduce emissions of carbon monoxide, hydrocarbons and other ozone pollution problems. Ethanol is low in reactivity and high in oxygen content. It is for this reason that the ethanol industry in certain states of America was first encouraged by state governments, and they of course have mandated a 10 per cent ethanol petrol blend.

This has certainly had an impact in Minnesota. It is quite extraordinary. Minnesota is a small state that is very much dependent on agriculture. In the 12 years or so since assistance was provided to the ethanol industry in that state, ethanol production has gone from 11 million gallons to 300 million gallons, according to the figures for 1990-2002. Ethanol consumption in fuel has gone from 30 million gallons to 240 million gallons. Ethanol production provides nearly 3,000 jobs in the state of Minnesota and has an economic input to local communities of around $900 million, which certainly would not include the amount of money involved in the purchase of the grains used in ethanol production.

The coalition government has put in place a comprehensive strategy to support the production and the use of biofuels in Australia. The National Party are strong supporters of the ethanol industry and its further development, and our leader, John Anderson, has shown that he will certainly go in to bat as hard as he can for the industry. In May 2002, the coalition government announced a $5 million two-year study to address market barriers to the increased use of ethanol in fuel. In the same month, BP commenced a trial selling E10 fuel from six Brisbane service stations. In April 2003, the Minister for the Environment and Heritage, David Kemp, announced that the coalition government would move to set a 10 per cent maximum limit on ethanol content in petrol and that the labelling of ethanol blends at the pump was mandatory. This was an attempt to build con-
idence in the community, which had become necessary because of the misguided and inaccurate comments of some of the oil producers and other misguided groups in the community with a particular agenda that they wished to push. It is very disappointing that it was necessary to do that.

On 25 July 2003, the coalition government announced its decision to allocate $37 million to fund one-off capital subsidies for projects that provide new or expanded biofuels capacity. The subsidy will provide 16c per litre to new or expanded projects producing a minimum of five million litres of biofuel, with a maximum grant of $10 million per project. This is in addition to the existing production subsidy for biofuels, equivalent to 38c per litre which will be available to the industry until 30 June 2008. The ethanol industry will then be brought back into the tax net, which is a good thing. They should be provided with assistance to get their industry up and running, but eventually they must come back into the tax net and that is what is going to happen. Also in July 2003, the coalition government announced its decision to provide short-term assistance to all existing fuel ethanol producers to assist in the transition to the recently announced E10 standard to allow the current production subsidy to be paid in advance of the payment of excise.

The coalition government will also work actively with the ethanol industry to restore consumer confidence in using ethanol in fuel because it is in Australia’s best interests. The ethanol industry is really a win-win situation. I cannot for the life of me understand why our political opponents are being so vexatious and difficult about it because it is very good for Australia. Labor have shown a distinct lack of interest in supporting the ethanol industry and therefore in supporting growth and development in rural and regional Australia. Labor have been responsible for scaremongering amongst the public that ethanol in petrol will damage cars, which has been found to be untrue when capped to the small percentage of 10 per cent. Labor have done what they can to damage the ethanol industry in their recent attacks upon the Prime Minister’s credibility, which have been purely politically motivated and certainly not in the interests of growth in the community. This is a great industry. It should be encouraged. It is in Australia’s best interests for it to succeed, and I am very pleased that the industry is looking to expand in my part of New South Wales because it will provide a lot of jobs, a lot of growth and extra markets for grain producers who need that assistance.

**Geelong Wool Combing Ltd**

**Senator MARSHALL (Victoria) (7.11 p.m.)**—I rise tonight to bring to the Senate’s attention the plight of over 100 employees who have been locked out of their workplace for the past 15 weeks. Geelong Wool Combing Ltd locked out its work force on 1 May this year and has since issued five lockout notices, which will see the lockout protract until at least 12 September this year. The workers at Lara’s Geelong Wool Combing Ltd have declined a company proposal that would result in a 25 per cent wage cut, an unlimited use of casual workers and fewer permanent jobs. The company’s proposal is a big ask of a rural work force already struggling to make ends meet. The company’s demands would have a serious impact on the everyday lives of its workforce, and one can certainly understand why the proposal has been knocked back by the GWC workers. However, rather than negotiate an outcome which both parties could accept, Geelong Wool Combing Ltd has simply locked out its workforce and has refused to come back to the negotiating table.

The company’s demands to reduce wages by 25 per cent and reduce access to perma-
dent employment have been seen by the work force and its representative body—the Textile Clothing and Footwear Union—as an insult given that the work force has shown tremendous loyalty to the company over many years. Workers at the plant had not taken one moment of industrial action prior to the commencement of the first lockout, nor had they taken industrial action over the lives of the five previous agreements, which date back to 1993. Geelong Wool Combing Ltd have indicated to their work force, through the TCFUA, that they have three non-negotiable items: one, the unbundling of the package rate which has been standard since the first EBA in 1993; two, the introduction and use of an unlimited casualised work force and labour hire; and, three, the flexibility to move between seven and five day a week operations giving employees limited notice of such decisions. This proposal is in contrast to the current operation which runs 24 hours a day, seven days a week on a 16-week roster cycle.

The non-negotiable items demanded by the company, if accepted as part of the new EBA, would see dramatic changes and discrepancies in the weekly working hours and incomes of the employees, a reduction in the work force’s job satisfaction and security and the requirement for workers to be at the call of the company 24 hours a day. Further, the 25 per cent pay reduction would effect inevitable economic hardships on the work force, many of whom are the sole income providers for the young families in the area. Despite the onerous and, I would argue, outrageous demands of the company, the TCFUA and their GWC membership have maintained their willingness to negotiate with the company and, as I stated earlier, have not taken one minute of industrial action over the GWC proposals. The work force has demonstrated its preparedness to negotiate with its employer, so it is high time the company abandoned its lockout approach and returned to the negotiating table. The GWC lockout has gone on long enough and the company must now negotiate in good faith in order to overcome areas of contention, allow its workers to get on with the job and recommence production.

The economic impact of the GWC lockout is severe. It is having a devastating effect on workers themselves and their families and also the local communities in and around Geelong. Seven of the locked-out employees at Geelong Wool Combing have been forced to put their houses on the market due to their incapacity to maintain mortgage repayments and for similar reasons. At the same time as the Prime Minister and the Treasurer are talking up the issues of housing affordability for young families, their very own Workplace Relations Act is forcing workers to abandon their dreams of owning their own homes and is in fact forcing workers to sell their dreams and homes simply to survive a lockout which the act does not compel the company to negotiate an end to. Another member of the locked-out work force has had to cancel his wedding as he and his fiancee are forced to use the money previously saved for the wedding to meet day-to-day costs.

The situation transpiring in Lara is symptomatic of a disturbing trend whereby employers use lockouts as a strategy to erode the hard earned wages and conditions of their employees during enterprise bargaining negotiations. These lockouts often have the greatest impact on workers from low-income backgrounds. The use of work force lockouts by employers as a bargaining tool has been on the increase since the implementation of the 1996 Workplace Relations Act, which removed the emphasis on parties to bargain in good faith and removed the powers of the Australian Industrial Relations Commission...
to settle disputes between parties negotiating an enterprise agreement.

It is time the Howard government recognised that it acted erroneously when it abolished the powers of the AIRC to intervene in situations where compromise could not be reached and it is time the government acted to remedy the situation. The removal of the AIRC’s powers to act as an independent umpire and the other regressive reforms introduced by the 1996 Workplace Relations Act skewed employment law in this country in favour of employers at the cost of an equal and balanced system and aimed to diminish the role of trade unions as representatives of the work force.

The Leader of the Opposition has recognised that this neoconservative ideological crusade by the likes of former Minister Reith and current Minister Abbott has resulted in systemic unfairness in Australia’s workplace laws. A future Labor government will repeal the unfair lockout laws and will enact legislation that requires parties to an enterprise agreement to bargain in good faith. Furthermore, a future Labor government will reinstate the full powers of the AIRC to act as an independent umpire in situations where a compromise cannot be reached.

Under Labor’s proposal, disputes such as that in Lara would have a greater chance of settlement due to the parties being bound to bargain in good faith. Under Labor’s proposal, which is currently on the table as the Workplace Relations (Good Faith Bargaining) Bill 2003, parties to an enterprise agreement must adhere to basic ground rules such as agreeing to meet face to face, following agreed negotiating procedures, disclosing relevant information, considering and responding to proposals, and adhering to commitments given in negotiations. Under Labor’s proposal, if parties to an enterprise agreement fail to reach compromise when in dispute, such as in the case involving GWC and its workforce, parties would be required to attend an AIRC mediation while workers continue production and the plant continues to operate and to benefit the economy.

The failure to support Labor’s proposal means that this government continues to act in violation of the International Labour Organisation’s convention on collective bargaining. The government is also reluctant to agree with the United States to include basic labour rights as part of the planned free trade agreement. The US chief negotiator in the FTA talks has said that the US wanted labour provisions ‘very similar’ to those in its free trade agreement with Singapore, which require that both countries’ laws protect internationally recognised labour rights including the right of association, the right to organise and bargain collectively, and acceptable minimum wages, working hours and occupational health and safety standards. Further, it requires countries to effectively enforce those labour laws. The government is most reluctant to agree to these provisions and insists on including clauses that would allow it to continue to act in defiance of international law, as it does on so many other issues, and maintain labour law that is in contradiction to internationally recognised labour rights such as protection of the rights of workers to bargain collectively.

The dispute in Lara is a demonstration of how workers in this country have suffered at the hands of this government’s neoconservative ideology when it comes to labour law. The Geelong Wool Combing dispute is having an adverse effect on the workforce at that plant and is having an adverse effect on the economy both locally and nationally. Workers have been forced to sell homes and postpone weddings as the plant stands stationary without any production or output in an atmosphere of hostility between management and the work force.
The ill-conceived Workplace Relations Act has facilitated this totally unacceptable situation. Minister Abbott has created conflict where there was none. Minister Abbott has created pain and hardship to workers in this country where there needed not be any. I call on the government to implement Labor’s good faith bargaining policy and, in the meantime, I call on the management of Geelong Wool Combing Ltd to come back to the table and negotiate with its workforce in good faith.

Environment: Mackay Development

Senator CHERRY (Queensland) (7.21 p.m.)—I wish to speak tonight about a major decision facing the Mackay City Council and the Queensland government on the development of East Point on the north shore of the Pioneer River at Mackay. This is the largest area of beachfront open land near Mackay’s CBD, a 70-hectare site encompassing several ecosystems. The land is Crown land owned by the Queensland government. This is a government which has been facing increasing criticism of its native vegetation clearing policy and its failure to implement appropriate coastal developments along the Queensland coast.

East Point will be a test for the Queensland government, as it will be for the Mackay City Council, because this site is now subject of an application to turn it into a residential development. Under this plan only 10 hectares will be kept as open space. Significantly, 15 hectares of a 20-hectare area of concern classified casuarina forest will be cleared. Given there are only 800 hectares of remnant casuarina forest left standing between Proserpine and Sarena, that is quite a large chunk. That remnant vegetation of course is just five kilometres from the centre of Mackay, making it even more significant.

The site also includes sand dunes and an important wildlife corridor toward the mangrove forest along Bassett Creek. This creek itself is a DPI-protected fish habitat. The Bird Watchers Club of Queensland has counted 147 species of birds using the site, 25 of these being migratory birds protected under the federal EPBC Act. These include the eastern curlew, the little curlew, sandpipers, greenshanks, egrets and terns. The rainbow bee-eater and the cicada bird have both been observed in the casuarina forest marked down for clearing. Rainbow bee-eaters even nest in the forest. The site is also a nesting site for the flat-back turtle, classified as a vulnerable species under the EPBC Act and the Queensland Nature Conservation Act. And all this just five kilometres from the centre of Mackay.

Yet this site is earmarked for development as a housing estate. Applications for rezonings are now before the Mackay City Council, with ultimate approval for the sale and development of the site resting with the Queensland government. East Point is shaping up as a major test of environmental credentials for both the state and local government. Its unique area is also a unique opportunity for Mackay as East Point, properly developed, could become in itself a tourist attraction for Mackay.

The possibilities were outlined in an alternative plan developed by the Mackay Conservation Group and submitted to the city council. The group points out that East Point is twice the area of Mackay’s new botanic gardens, encompassing casuarina forest, beach scrub, native grasslands and mangroves. Their proposal would include walks and bikeways linking these various habitats and local historical sites. The extensive birdlife that uses the area could be highlighted with the use of bird signs and watching points. A beachfront park making use of such a variety of ecosystems could help make Mackay a tourist destination in its own right, rather than merely a transit point. Such
use of the site would enhance its ecological and tourist values, rather than detract from them.

The Mackay Conservation Group has listed seven major objections to the proposed development of East Point. These include the loss of community property, the loss of ‘of concern’ vegetation, adverse effects upon ecological sustainability and biodiversity, the potential for contaminated run-off to reach the Bassett Basin fish habitat, natural hazard threats, conflict with the planning scheme regarding tourism designation and no evidence of the financial viability of the plan. These are matters that the state Minister for Natural Resources, Stephen Robertson, and the city council need to consider very carefully before allowing this crown land to be transferred to a private developer for housing. The council needs to consider these matters before considering a rezoning application for the site as well. This is an important opportunity for Mackay that should not be missed.

To date, the state government’s response has been disappointing. The government may yet decide under the Land Act, for example, to sacrifice the ‘of concern’ vegetation by arguing that a net gain for the conservation has been achieved. This would be hard to argue as there is no place where casuarina forest could be re-established at East Point, while fauna traffic between the forest and the Bassett Creek mangrove forest would be severely impacted by a large housing estate. At present there is a moratorium on clearing of ‘of concern’ vegetation in Queensland, but the developer would be free to apply for a tree-clearing permit from the department once the moratorium is lifted. But that moratorium would not apply if the land were transferred to private freehold title.

Recently the department’s attitude appears to have changed, with the casuarina forest being shifted from a higher ‘of concern’ conservation classification, linked to the habitat of the vulnerable flat-back turtle, to a lower classification, with suggestions that vegetation in the buffer zone could be counted in calculating a ‘no net loss’ on the site. This is the sort of environmental backflipping that Queensland is used to from the Beattie government, but it is just not good enough. It is disappointing, but not surprising, that the Department of State Development did not undertake an environmental assessment of the land at East Point before putting it out to public tender in 1996. Now, on 16 May, a development application for the site has been notified under the Integrated Planning Act, potentially taking it outside normal approval processes.

The Queensland State Coastal Management Plan states that significant wildlife habitats must be protected, particularly remnant ecosystems, viable populations of protected species, the roosting and feeding habitats of migratory and resident shore birds, and fish habitats. These are fine words from the Beattie government on paper. The East Point development application will test whether the Beattie government will hold to them in practice. With 25 bird species and their habitat, found on the land, listed as protected under the Commonwealth EPBC Act, at least two of which live in the casuarina forest; with at least 67 fish species in the adjoining estuary; with evidence of echidnas, quolls and numerous reptile species living on the site; with the vulnerable flat-back turtle nesting on the beach adjoining the site at East Point; this is an important ecosystem.

Under the provisions of the EPBC Act, when a development is proposed where there are federally listed endangered, vulnerable or listed migratory species and the development will have a significant impact on them, an environmental impact statement is required. Yet no environmental impact study or envi-
rnonmental impact assessment of any depth has been done of this site to date, despite the significant impact that development would have on protected flora and fauna species. East Point is ecologically linked to the coastal wildlife wetland corridor stretching from East Point through the Mackay Port wetlands to Blacks Beach. Up to 20 per cent of this area could be lost to developments at East Point and Blacks Beach spit, and the filling of the Bedford’s paddock wetlands. This is unacceptable to conservationists because many migratory species protected under international agreements utilise this corridor—for example, the world population of eastern curlews is in the lower eight hundreds, but up to 300 reported sightings of this species have been recorded in one month in this corridor. The EPBC Act requires that regional as well as local impacts of human disturbance be considered when development is considered. This is yet to occur.

The Mackay Port Authority has proposed to fill the Bedford’s paddock wetlands with dredge spoil from the deepening of the Mackay Harbour. Over 1,830 people signed a petition opposing the transfer of dredge spoil. In its official response, the Queensland environment minister acknowledged that the Environmental Protection Agency recognises that much of this land has conservation values and that the dredge spoil is currently disposed of safely at sea.

There is a demand for beachside housing in every Queensland coastal town of appreciable size. Clearing ‘of concern’ vegetation to house tourists or residents makes no sense, as you are destroying the biodiversity that they originally came to see. In Queensland we have already lost too much of our coastline to inappropriate development. Over 3,000 people have signed petitions submitted to the Queensland parliament expressing concern about this development. Over 480 have signed objections to the council—a new record for the Mackay City Council. That level of local concern needs to be heeded by local, state and federal governments.

East Point is a unique natural asset of Mackay. It should be retained as an ecotourist landmark for both human and non-human visitors to the Mackay area.

**Pacific: Peace Initiative**

*Senator WATSON (Tasmania) (7.29 p.m.)—*In our age some conflicts or wars in a military sense appear to be easily won using the benefits of modern technology, highly skilled personnel and lots of money. However, winning the peace is often a more difficult exercise, particularly if we examine hostilities in such places as Bougainville, East Timor, Afghanistan and Iraq. While there are significant peace movements around the world, the initiative that I am promoting is related, yet different. Nowadays, peace issues may dominate the media or the international agenda. I put on the record that I support the thrust of the dedicated service, much of it voluntary, to the relief of human suffering. While other peace movements are often against all forms of war, which I acknowledge is a noble objective, the void that I believe needs filling is restoring the peace, infrastructure and community rebuilding after conflict.

I believe we need some form of international reconciliation arm of an appropriate body such as the United Nations or a similar organisation that has a role not unlike the Moral Rearmament which followed so successfully after the cessation of hostilities in World War II or even Nelson Mandela’s peace reconciliation in South Africa—accompanied by a lot of money.

Recently, Reverend John Woodley, a former Senate colleague, visited Parliament House to inform senators and members of an ecumenical endeavour being undertaken by the Pacific peace-building initiative in the
Pacific and South-East Asia. This peace initiative is seeking to bring training in peace-building mediation and reconciliation to church and government leaders as an alternative to the violence and killings that have occurred in many of these nations in recent times. I am sure that senators will agree this is a worthy objective. I have been told as recently as today by Reverend Woodley that the first lot of classes have been filled, which is heartening.

Indeed, conflict, violence, inequality and instability continue to abound around the world and in our own region. In a world of violence and anger, there is a need for leaders to be empowered and encouraged to generate processes which transform the conflict in their communities and nations. As part of such an alternative response, the Pacific peace-building initiative, in cooperation with the Uniting Church Alan Walker College in Sydney as well as affiliated national churches, is offering a special course for leaders who want to be part of a creative, grace-inspired approach to dealing with conflict. Initially, the main activity will be the provision of specialised intensive training in peace building, conflict transformation and the restoration of justice.

There have been a number of requests from church leaders in the Pacific, Asia and Australia who have indicated the need for research and understanding of the social, economic, political and cultural processes operating in the very diverse societies in our region. Through these courses it is hoped to empower a critical mass of people with the skills and commitment to build a just peace.

The Alan Walker College has already made a contribution to just peace through courses in reconciliation theory and practice in French Polynesia, Bougainville and the Papua New Guinea Highlands. Some of the facilities and partners of the Alan Walker College will be engaged at the beginning until the Pacific peace-building initiative is fully established as an independent body. It is intended that nine courses will be offered between 6 October and 21 November 2003. These courses will vary from between 30 and 40 hours. Some sessions will be in a plenary format and some will be offered as parallel options.

Those who complete six of the courses will be awarded a certificate in peace building. However, single sessions are also available. The critical issue is that a large number of people will acquire skills in this important alternative to the usual method of settling disputes. It is possible that the full course may be used for academic credit in other institutions. The important thing is that the peace-building course will be culturally sensitive and will have practical components. An interactive approach is used in the classroom in order to draw upon the rich experience of the participants as well as the instructors. Networking between people from different nations, churches and cultures will, therefore, be encouraged.

I believe that it is important to give senators some idea of the flavour of the programs on offer. It is not an exclusive list. They include: the fundamentals of peace building; recognition theology and practice; confronting racism; celebrating diversity; reconciliation processes in cultures of the Pacific; women in peace building; regional stories and initiatives in peace building; healing people traumatised by war; community based restorative justice—for example, in Rwanda; and religion as a resource for peace.

As senators can see, the courses are comprehensive and cover critical topics. The victims of war need to be lifted out of their poverty. Communities need to be rebuilt, including vital infrastructure such as hospitals and schools as well as winning the hearts and
minds of the people, as suggested by the Reverend John Woodley. This program, I believe, needs government support to accomplish fully the noble goals of the Uniting Church promoters and to make a real contribution to lasting peace in our region. I commend the Pacific peace-building initiative to the Senate. I trust that, through the minister responsible, the government will look favourably upon these suggestions.

Rural and Regional Australia: Airline Services

Senator COOK (Western Australia) (7.36 p.m.)—I wish to commend Senator Watson on those remarks—I think it is a very worthwhile initiative. I want to talk tonight about people who live in outback and remote Australia and the failure of the government to do anything much to meet their needs for better services. What the government does do is smother them in platitudes: it is good on promises but very short on delivery. For example, the people in the Pilbara in the Kimberley region of Western Australia—the far north-west corner of this country—would, in a polite manner, call the government’s approach to their needs as ‘political bulldust’.

Senator Vanstone—That’s not what they told me the other day.

Senator COOK—The people of the Kimberley are a rugged lot, and they put up with a lot. They put up with more than they ought to and, in the national interest, more than they should.

Senator Tierney—Senator Vanstone’s been out there.

Senator Vanstone—Plenty of times.

Senator COOK—Maybe that is one of the causes of grievance—but I am glad that she was because it is a very interesting part of Australia. The Kimberley region is a growing export earner for the nation. It is an exporter of iron ore, it exports diamonds and it exports food from the plantation production in the Ord River scheme alongside Lake Argyle in the north-west. Tourism is the growth industry of the region. The Bungle Bungles are an outstanding international tourist attraction. The Ord River scheme itself is also an outstanding tourist magnet. The scenic and cultural attractions of Broome are etched, I think, in the national imagination and are known worldwide, and the Broome tourist market is growing rapidly. All of that brings growth and development to a remote area of Australia.

The government, which talks a lot about border protection, perhaps should recognise that in this region of Australia the best border protection that can be offered is to settle those areas with stable industry and with a strong economic base and to encourage people to live and locate there. But, to achieve that, it means that the provision of services has to be significantly improved. The foremost service for that remote part of Australia is airline services. If airline services are not frequent and are not efficient, tourism cannot flourish. Other ventures that require spare parts to be flown in at short notice are stalled in their development, and the equipment and other supplies that you need do not reach their users in time to meet the strategic needs of the business.

When Ansett collapsed, the government said some very brave words about helping country people who were disadvantaged by the reduction in airline services. In Western Australia, the biggest state in the Commonwealth, we listened closely to those words. Western Australia has the longest lines of communication. It has some of the most isolated towns—Broome, Derby, Kununurra and Wyndham are four examples of Kimberley towns along or near the coast that rely absolutely on airline services to survive. Broome is 1,600 kilometres by air from
Perth, about 3,000 kilometres from Melbourne and more than that from Sydney. Broome is about 2,400 kilometres by road from Perth. Road trains and road freight take a long time to reach their destination. Where urgency is required or where convenience is needed, such as in the tourist industry, airlines are effectively what people rely on. What we now find is that, despite the fact that Qantas have lifted the load rating of their aircraft to that region, the full loads that Qantas enjoy because of the booming tourist market mean that airfreight gets bumped off the flight and may not be delivered on the day it is needed. It may not even be delivered in the same week. I am talking here about necessary equipment—auto parts and things of that nature.

Let me give you one example of the inconvenience this creates by talking about the need for daily newspapers. The West Australian newspaper, which is the main newspaper in the state of WA, is flown to Broome on a daily basis. The tourist industry—not to mention the local residents of that region—requires a regular newspaper feed into that market. If you are a Fremantle Dockers fan and you miss the coverage of the last match in the AFL round, you are required to read the West’s summary on Monday morning to find out what happened and to appreciate the significance of their victory. Often you cannot get the paper the same day or, on many occasions, at all. Broome now is in a situation where daily papers are not guaranteed. The major newsagent in the town estimates that newspaper sales have at least halved since the collapse of Ansett. Newspapers do not arrive at the same time every day. It can be any time between 9 a.m. and 5 p.m. if, as I have said, they arrive at all. This means that newsagents cannot tell people when the newspapers will arrive. That creates considerable bemusement among tourists but a great deal of frustration among residents.

We wrote to Qantas, bringing up these issues, on 15 July. I have to say that Qantas were prompt with a response, replying to us on 28 July. As a result, Qantas say that they have reviewed the procedures that they have undertaken and will now give greater priority to freight—and particularly newspapers—on their flights, effective from 21 July. However, since that date, there have still been several days when the papers have not arrived until quite late in the afternoon. It has been reported to me that, in some cases, they have not arrived on the same day. The newspaper is just one visible example of the type of frustration that occurs.

If you are waiting for a spare part to be flown in to fix your four-wheel drive so you can go out to a remote location and it does not arrive that day, your whole schedule is put out. The people that depend on you to turn up on time in the inland destination to which you may have been heading are also frustrated. That creates major problems for small local businesses. We hear a lot about small local business being the lifeblood of regional communities—and justifiably, because they are. But these frustrations make the life of small business people in that part of Australia even tougher than it might be anywhere else. The whole thing comes down to the availability of airfreight on a regular and a dependable basis. The office has spoken to a number of mechanical and engineering companies that rely on airfreight to supply parts. Customers are often left waiting for days for parts to arrive, even when the business has paid for expensive priority freight. This can leave people, as I have said, without vehicles, without equipment and, sometimes, without a livelihood.

What is the answer to all of these problems? It is a tough call to readily identify a particular answer, but what it does require is a government more sensitive to the needs of a community such as this. Perhaps the gov-
ernment ought to look at its regional development policies and start to call together the providers of airline services to see whether Qantas can do more to provide a better and more dependable service and to look at the options that Virgin Blue, as a competitor in that market, may be able to take up. Virgin Blue services the Broome tourist market out of Adelaide and other ports, but if it were able to take a higher percentage of freight in its flights to that region, that would be a useful consideration.

The intrastate airline in Western Australia is Skywest, which was part of the Ansett empire. When Ansett collapsed, Skywest continued functioning as an efficient airline service, but it is facing tougher times now than it did before. I am not one to argue for subsidies but, with the need to find a regular and dependable service for this part of Australia, which is so important strategically to us and from a wealth and export generating point of view, that may be needed in order to anchor the growth of the tourist industry and ensure it is stabilised and continues to grow. It is an investment that would repay itself in spades, if it were made. Perhaps the answer is to look at air freight providers like Toll Holdings and companies such as that.

This problem is calling out for some coordination that understands and recognises the real frustrations of living in the north-west and the importance of that part of Australia to the rest of the nation in strategic and economic terms and can deal with those problems that are genuine and serious. We do not want platitudes; we want action. We want to see a positive and constructive approach taken to resolving the problems. This is not an argument about acrimony; this is about trying to find solutions. But it seems to me that at the present time the government is missing in action. It would be very nice if it came back and did focus on these areas and started to look at the real issues that are facing ordinary people in those remote areas of Australia.

New South Wales: Urban Planning

Senator TIERNEY (New South Wales) (7.46 p.m.)—I rise in the Senate tonight to bring to the attention of my fellow senators further evidence of the appalling lack of an urban planning policy in my home state of New South Wales. For years Premier Bob Carr has claimed that Sydney is full; he keeps saying this month after month. He claims that people from overseas should stop moving to Sydney—he did so again last week. In taking such an approach, Mr Carr is continuing to play King Canute. Just like the Viking warrior who became English king, who could not stop the ocean tide, the Premier will also fail in his efforts to stop the urbanisation tide in Sydney.

The combination of a climatically harsh interior and a coastline that boasts an enviable climate and attractive environment encourages in Australia one of the world’s most highly urbanised settlement patterns, particularly in the Sydney region. Cities have always held a magnetic attraction for populations. In the movie City Hall Al Pacino plays the mayor of Chicago who, following the accidental shooting of a small boy in crossfire between police and a drug gang, stands at the head of the boy’s coffin and, in defence of his administration of Chicago, makes this eloquent tribute to cities:

The first and perhaps only great mayor was Greek. He was Pericles of Athens, and he lived some 2500 years ago, and he said, “All things good on this Earth flow into the City, because of the City’s greatness.”

Viable for thousands of years, the great city of Athens is testimony to the self-sustaining power of mighty cities. Historically, regional centres adjacent to great cities have also benefited from their attraction. For example, in New South Wales prior to the election of
the Carr Labor government, the Illawarra, the Central Coast and the Hunter acted as safety valves to relieve infrastructure pressure on a steadily growing Sydney. According to a recent study, that is no longer the case. Researchers at the Centre for Population and Urban Research confirm in the latest edition of *People and Place* journal that population flows into and out of the city that were previously balanced have now changed dramatically, with net overseas migration into Sydney now more than three times greater than the number of people moving out of the city.

This is not evidence of a population crisis for Sydney but rather evidence of the ineffectiveness of Bob Carr’s urban policy over the last eight years. The Premier’s recent panic call for a reduction in immigration numbers would deprive New South Wales of much needed skilled immigration and retard the economic growth of the state. His glib ‘more migrants to the regions’ solution has already been tried but with limited success—and in a free society, restricting the movement of people is unsustainable. Sydney’s population is now over four million and will continue to grow, despite what Bob Carr says or does. Is this such a bad thing? Three years ago I was in the cities of Sao Paulo in Brazil, which currently has a population of 22 million—the entire population of Australia in one city—and Chicago in the USA, which has a population of 12 million. Compared to these metropolises, Sydney is just a baby. Do such huge cities work? My assessment was that Sao Paulo did not and that Chicago did.

Very large cities can work if they can manage four facets of city life: transport, communications, water supply and waste disposal. In the centre of India near the Taj Mahal lies the appropriately named ‘Abandoned City’. Built by Akbar in the 16th century, this beautiful city of carved stone was at the time bigger than contemporary London. It was abandoned six years after it was finished. Why? It depended for its water supply on a lake fed by a large river. For four successive seasons in the 16th century the Indian monsoons failed. As the water dried up the people left the city, never to return. A breakdown of one of the four facets probably led to the death of many ancient cities. The bookish Bob Carr, who prides himself on his knowledge of history, should learn the lessons of history about urban growth and decay. A good start for Sydney would be to divert the expanding population away to other nearby centres and to try to stem the drift to Sydney from the bush. In terms of policies such as this, Bob Carr is another policy void. Public infrastructure in the adjacent regional centres of the Hunter and the Illawarra, compared to Sydney, is relatively underutilised.

Mr Carr should also realise that, even if such policies work well, that will not be enough to stem Sydney’s growth. The mixture of employment opportunities and lifestyle is irresistible. What the state government must do urgently is address expansion and develop policies to accommodate Sydney’s inevitable population growth. Mr Carr must plan and progressively roll out the key infrastructure needed to support a slowly expanding Sydney, which is projected to grow from four million to 5.9 million by the year 2051. Washing his hands and just saying that Sydney is full shows once again that the Premier of New South Wales is not prepared to tackle the difficult issues. He should follow John Brogden’s lead and take a serious look at public-private partnerships for infrastructure development. Trying to do it all on the back of taxpayers would quite rightly create another bush revolt. Bob Carr’s belated call for a reduction in immigration does nothing to hide his government’s urban policy void.
Health: Diabetes

Senator BARNETT (Tasmania) (7.53 p.m.)—I stand in this adjournment debate to highlight the motion that was passed unanimously in the Senate today. It reads:

That the Senate notes:

(a) that children in Australia who have type 1 or insulin dependent diabetes face the future of long-term health and social consequences of this disease and its complications;
(b) that people with type 1 diabetes also have to inject themselves between two and five times each day, monitor their blood glucose levels (BGL) and maintain the balance between too high BGL which leads to complications and too low BGL which can lead to hypoglycaemia, in which the person can lose consciousness;
(c) the complications of type 1 diabetes which include:
   (i) cardio-vascular disease such as heart disease,
   (ii) kidney disease,
   (iii) ulcers and limb amputation, and
   (iv) retinopathy that is still the leading cause of blindness in Australians under the age of 65;
(d) that of every 100 Australians with diabetes it is estimated that:
   (i) over 75 will develop heart disease,
   (ii) 43 will have severe kidney disease by the time they are 50 years old,
   (iii) 60 to 70 will have mild to severe forms of nervous system damage,
   (iv) 24 will develop retinopathy after 5 years, almost 60 after 10 years and all 100 after 20 years, and
   (v) one will have had an amputation, as a result of diabetes;
(e) type 2 diabetes is costing Australians a staggering $3 billion a year with the bill for each sufferer averaging nearly $11 000 in expenditure and benefits according to the Ausdiab Study (26 September 2002) but, on a per person basis, the cost of type 1 diabetes is higher, with people with type 1 diabetes accounting for 10 per cent of the diabetic population but 42 per of the economic burden;
(f) that Australia has one of the highest rates of type 1 diabetes in the world;
(g) the important work of the Juvenile Diabetes Research Foundation to highlight the concerns of Australians with type 1 diabetes and, specifically, the watershed event ‘Kids in the House’ held in Parliament House, Canberra, during the week beginning 17 August 2003;
(h) the outstanding work by Australian researchers to find a cure for type 1 diabetes through pancreatic islet cell transplantation;
(i) that research is essential to finding a transplant procedure that is safe and available to children with type 1 diabetes; and
(j) the need for support from the Australian Government to establish:
   (i) a national clinical islet cell transplant centre to advance islet cell transplantation, and
   (ii) a research grant to attract the world’s best scientists and ensure Australia’s position at the forefront of global research.

I had the honour of proposing and introducing that motion, which received the unanimous support of the Senate. I wish to congratulate the Juvenile Diabetes Research Foundation on their initiative to host the ‘Kids in the House’ special event in Parliament House, Canberra, this week. I wish to specifically acknowledge the work of Sheila Royles and her team and congratulate her on her efforts. I wish to acknowledge one of the directors of the JDRF, Sue Alberti, who only this week committed $5 million to research to find a cure for diabetes. Sue Alberti has an amazing and very moving story to tell.
I wish to congratulate and thank all the sponsors who have been involved in making this special event, Kids in the House, happen in Parliament House this week. In particular, Qantas supported 100 of the children who have flown to Canberra for the event. There will be 100 kids in the House, as it were, and they will be supported by helpers, carers or family members. The children are aged from three years upwards, and they arrived in Canberra today. Qantas supported their travel arrangements to a very large degree, and I thank them for that. Roche Diagnostics sponsored tonight’s research dinner and have been involved with the children’s painting competition. Their special drawings will be auctioned during the week, and I hope that will be fully supported. A range of other pharmaceutical and other companies have supported and sponsored the event and have made it possible for the JDRF to host the Kids in the House event in Canberra this week.

I also want to specifically acknowledge the Parliamentary Diabetes Support Group, which is chaired by Judi Moylan. Judi Moylan sends her apologies, due to sickness, and we wish her well. I want to acknowledge and thank Judi Moylan for the work she has done in leading the Parliamentary Diabetes Support Group. I also wish to acknowledge the executive members, Cameron Thompson, Dr Mal Washer and Dick Adams, who worked together with me on this. We meet in Judi Moylan’s office on Wednesday nights during sitting weeks and discuss initiatives we can undertake to assist people with diabetes.

I ask the Senate to note that, during the last week of August 2003, Professor Martin Silink AM will stand for election as the president-elect of the International Diabetes Federation in Paris. This conference is held every two years, and there will be some 13,000-plus delegates attending this conference. The International Diabetes Federation is the world umbrella organisation for national consumer and health professional diabetes organisations, of which our own Diabetes Australia is proud to be a very active member. I have had the privilege of being a board member of Diabetes Australia for many years and remain a board member of Diabetes Australia Tasmania.

Professor Silink is a professor of paediatric endocrinology at the Westmead Children’s Hospital and a current vice-president of the International Diabetes Federation. He has played an outstanding and important role in both the individual management of type 2 diabetes in Australia and ensuring the fight against this disease across the world. Professor Silink’s experience encompasses his professional life as a doctor, researcher and advocate for people with diabetes, in particular children and adolescents with diabetes. Professor Silink has been the force behind the Life for a Child program, which is providing insulin to children with type 1 diabetes in developing countries. Without this program these children die of this disease. Much work and funding support by the world community is necessary to ensure the disease is well managed in countries such as Australia and is not a death sentence in other countries.

I have been invited to Paris to speak to the International Diabetes Federation on building relationships with government, and I look forward to this honour. I will be supporting Professor Silink in his election and I wish him well.

Australian Defence Force and Australian Federal Police: Allowances

Senator CHRIS EVANS (Western Australia) (8.01 p.m.)—This evening I want to make a couple of short remarks about a concern I have about the government’s handling of the allowances and taxation arrangements for Australian Defence Force personnel serving overseas, in particular those serving in
the Solomons and East Timor. The Minister Assisting the Minister for Defence, Minister Vale, issued a press statement again today which allegedly sought to clarify matters relating to the concern expressed about the treatment of those defence personnel, but it was a very misleading press release in that again the minister failed to acknowledge the full range of allowances paid to Australian Federal Police serving in the Solomon Islands. The cause of concern for our troops in the Solomons has been a comparison of conditions afforded to AFP officers and those afforded to the ADF. Again the minister failed to make clear in her press release the full range of allowances paid to ADF. So, in addition to the concerns about the lack of fresh food and the living conditions afforded to ADF personnel, there remains a serious inequity in their allowances when compared to those for the Australian Federal Police.

In terms of the taxation arrangements, there is a tax ruling that ensures that AFP officers have their salary and allowances tax free. There is no similar ruling made on behalf of ADF personnel and none has been sought as far as I know by the minister. That is again of concern and that is reflected in the very unequal treatment of those personnel. I am most concerned that again the minister has sought to reject concern about the taxation treatment for ADF personnel serving in East Timor. From references to the Defence web site and the understanding of the troops concerned there is no clarity that they will continue to receive tax-free allowances. The minister now claims that they will retain their tax-free status, although Senator Hill made it clear in this chamber yesterday that they would not—that the tax-free status would be removed. Minister Vale today claims that that tax-free status will be retained, but again that is not what was on the web site and that is not what has been conveyed to serving personnel and their families.

I think it is incumbent upon the minister to come clean and provide full information, because there is certainly no tax office ruling that I can see that allows our troops to be treated in that way. In fact, the Defence web site advises Defence Force members to seek exemptions under the tax act. I made the point to Senator Hill yesterday that the ability of Australian Defence Force soldiers living in tents on the border with West Timor, and who are on patrol, to seek tax exemptions and rulings from the tax commissioner is rather limited and their access to normal processes inside Australian society is restricted by virtue of their service. It is obviously appropriate that there be some sort of formal ruling that affects all of them as a class of income earner rather than for them to be advised that they ought to seek some separate ruling from the Taxation Office while they are serving their country in very difficult circumstances and without access to the normal conveniences of modern society.

Again I place those concerns on the record. I urge Minister Vale and Senator Ellison, the Minister for Justice and Customs, to provide full information on the conditions that apply in these cases to assure the families and really to provide the evidence for their claims, because on the public evidence available so far, firstly, ADF personnel in the Solomons are being given a very raw deal in comparison with the Federal Police and, secondly, the soldiers serving in Timor have had a serious downgrading of their conditions in terms of the taxation treatment.

Northern Territory Day

Senator CROSSIN (Northern Territory) (8.06 p.m.)—Yesterday was the second anniversary of the election of the Martin Labor
government in the Northern Territory. The significance of that day will go down in the history books. I want to speak this evening about another significant day that we have celebrated this year in the Northern Territory, and that was Northern Territory Day on 1 July this year. My speech is somewhat delayed, but that is due to the large amount of business that the Senate dealt with in the last week of the autumn sittings. Nevertheless, I think it is important to actually put on the record the significance and the importance of this day for the history books.

The date of 1 July was particularly significant this year in the Northern Territory as it recognised 25 years of self-government in the Territory and 25 years of the Northern Territory flag. On 1 July 1978 the Northern Territory Self-Government Act came into force establishing the Northern Territory as a body politic under the Crown. Self-government was not only significant to the Northern Territory but also a major event in Australian federalism. The constitutional development of the Northern Territory has been, and continues to be, a process dominated by political rather than legal considerations.

The Northern Territory Self-Government Act 1978 of the Commonwealth parliament is regarded as the Northern Territory’s constitution, so to speak. However, it is important to note that this legislation is an ordinary act of parliament and is capable of being amended or repealed by the parliament as it sees fit. There have actually been a number of amendments to the act since 1978, but none of them have radically changed the nature of self-government in the Northern Territory. The six states federating in 1901 comprised the entire continent of Australia and the island of Tasmania. The Northern Territory and the Australian Capital Territory were detached from their states after Federation. Their existence and political representation was contemplated by section 122 of the Constitution, which empowers the Commonwealth to allow the representation of any territory in either house of parliament to the extent, and on the terms, it thinks fit.

The Northern Territory was originally part of New South Wales and was annexed to South Australia. In April 1901, due to the heavy financial costs, South Australia offered the Northern Territory to the new Commonwealth government, and on 1 January 1911 the Northern Territory was formally transferred to the Commonwealth. As a result of the transfer, residents of the Northern Territory lost all political representation; they had none in the Commonwealth parliament and neither was there any form of ‘state’ or local government. It was not until 1922 that the Northern Territory was granted a member of the House of Representatives by the Northern Territory Representation Act. However, the parliamentary rights of the Northern Territory member were severely restricted. The member was prohibited from voting on any question, although they could be present for the deliberations. Of course, history will show us the great work of Harold Nelson, who campaigned under the slogan of ‘No taxation without representation’. In 1959 the voting right was extended to any issue relating solely to the Northern Territory, but full voting rights were not bestowed by the Northern Territory Representation Act until 1968. Territory residents additionally lacked any vote in constitutional referendums until this was granted by a referendum in 1977. Their votes still only count in the overall majority, not in the majority of states.

In the 2000 redistribution, the Northern Territory gained its second seat in the House of Representatives. However, this year it has been revealed that the Northern Territory is set to lose that seat largely due to a disputed population calculation. Senate representation for the Northern Territory was enacted by the
Senate (Representation of Territories) Act 1973 as part of the Whitlam government’s electoral reform measures. Senators for the Northern Territory were first elected in the 1975 election.

Although there are limits placed on Northern Territory self-government, it is definitely accepted as a major improvement on the administrative arrangements that existed before 1978. Self-government has resulted in a much greater degree of local involvement in matters affecting Territorians with members of the Northern Territory Legislative Assembly being elected rather than appointed. The Northern Territory (Self-Government) Act 1978 gave the Legislative Assembly the power to make laws for peace, order and good government of the Territory, to be administered through a Northern Territory Public Service and Treasury.

The other significant feature of Territory self-government is that the grant established a new separate body politic under the Crown, with its own ministers selected from and responsible to the Northern Territory Legislative Assembly, with responsibility for the public service, education, local government, health, land use and control, electricity and water resources, police and the administration of the justice system. Significantly, the major exclusions that remain within the control of the federal government are in the areas of industrial relations, uranium mining, Aboriginal land rights and the management and control of Uluru and Kakadu national parks.

Constitutional development regained momentum during 1976 and 1977. Prime Minister Fraser’s 1975 campaign commitment of statehood in five years dramatically changed the Commonwealth’s traditional approach. During 1976 and 1977 the essential elements of self-government were established. As well as the fashioning of self-government principles, the period was significant in implementing policies which were to have an immense impact on the Northern Territory’s subsequent political and constitutional history. These involved Aboriginal land rights, the commencement of uranium mining, national parks administration and salient issues of political conflict between the Territory and the Commonwealth from the mid-1970s which exist to this day.

The Northern Territory flag also celebrates its anniversary, this year being the 25th anniversary of the creation of the Territory flag. I will just give a brief history here: the flag incorporates the three Territory colours, which are black, white and ochre, with the Territory’s floral emblem, Sturt’s Desert Rose. The white stars on the black panel represent, quite obviously, the constellation of the Southern Cross. The representation of Sturt’s Desert Rose on the red ochre panel shows seven petals with a seven-pointed star in the centre, which symbolise the six Australian states and the government of the Northern Territory. The flag of the Northern Territory was the first official Australian flag to not contain the union flag of the United Kingdom, the Union Jack.

Early in 1978 the Northern Territory executive held an open competition in the Northern Territory, seeking a suitable flag design to symbolise the changed constitutional status of government in the NT. The new flag was finalised and was used in ceremonies associated with the creation of the Northern Territory government on the first day of self-government, 1 July, 1978.

The grant of self-government by the Commonwealth in 1978—25 years ago—was a significant step on the path to statehood. In 1998 the government of the Northern Territory put forward a proposal for the Northern Territory to become Australia’s seventh state by the year 2001. The people of
the Northern Territory voted against the proposal at a referendum that was held in conjunction with the 1998 election.

However, recently the Chief Minister of the Northern Territory, Clare Martin, launched a renewed campaign towards statehood. This campaign is welcomed as a means by which the people of the Northern Territory can express their view on the possibility of statehood for the Northern Territory. This would be the first new state created since federation. The announcement provoked a positive reaction in the community. The Chief Minister assured Territorians: This time we will do it properly with careful community consultation and community involvement from the start—this time we will get it right.

An inquiry by a legislative committee into why the vote failed last time found that, apart from the political derailing of the process, there was a lack of understanding about statehood and a lack of information about the process of constitution making. This is precisely why a community based plan for how best to move towards statehood is currently being drafted. It is expected that the time line for the campaign will last around five years.

Northern Territory Day on 1 July 2003 marked the 25th year of self-government in the Northern Territory and the 25th year of the hosting of our unique flag. It was a unique time to again look at the issue of statehood and to recognise the contribution of the Northern Territory to the country. (Time expired)

Indigenous Affairs: Cape York

Senator McLUCAS (Queensland) (8.16 p.m.)—When I gave my first speech in this place in August 1999, I spoke of my great concern that health outcomes for Indigenous Australians on Cape York Peninsula were nowhere near equal to those in non-Indigenous communities. The issues of health service delivery and the health status of almost 18,000 Indigenous and non-Indigenous Australians living on Cape York Peninsula continue to worry me. It is for those reasons that, in the spirit of bipartisan cooperation, I welcomed the Prime Minister’s visit to Cape York earlier this month.

Cape York Peninsula is a vast region of land, roughly the size of the state of Victoria. It is remote, it is high in natural and cultural values and access is socially and geographically difficult. There are over a dozen Aboriginal communities in the Cape York region and, while they may live in extraordinarily beautiful surroundings, they also record the worst health statistics of anywhere in Australia.

The problems are widely documented and are described by some health professionals as Fourth World, with low life expectancy and high mortality rates for children under the age of four and deaths from infectious and parasitic diseases remaining unacceptably high in Indigenous communities. Hospitalisation rates for Aboriginal and Torres Strait Islander people are between 60 and 90 per cent above those of the rest of the population for various illnesses. Diabetes, pneumonia, cardiovascular disease, influenza and lung cancer rates are high. Injury admission rates are up to 40 per cent higher than the Queensland average and admission rates for preventable infections, including those for sexually transmitted diseases, are extraordinarily high. Diseases such as syphilis are prevalent on the peninsula—diseases almost unheard of in mainstream Australia. In fact, today at the health summit convened at Old Parliament House, the health status of Indigenous Australians was described as equivalent to the health status of the people of Bangladesh.

Other health issues of concern on Cape York Peninsula include rates of hospitalisa-
tion due to self-harm that are much higher than those in the rest of Queensland. Residents of Cape York are also much more likely than other Queenslanders to have portions of lower limbs amputated due to the complications of diabetes. These are the problems that the Prime Minister has now heard of first-hand at Aurukun, a community close to Weipa. This is a place where I am privileged to know many people of the Wik nations and have been invited to be part of their way of life from time to time. I am pleased to say that the Prime Minister endorsed the adoption of an innovative new strategy designed to tackle many of the Indigenous communities’ health problems at the root cause—namely, excessive alcohol consumption.

In 2000, a significant Well Person’s Health Check study was published, which demonstrated that most of the drinkers on Cape York drank at harmful levels. Much of the drinking occurred at the end of the week. Unsurprisingly, the statistics showed that alcohol related assault injuries also escalated quite dramatically at week’s end. It should be recognised though that, while the number of drinkers in any one community is significant, the majority of people do not drink at all or drink in moderation.

A major Queensland government response to these issues has been labelled Meeting Challenges, Making Choices. It has been, in no small part, developed in response to calls for action from Indigenous leaders, including Noel Pearson. It is also the first time, I believe, that such a major and holistic undertaking has been attempted in this country. In 2000, Noel Pearson published a ground-breaking and influential paper entitled Our Right to Take Responsibility. Noel argues in this publication that ‘the right to self-determination is ultimately the right to take responsibility’. He says:

When you look at the culture of Aboriginal binge drinking you can see how passive welfare has corrupted Aboriginal values of responsibility and sharing, and changed them into exploitation and manipulation. Our Right to Take Responsibility goes on to deal with confronting racism, with problems with existing power structures within communities, with the necessary transition from the ‘gammon’ welfare economy to Indigenous participation in the ‘real’ economy and with how this can only be achieved by a respectful partnership between government, government agencies and the Aboriginal people of Cape York Peninsula.

Noel Pearson’s work reinforces my own view that we can view the alcohol problems on Cape York no longer as symptomatic but as causal. Alcohol abuse directly contributes to a wide range of social problems on the cape, including violence, truancy, foetal alcohol syndrome, housing, nutrition and community management. This is not to say, though, that government does not have a responsibility to address the causes of alcohol abuse, lack of esteem and little aspiration and hope for the future. Unfortunately, there has been little focus on redressing the fundamental discrimination experienced by Indigenous Australians, especially those on Cape York Peninsula, during the life of this government. It is important now that we take the opportunity that has been given to us through the work of Noel Pearson and others, and through the Fitzgerald report and the work of the Queensland government, to tackle the issues of alcohol and the effect of alcohol abuse on Cape York.

To give the Senate some idea of the extent of the issues, let us consider the level of violence in Aboriginal communities on Cape York. According to Queensland police statistics, it is 42 times that of the general community. It is not twice, not three times what constitutes an acceptable level of crime
against a person in Sydney, Adelaide or the suburbs of Cairns. It is at a level that suggests all residents of these communities have been subjected to systemic hostility and aggression. They are not living normal lives by any stretch of the imagination. If this were occurring in any Australian metropolitan centre, we would see national community outrage.

Alcohol consumption within the passive social welfare paradigm that has enveloped these communities over the past two and a half decades has seen the normalisation of what Pearson characterises as ‘pathological behaviour’. It is a situation which requires urgent attention and leadership from governments and from within the Indigenous community itself.

I would like to pay tribute to the work of Indigenous leaders in tackling the problem of substance abuse at the community level. It is with some sense of relief that I sense that governments at both the state and federal levels are beginning to see that allowing Indigenous children to continue to grow up in these circumstances is in fact unAustralian. There is much to be done and there is no room at all for buck-passing or petty politics when it comes to confronting massive social need and the need for social change.

Whenever the agenda for change is ambitious, vested interests so deeply rooted and behaviour patterns so entrenched it is unrealistic to expect that there will not be a level of tension. In moving to adopt new pathways and partnerships, we have seen tension between and within communities, organisations, governments and people, whether they be Indigenous or non-Indigenous. But when the stakes are high, all those of good faith must set aside old tensions and embrace new ways of working together. It is my belief and great hope that this is in the main achievable by those of us working in the region.

But tension is different from direct opposition. Some of the opposition has come from those who benefit from grog sales. This has seen local justice committees, who are working hard to devise and implement alcohol management plans, being accused of being undemocratic or unrepresentative. Another source of opposition in North Queensland has been some conservative members of the House of Representatives. For example, the member for Leichhardt, Mr Warren Entsch, is on the public record as saying:

The Napranum Alcohol Management Program as it stands is not going to solve any alcohol related problems in the region.

Further, he said:

But if they—

that is, the state government—

think by encouraging prohibition and then restricting the practices, the sale practices, of local businesses outside the communities, is going to fix the problem, they’re in la-la land.

Of course, since then the Prime Minister has praised the economic and social initiatives in the communities, including the strict alcohol limits. Mr Entsch was, as you would expect, clinging to the shoulder of the Prime Minister throughout the press conferences held on the cape in the last month. One quite naturally assumed that he had gone through a conversion of some sort.

Yet the very next day—and this is what makes me so furious—he came out to publicly condemn the initiative and the state government. The day after the Prime Minister left Far North Queensland, Mr Entsch came out to publicly condemn the initiative and the state government for not yet having established detox centres in these communities. Did he at any time suggest the Commonwealth might be part of this partnership or might be able to assist financially? Did he raise the matter with the Prime Minister? Did he sit down with Indigenous leaders, who are
working so hard, with a view to developing a strategic solution or identifying potential funding sources? Given the commentary in the Cairns Post, I suspect not. He instead jumped at yet another photo opportunity in his usual one press release a day approach to community action and community liaison. This sort of undermining blame game is no longer tolerable. I call on the member for Leichhardt to desist in future and to constructively engage in the partnership process.

Mr Entsch would benefit from a visit to the Cape York Health Council, Apunipima. They have clearly defined a holistic approach to their future health service needs which is called the River of Life. It is ‘up-stream’ issues like alcohol consumption that the Indigenous leaders on that council say must be tackled first within their communities. By contrast to Mr Entsch, I commend the Queensland government, which has responded quite bravely to Noel Pearson’s call for action and to the Cape York Justice Study conducted by Justice Tony Fitzgerald. The state government announced in April 2002 that it would transfer liquor licences from councils to community based boards and it would impose strict conditions on hotels and roadhouses near Indigenous communities. The government has said that it will strengthen and expand community justice groups. It will give them, for the first time, legislative backing and protection and will create exciting economic development and employment opportunities in Indigenous communities.

As at 7 August 2003, 11 Queensland communities had completed their alcohol management plans. They are Aurukun, Palm Island, Doomadgee, Napranum, Woorabinda, Wujal Wujal, Lockhart River, Cherbourg, Kowanyama, Pompuraaw and Mornington Island. Of these communities, three have had their alcohol restrictions regulated. They are Aurukun, effective 30 December 2002, and Doomadgee and Napranum, both effective 9 June 2003.

Alcohol management plans will directly impact on the quality of life of the estimated 17,579 people living in mainland communities. A comparison of medical treatment data for the two months prior to the restrictions coming into place in Aurukun with that of the first two months post implementation has shown the following. There was a 29 per cent reduction in the number of overall presentations for injury and a 74 per cent reduction in the number of presentations that were alcohol related. The percentage of all injuries that were alcohol related reduced from 53 per cent to 19.6 per cent, and there was a 55 per cent reduction in the number of presentations due to assault. These are amazing statistics that have changed the lives of, especially, women and children who live in Aurukun.

As well as the above statistics, there is some anecdotal evidence that suggests that there has been really positive change in Aurukun. There has been a 20 per cent increase in food sales and a notable improvement in the atmosphere of the Aurukun community. Community members have expressed the opinion that Aurukun is the cleanest and quietest it has been in recent memory. Work attendance rates have significantly increased, and there has been a notable increase in positive social interaction. The Principal of the Western Cape College, Aurukun Campus, Mr Stan Sheppard, said that attendance at the primary school was up by between 30 and 50 children every day, in comparison with recent years. He also said that the children looked more rested in general and that fewer children required a sleep when they got to school.

What is, in effect, being asked of governments is support for the children of Cape York Peninsula to unlock the doors to real
educational opportunity and a sense of security in their homes and in the community. It is not a big ask. To the people of the North working towards this goal: thank you for your efforts to date and keep the faith for the future. The Queensland government’s major funding commitment and the Prime Minister’s support are encouraging. But, important as they are, they are first steps in what will be a long, tough road.

To me, it is the prevalence of foetal alcohol syndrome amongst the communities of the Cape that is the most compelling reason for urgent progress up this steep pathway. The rates of foetal alcohol syndrome on the Cape are the highest in Australia, and the innocent victims—the babies born with irreversible brain damage—do not have a voice. Foetal alcohol syndrome is only seen when there is high level of alcohol intake, resultant high levels of conception, and public acceptance of continued binge drinking throughout pregnancy. You can imagine the burden that this places on the extended generations and the fractured social climate that must exist in order for it to occur. It is the same sort of fragmentation that one sees in the families of all alcoholics, but it is multiplied in intensity many times over on Cape York Peninsula because, within Indigenous communities, it has been allowed to pervade society as a whole.

I speak in this place tonight to recommit myself to assisting Indigenous communities to break the cycle of passive welfare and substance abuse. I want to do so in partnership—in a manner that devolves power and shares responsibility for future development. I say to others of influence that there is no area of greater need or responsibility than our need to share in an ambitious vision for the future of the children of Cape York.

Senate adjourned at 8.34 p.m.

DOCUMENTS

Tabling

The following government document was tabled:


Tabling

The following documents were tabled by the Clerk:

Dairy Produce Act—
Dairy Structural Adjustment Program Scheme Amendment 2001 Amendment (No. 11).
Declaration of industry services body—Dairy Australia Limited, dated 1 July 2003.
Supplementary Dairy Assistance Scheme 2001 Variation (No. 6).
Farm Household Support Act—
Dairy Exit Program Scheme Amendment 2003 (No. 1).
Supplementary Dairy Assistance Scheme Amendment 2003 (No. 2).

UNPROCLAIMED LEGISLATION

The following document was tabled pursuant to standing order 139(2):
Unproclaimed legislation—Document providing details of all provisions of Acts which come into effect on proclamation and which have not been proclaimed, including statements of reasons for their non-proclamation and information relating to the timetable for their operation, as at 31 July 2003, dated August 2003.
QUESTIONS ON NOTICE

The following answers to questions were circulated:

Drought Investment Allowance
(Question No. 1207)

Senator O’Brien asked the Minister representing the Treasurer, upon notice, on 25 February 2003:

With reference to the drought investment allowance:

(1) (a) Is it the case that the Tax Expenditures Statement 2000 estimated and projected total expenditure on the allowance for the period 1997-98 to 2002-03 at $53 million, and that the Tax Expenditures Statement 2001 estimated and projected total expenditure on the allowance for the period 1997-98 to 2002-03 at $41 million; (b) why do the two expenditure figures differ by $12 million; and (c) do the figures demonstrate a change in government policy between the publication of the Tax Expenditures Statement 2000 on 28 January 2001 and the Tax Expenditures Statement 2001 on 18 December 2001.

(2) (a) Is it the case that the Tax Expenditures Statement 2000 projected total expenditure on the allowance in the period 2000-01 at $10 million, and that the Tax Expenditures Statement 2001 estimated total expenditure on the allowance in the period 2000-01 at $5 million; and (b) why do the two expenditure figures differ by $5 million.

(3) (a) Is it the case that the Tax Expenditures Statement 2000 projected total expenditure on the allowance in the period 2001-02 at $6 million, and that the Tax Expenditures Statement 2001 projected total expenditure on the allowance in the period 2001-02 at $nil; and (b) why do the two expenditure figures differ by $6 million.

(4) (a) Is it the case that the Tax Expenditures Statement 2000 projected total expenditure on the allowance in the period 2002-03 at $1 million, and that the Tax Expenditures Statement 2001 projected total expenditure on the allowance in the period 2002-03 at $nil; and (b) why do the two expenditure figures differ by $1 million.

(5) What was the actual cost of the allowance in each of the following financial years: (a) 1995-96; (b) 1996-97; (c) 1997-98; (d) 1998-99; (e) 1999-2000; and (f) 2000-01.

Senator Minchin—The Treasurer has provided the following answer to the honourable senator’s question:

(1) (a) Refer to the 2000 and 2001 Tax expenditures Statements.

(b) Tax expenditure estimates are updated each year using the most up-to-date tax return data that is available at the time when preparing the Tax Expenditures Statement. The out year estimates reported in the Tax Expenditures Statement are projections based on actual data from previous years, and therefore may vary from year to year.

(c) No, refer to answer to question (1)(b).

(2) (a) Refer to the 2000 and 2001 Tax Expenditures Statements.

(b) The difference between the projected tax expenditure for 2000-01 reported in the 2000 Tax Expenditures Statement and the estimated tax expenditure reported in the 2001 Tax Expenditures Statement reflects updated data and methodology.

(3) (a) Refer to the 2000 and 2001 Tax Expenditures Statements.

(b) The difference in the projected tax expenditure for 2001-02 between the 2000 and 2001 Tax Expenditures Statements reflects updated data.

(4) (a) Refer to the 2000 and 2001 Tax Expenditures Statements.
(b) The difference in the projected tax expenditure for 2002-03 between the 2000 and 2001 Tax Expenditures Statements reflects updated data.

(5) (a) Refer to Tax Expenditure Statements
(b) Refer to Tax Expenditure Statements
(c) Refer to Tax Expenditure Statements
(d) Refer to Tax Expenditure Statements
(e) Refer to Tax Expenditure Statements
(f) Refer to Tax Expenditure Statements

Telstra: Cable Pressure Air System
(Question No. 1308)

Senator Mackay asked the Minister for Communications, Information Technology and the Arts, upon notice, on 24 March 2003:

With respect to question no. 5 taken on notice by Telstra during the Environment, Communications, Information Technology and the Arts References Committee hearing on 6 December 2002, into the Australian Telecommunications Network:

(1) Can a copy of the Cable Pressure Air System (CPAS) maintenance upgrade strategy be provided to the Environment, Communications, Information Technology and the Arts References Committee.
(2) When was this strategy developed.
(3) What was the date for the commencement of the implementation of this strategy.
(4) What is the role of National Network Solutions in the CPAS strategy.
(5) Can further detailed information be provided on the ‘grease-type’ material used on cables.
(6) When was this material first used on Telstra cables.
(7) What types of cables is this material used on.
(8) Where grease-type cable has been used to replace faulty lead or moisture barrier main cable, what process is used to bypass the lengths of grease-filled cable and retain air in the cable beyond that point to the end.
(9) Is the process carried out in all cases.
(10) Is it ever the case that the existing cable, beyond the replacement lengths of grease-filled cable, is not bypassed in this way.
(11) What percentage of all cables is this material used on.
(12) What percentage of cables are under air pressure.
(13) What percentage of all cables has the encapsulant sealant gel used on them.
(14) Are there any other methods of water-proofing cables used by Telstra; if so, can a detailed description of these methods be provided, and the percentage of cables used with each method.

Senator Alston—The answer to the honourable senator’s question, based on information provided by Telstra, is as follows:

(1) The CPAS maintenance upgrade strategy is described in the CPAS Contract Proposal Document which has been provided by Telstra, and is copied below.

Telstra advises that the CPAS maintenance strategy is undergoing constant refinement and enhancement. According to Telstra, the strategy as outlined in the CPAS Contract Proposal document remains in effect. Telstra is also currently running a program for acceleration of works with additional resources (financial and labour) allocated. In late December 2002 Telstra
recognised that the accelerated program was required in priority areas. Telstra advises that the field work for this program commenced in February 2003 and continues as at 9 July 2003, when the information was provided.

Telstra advises that the terminology and KPI’s referred to in the current strategy document will be subject to change as Network Design and Construction (NDC) is integrated back into Telstra (no longer a contractor).

CPAS Contract Proposal Document

1. Overview

The current base CPAS Maintenance contract with NDC was established in 2001 for a three year term. One year into the contract it was recognised that it was under funded to manage the existing work backlog and still deliver additional sustained network health improvement.

NDC have now submitted firm costing for a new CPAS Maintenance Contract, based on a new three year term and a revised scope of works.

The key advantages of this proposal are;

• A maintenance program based on a ranking system for all pressurised cables allowing prioritised treatment of high value cables
• NDC responsible for cable losses in accordance with a risk sharing strategy, targeting a Grade of Service of 99.73% in year 1, improving to 99.86% in year 3 (See KPI 1).
• Prioritised network improvement strategy, which includes a program for reducing the backlog of cables in alarm at an average of 275 cables a month.
• Timely receipt, interpretation and acknowledgment of alarms in the CPAS network leading to the cable or system components being removed from the alarm state. No new alarm is to exist for more than 5 calendar days. See KPI 3
• A scheduled reduction in Backlog Bottle Support payments, which is to achieve the target of totally eliminating the backlog by the middle of year 3.
• A new three-year term to allow time for these strategies to be implemented.
• Productivity improvements of 5% and 3% respectively for years 2 and 3 of the contract.
• A stabilised network would reduce core maintenance costs by about $4m (relative to the start of contract) in the fourth year with potentially further savings in the fifth.

2. Proposed Contract Period;

3 Years (July 2002 to June 2005)

3. Revised KPI’s

KPI 1 Liability for Cable Loss

For the purposes of these clauses, a cable loss is defined as a service interruption to sufficient pairs in a cable to warrant a cable length replacement or a joint remake, and where the loss can be attributed to the contractor’s lack of appropriate response or action.

The contractor shall be liable for the cost of such cable loss incidents on all Platinum grade monitored cables. For other service grade cables (Gold, Silver and Bronze), the contractor shall not be liable for cable losses until the number of incidents in any year of the contract exceeds the numbers in the Table 3 below (monitored cables only).
Table 3: Cable Loss Service Levels

<table>
<thead>
<tr>
<th>Monitored Cables</th>
<th>Platinum</th>
<th>Gold</th>
<th>Silver</th>
<th>Bronze</th>
<th>Total</th>
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<tr>
<td>Grade of Service</td>
<td>100.00%</td>
<td>99.80%</td>
<td>99.60%</td>
<td>98.60%</td>
<td>99.62%</td>
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<td>Acceptable losses year 1</td>
<td>0</td>
<td>7</td>
<td>27</td>
<td>16</td>
<td>50</td>
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<td>100.00%</td>
<td>99.88%</td>
<td>99.78%</td>
<td>99.68%</td>
<td>99.82%</td>
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<tr>
<td>Acceptable losses year 2</td>
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<td>4</td>
<td>15</td>
<td>4</td>
<td>23</td>
</tr>
<tr>
<td>Grade of Service</td>
<td>100.00%</td>
<td>99.95%</td>
<td>99.85%</td>
<td>99.75%</td>
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Note: NDC will not be held accountable for loss of cables that are not monitored by alarm systems.

KPI 2 Clearance of backlog of cables in alarm

The backlog of cables in alarm is defined as those cables that are in alarm condition in the alarm system on 28/6/02. All cables in alarm will be backlog and any new alarm after this date will be designated as “new” alarms.

NDC commit to remove 3300 cables from the backlog per year, an average of 275 cables per month until the backlog is eliminated.

Cables will be deemed out of alarm when all alarms points in that cable including flow alarms are cleared from the AMS system (ie >50kpa), or all transducers within a cable length have an APCAMS reading of 40kpa or greater. These points must remain out of alarm for more than 5 days to be removed from the backlog.

To verify a backlog cable has been brought out of alarm NDC must present a history report on each cable, which is a print-out from the alarm system. This report will be presented to the regional CLOs for verification. If the cable remains out of alarm for 5 days the CLO will forward the alarm report on to the contract manager and be deemed out of alarm. NDC will report on a monthly basis. Any penalties relating to this KPI will be measured and applied on a quarterly basis. To achieve the targets agreed to, NDC must have submitted 825 reports each quarter referring to cables they have taken out of alarm until the backlog is eliminated. For every cable short of this target NDC will be penalised $450.

KPI 3 Response to new alarms

The contractor is to acknowledge and interpret all new alarms within one hour of being in alarm and take appropriate action to take the cable(s) out of the alarm state. No new alarm shall remain active for more than 5 calendar days.

This action will drive the contractor to ensure that timely action is taken to all new faults in both cables and systems to ensure that the risk of failure is minimised and the state of the network is improved. By ensuring that system components remain active, the monitoring and visibility of the network remains high and again the risks of problems are minimised.

KPI 4 Reduction in the number of cylinders in the network

Contractor is to reduce the number of air cylinders supporting the network over the period of the contract. This, in conjunction with KPI 2, will ensure a steady improvement in the health of the pressurised network.

NDC to report on the total number of cylinders used to support the network each month

To support this KPI in an incentive/penalty arrangement, payments for the Backlog Bottle Support are reduced gradually across the term of the contract. The implementation of a more formal
approval process for those sites requiring long term bottle support will ensure that sites will not remain on cylinder support for extended periods unless there are extenuating circumstances.

(2) Telstra advises that the strategy was developed in May 2002.

(3) According to Telstra, the revised strategy was implemented in July 2002.

(4) According to Telstra, National Network Solutions (NNS) has no direct involvement in the development or ongoing management of the CPAS strategy. Telstra advises that NNS undertakes a role of secondary workforce, working closely with NDC in undertaking the current CPAS program of work. For example, NNS is currently involved with the “accelerated” program of works.

(5) According to Telstra, the “grease-type” material is a blend of petroleum based and synthetic oils and waxes. It is injected into the cable core during cable manufacture to fill the space between the insulated conductors, and between the cable core and sheath.

(6) Telstra advises that grease filling of cables was trialed in Australia in the late 1970s and regular use commenced in the early 1980s.

(7) According to Telstra, grease filling is used in plastic insulated, underground cables of sizes ranging from 2 pairs up to 800 pairs.

(8) Telstra advises that a hollow plastic tube called Dekabond is used to bypass all grease filled sections in air core cables. This tubing allows air to be fed to cables sections past the grease type cable.

(9) According to Telstra, the process of installing Dekabond tubing is the Telstra standard and is to be used in all cases.

(10) Telstra advises that, if the process of installing Dekabond is not carried out, it is picked up by audits or the activation of alarms. Telstra advises that installation of Dekabond tubing where required is being undertaken as part of the maintenance strategy.

(11) Telstra advises that about 12 to 13% of the total of large size cable lengths installed in the network is grease filled. This figure is a percentage of the total sheath length installed, not numbers of cables. This figure accounts for main cables but not distribution cables which run from pillars/cabinets to customers. According to Telstra, data for these smaller cables is not readily available. Telstra has advised that over 99% of all copper conductor, underground cable now being installed into Telstra’s network is grease filled.

(12) According to Telstra, approximately 61% of cables in the Mains and Junction network are pressurised. The remainder is made up of grease filled or optical fibre cables which do not require pressurisation. Main cables run from Exchanges to a distribution point (cabinet/pillar) and junction cables are the inter-exchange cables. Telstra advises that other air core cables in the distribution (cabinet/pillar to customer premises) network are not normally pressurised and therefore Telstra is unable to calculate air supported cables as a percentage of total cables.

(13) Telstra advises that the gel sealant was not used on cables, it was used in joints. According to Telstra, there are approximately 2.1 million gel filled joints in the Access Network and it estimates that around 3% of these may be affected by the gel sealant reacting with wet cable. Telstra advises that gel filled joints which remain dry perform satisfactorily.

(14) Telstra advises that grease filling and air pressurisation are the two methods used to minimise the ingress of water into the cables.

Telstra: Gas Bottles

(Question No. 1309)

Senator Mackay asked the Minister for Communications, Information Technology and the Arts, upon notice, on 24 March 2003:
With respect to question no. 6 taken on notice by Telstra during the Environment, Communications, Information Technology and the Arts References Committee hearing on 6 December 2002, into the Australian Telecommunications Network:

(1) What is the cost to rent a gas bottle: (a) per week; (b) per month; and (c) per year.
(2) What is the cost to refill a gas bottle each time it is refilled.
(3) What is the current cost of the total contract within Network Design and Construction (NDC) for the rental and refilling of gas bottles.
(4) When did the contract with NDC increase from $19 million to $40 million; if these figures are not accurate, please detail the cost of the NDC contract, and any changes over the past 3 years.
(5) What was the total annual cost of rental and refilling of gas bottles, on a state by state basis, for each of the past 6 years.
(6) Can a list of companies which supply gas bottles to Telstra, on a state-by-state basis, be provided.
(7) How many gas bottles are being rented in each state, for each month, for each of the following years: (a) 2002; and (b) 2003 to date.
(8) How many gas bottle refills were needed in each state, for each month, for each of the following years: (a) 2002; and (b) 2003 to date.

Senator Alston—The answer to the honourable senator’s question, based on information provided by Telstra, is as follows:

(1) Telstra advises that the product sourcing agreement between Telstra and its supplier sets the cost of renting a gas bottle. The rental is set on a monthly basis. According to Telstra, the agreement has a confidentiality provision which restricts disclosure of specific pricing information by Telstra.
(2) According to Telstra, on the change over of a gas bottle there is a fixed and a variable cost component. The variable component includes the costs of transport, local production costs and storage. According to Telstra, the product sourcing agreement with its supplier has a confidentiality provision, which restricts disclosure of specific pricing information.
(3) Telstra advises that as at 30 April 2003, the Year to Date air bottle supplier costs (only) total $1,745,229 with an estimated End of Year cost of approximately $2.094 million.
(4) According to Telstra, the contract value of its Network Design and Construction (NDC) contract has not changed for the last 2 years. That is, for 2002/03 the contract value was $19.1 million and has not varied. Telstra anticipates subsequent year values are to be in approximately the same order of magnitude.
(5) Telstra advises that data showing this detail over this time period is not available. NDC has been the contractor since January 2001 and $3,920,000 per annum is the approximate annual cost of rental and refilling, and the labour to change the bottles over. Telstra advises this estimated figure has remained the same for 2002/03.
(6) Telstra advises that it has a national product sourcing agreement with BOC. According to Telstra, no other companies are available to source dry air cylinders on a national basis.
(7) According to Telstra, actual cylinder rental data is not available, however it is estimated that during 2002/03 an average of 3,500 cylinders were rented per month.
(8) Telstra has supplied the following data that is taken from NDC monthly reports to Telstra. Telstra advises that due to inconsistencies in reporting methodologies and definitions, these figures can only be considered estimates.
Gas bottle refills according to State

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**Telstra: Cabling**

**(Question No. 1310)**

**Senator Mackay** asked the Minister for Communications, Information Technology and the Arts, upon notice, on 24 March 2003:

With respect to question no. 7 taken on notice by Telstra during the Environment, Communications, Information Technology and the Arts References Committee hearing on 6 December 2002, into the Australian Telecommunications Network:

(1) What is the proper method for permanently fixing lead cables.
(2) What is the proper method for permanently fixing lead to plastic cables.
(3) What is the proper method for permanently fixing moisture barrier cables.
(4) What is the proper method for permanently fixing optical fibre cables.
(5) What is the proper method for permanently fixing plastic cable joints now that the gel cannot be used.
(6) If use of plastic bags is not a widespread or standard company practice, what is the standard company practice now for the temporary restoration and protection of cables damaged by gel corrosion and moisture.
(7) On what date were staff instructed not to use plastic bags on cables.
(8) What is standard company practice material alternative now used instead of plastic bags.
(9) Prior to this instruction not to use plastic bags, what was the standard company practice for the temporary protection of cables damaged by moisture and gel corrosion.
(10) What is the standard company practice for the permanent repair of cable joints after problems with corrosion by the gel were discovered.

**Senator Alston**—The answer to the honourable senator’s question, based on information provided by Telstra, is as follows:
(1) Telstra advises that the proper method for permanently fixing lead cables depends on a variety of factors such as the type, location, severity and extent of the fault or damage to be fixed. For example, a small hole in an otherwise undamaged cable sheath at a readily accessible point in a manhole would be repaired by lead wiping or application of a heat shrinkable, wraparound repair sleeve. According to Telstra, if a cable in conduit has been severed or significantly damaged at a location between two jointing pits and cannot be joined at that location then that section of cable would be replaced by jointing in a new cable between the two pits.

(2) According to Telstra, the proper method for permanently fixing lead to plastic cables depends upon interpretation of the term ‘fixing’. That is, whether it is to repair or attach. Telstra advises that in terms of repair, the proper method of permanently fixing lead to plastic cables depends on a variety of factors such as the type, location, severity and extent of the fault or damage to be fixed. For example, a small hole in an otherwise undamaged cable sheath at a readily accessible point in a manhole would be repaired by lead wiping or application of a heat shrinkable, wraparound repair sleeve. According to Telstra, a severed or significantly damaged cable would be repaired by connector jointing the conductors from either side and applying a heat shrinkable, wraparound, in line joint closure.

In terms of attaching, Telstra advises that the proper method for permanently fixing lead to plastic cables is to connector joint the conductors from one cable to the other, then apply a heat shrinkable, wraparound, in line joint closure.

(3) Telstra advises that the proper method for permanently fixing moisture barrier cables depends on a variety of factors such as the type, location, severity and extent of the fault or damage to be fixed. For example, a small hole in an otherwise undamaged cable sheath at a readily accessible point in a manhole would be repaired by application of a heat shrinkable, wraparound repair sleeve. According to Telstra, if a cable in conduit has been severed or significantly damaged at a location between two jointing pits and cannot be joined at that location then that section of cable would be replaced by jointing in a new cable between the two pits.

(4) According to Telstra, the proper method for permanently fixing optical fibre cables is to join the existing cable with a replacement cable using standard optical fibre cable joints. Telstra approved Universal Cable Joint Closures are used for jointing the cable and after jointing, the Closures can be located in existing pits or buried underground. Where appropriate, cable replacement takes place between existing joints so that no additional joints are introduced, thus preserving the end to end cable performance.

(5) Telstra advises that the methods for fixing plastic cable joints have not changed as a result of gel encapsulation. According to Telstra, the proper method of permanently fixing plastic cable joints depends on a variety of factors such as the type, severity and extent of the fault or damage to be fixed. For example, if a joint fault is traced to a number of faulty connectors then those connectors are replaced within the joint and the joint re-closed. If the length of conductors or quality of insulation within the joint closure is insufficient to effect repairs within the closure then the joint is remade with a new closure.

(6) According to Telstra, if such damaged cable cannot be immediately replaced or permanently repaired then the temporary restoration and protection applied will depend on the specifics of the damaged plant. The appropriate temporary repair and extent of work will be determined through assessment by the on site staff who may also consult with their supervisor. For example, sections of damaged conductor within a joint may be shortened and respliced with new connectors to restore customer service. Telstra advises that if the cable damage is adjacent to the gel encapsulated joint then that section of cable may be replaced by cutting back and rejoicing using standard connectors and joint closure.
(7) Telstra has advised that staff were not instructed on a single or specific date not to use plastic bags. Rather, staff Information Briefs and Service Excellence bulletins were used to outline in positive terms appropriate practices rather than profiling inappropriate practices. By outlining the preferred approach, the non-standard approach is discouraged. Further, Telstra advises that field staff receive verbal team briefs regularly and the inappropriate use of plastic bags has been discussed in these forums.

(8) Telstra advises that standard connectors and joint closures are used as described in response to part (6) above.

(9) Telstra advises that standard connectors and joint closures are used as described in response to part (6) above and that plastic bags were not standard practice.

(10) Telstra advises that the standard company practice is the practice outlined in response to part (5) above, which related to fixing plastic cable joints.

Telstra: Cabling
(Question No. 1311)

Senator Mackay asked the Minister for Communications, Information Technology and the Arts, upon notice, on 24 March 2003:

With respect to question no. 9 taken on notice by Telstra during the Environment, Communications, Information Technology and the Arts References Committee hearing on 6 December 2002, into the Australian Telecommunications Network:

(1) Does the ‘minimum standard’ referred to include running cables on top of the ground or along fences.

(2) Can details be provided, using the Telstra database, of the number of current instances where temporary cabling is used in this manner; if details are not available, how does Telstra account for the fact that this practice has been reported as happening in submissions to the Environment, Communications, Information Technology and the Arts References Committee, and the temporary cabling remaining in place for several months, beyond what could be described as ‘temporary’ by common standards.

(3) What would Telstra’s definition of ‘temporary’ be in this situation.

(4) Under what Customer Network Improvements (CNI) category would these types of situations be classified (i.e. CNI categories of 1, 2, 3, 4 and 5), or would they not be classified this way.

(5) How does the new strategic position of Telstra 2003 with regard to the introduction of Total Area Service Management (TASM) through 8 regional managers, compare with the previous district Telecom manager structure, including both the similarities and differences between these two systems.

(6) Will the eight new regional managers control the CNI program.

(7) How will the CNI program change under TASM.

(8) Following the introduction of TASM, will the current centralised, national CNI database still exist, or will there be separate CNI databases under each regional manager.

(9) When will this control be assumed by the eight regional managers.

(10) What is the timeline for the implementation of TASM.

Senator Alston—The answer to the honourable senator’s question, based on information provided by Telstra, is as follows:

(1) Telstra advises that the minimum standard for a temporary repair of a telephone service is to provide the customer with the ability to make and receive telephone calls. In meeting this standard,
the Communication Technician (CT) is expected to review the various options available to restore the customer’s service in a cost effective and timely manner. One option available to the CT is to install a temporary alternative cable, provided it can be undertaken safely in that particular situation. The cable may be installed “on top of the ground” or along an existing structure or within the Telstra ducting, pipe or tunnel network, so as to bypass the cable section where the fault is located. According to Telstra, each situation is independently assessed to ensure the safest, most reliable and viable alternative is used for that particular circumstance.

(2) Telstra advises that it is not possible to readily identify temporary alternative cables “on top of the ground” or “along fences” as a separate sub-group within the Telstra database, as all types of alternative temporary cable are recorded using the same indicator field. There is no specific “flag” to distinguish them from instances where a temporary alternative cable has been provided within the Telstra network of conduits, tunnels and ducting.

(3) According to Telstra, the definition of “temporary” in this case is “where a safe, technically acceptable, interim installation practice is performed to provide an immediate, stable service in response to a customer fault”. Telstra advises that it is expected that the interim solution will remain in service until the permanent restoration is implemented through the normal course of business operations.

(4) Telstra advises that the categorisation of each CNI notification registered within the Telstra database is determined on its merits and is highly situational. The location and the possibility of future safety implications, as well as the risk to customer service stability are all determinates of the categorisation. CNI’s with temporary alternative cable solutions applied are categorised using the same methodology and staff submitting a CNI (having first hand knowledge of both the site and situation) assist in determining the category to be applied to the CNI at that time. According to Telstra, changes in circumstance at the site, along with other information that may be received, could lead to a re-categorisation of the CNI.

(5) According to Telstra, its Area Management strategy (as distinct from TASM which was a trial arrangement) does have similarities to the old District Manager Structures that operated until the early 1990’s in that both have the concept of ownership for service delivery within a geographic area as the best way of managing the business and both aim to bring together local activities under a single manager. Telstra advises that they are different in two main areas. That is, customer ownership and size. Unlike the District Telecom Manager (DTM) structure, Area Managers will only be accountable for the delivery of service and investment in the access network (including management of suppliers / contractors etc). They do not ‘own the customers’ as was the case with the DTM structure, but rather act as delivery agents on behalf of Consumer & Marketing, Telstra Business & Government and Telstra Country Wide. As such, they do not have the Sales, Billing or Service Advantage elements that were part of the previous districts.

The new areas are more much larger in size than the former Districts, in fact, more the size of former Regions (an amalgamation of two or more Districts)

(6) According to Telstra, under Area Management, the Area Manager (being accountable for investment in the access network and for the delivery of service within the area), will have a direct influence in determining the timeframes and priorities of the CNI’s within their area.

(7) Telstra advises that under Area Management (not TASM), each area will have a single point of coordination for CNI’s (the Area Maintenance Risk Assessor). The Maintenance Risk Assessor will have responsibility of the overall coordination and management of CNI’s (including allocation of priorities). This position will coordinate efforts to efficiently and effectively meet CNI demand for their respective area. The Area Manager will be accountable for and have financial responsibilities with relation to the CNI’s.
(8) According to Telstra, under Area Management (not TASM), the current centralised, national CNI database will remain.

(9) According to Telstra, the General Managers for the Areas assumed control from May 2003, including CNIs for their Areas.

(10) Telstra advises that Area Management (not TASM) was introduced in May 2003, with ongoing development over the next 6 to 8 months.

Telstra: Security
(Question No. 1312)

Senator Mackay asked the Minister for Communications, Information Technology and the Arts, upon notice, on 24 March 2003:

With respect to question no. 13 taken on notice by Telstra during the Environment, Communications, Information Technology and the Arts References Committee hearing, on 6 December 2002, into the Australian Telecommunications Network:

(1) What checks does Telstra make to ensure all staff, contractors and their vehicles working on the cable network are correctly identified.

(2) Can details be provided of the additional security measures Telstra has put in place to protect the network since terrorist attacks in September 2001.

(3) What percentage of Telstra field staff have undergone Federal Police checks in each of the past 3 years.

(4) Can details be provided of the Telstra background checking process which is currently in place.

(5) Has the Telstra background checking process for staff been altered at all in the past year; if so, can details be provided.

(6) What areas in Telstra are classed as ‘sensitive’ areas.

(7) What was the rationale for Telstra deciding that the whole of the network was not to be considered a ‘sensitive’ area.

(8) Which staff and/or departments in Telstra are subject to the background checking process.

(9) What is the penalty and/or internal process for Telstra staff and contractors not wearing a Telstra photographic identification (ID) card.

(10) How does Telstra convey the direction to staff and contractors about the wearing of ID cards.

(11) How many Telstra photographic ID cards have been issued to contractors and sub-contractors in the past year.

(12) How does Telstra define ‘regular need to visit network sites’ for the issuing of photographic Telstra ID cards to contractors [reference answer 13(5)].

(13) Why are only ‘selected field staff’ required to undergo these checks [reference answer 13(2)].

(14) Does Telstra supply a Telstra uniform to any contractors and sub-contractors; if not, how are they identified as Telstra contractors.

(15) Do contractors and sub-contractors have any identification on their work vehicles that identifies them as authorised contractors.

Senator Alston—The answer to the honourable senator’s question, based on information provided by Telstra, is as follows:

(1) Telstra has a program to issue a photographic ID Card to all employees on a regular basis. Contractors employed on a long term basis (greater than 3 months) and who have a need to visit Telstra facilities are also issued with a photographic card. Identification of short term contractors

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varies across the company and is dependent on the type of site, duration of access required etc. Such identification may include provision of a temporary contractor badge, completion of an Attendance Request form together with proof of identification such as a current driver’s licence or a contracting company ID, or managed access in the company of a Telstra employee or lead contractor.

Additionally, staff and contractors who regularly visit any key network sites configured with electronic access control may be provided with an access card which enables fine tuning of the locations accessed and timing of entry.

Telstra does not require signage or branding to be displayed on prime contractor or sub-contractor vehicles.

(2) Telstra does not wish to provide details of security measures employed by the company in any forum where those details may be disseminated to the public. In general terms, there has been an ongoing process of risk management review at significant sites and a specific group has been formed tasked with managing security risks associated with Telstra’s important infrastructure. A detailed training program on risk management has been deployed and must be satisfactorily completed before access rights to network facilities are provided. Telstra is in regular contact with relevant authorities to identify and manage security risks in line with the most recent intelligence and expert opinion.

(3) The database on which these clearances are recorded allows an enquiry based on name or employee number but does not provide for statistics based on job function. Telstra estimates however that only a small percentage have undergone police checks. Only those staff involved in particular projects requiring a police check or security clearance would have been through any extensive vetting process.

According to Telstra, a review of available records indicates that it has initiated 31 Australian Federal Police record checks on staff between August 2002 and 17 April 2003. Other staff would have undergone checks sponsored by other departments or customers and conducted by the AFP and state police forces, the results of which would not necessarily have been communicated to Telstra. Staff involved in the support of CHOGM and the Sydney Olympics would be included in this.

Telstra is also conscious of the need to balance security issues with the privacy rights of all staff.

(4) Telstra utilises the services of the Australian Security Vetting Service (ASVS), a division of the Commonwealth Attorney General’s Department, to undertake vetting to standards required for national security clearances and for access to sensitive information or areas (Protected and Highly Protected). Telstra also undertakes vetting internally to the standards stipulated in the Commonwealth’s Protective Security Manual.

(5) No, there has been no material change to internal background checking processes.

(6) Telstra defines sensitive areas (and functions) based on access to sensitive information, access to cash and exercise of financial delegations, and exercise of effective control over important IT and network facilities. The company does not intend to make public its list of sensitive sites as this may draw unwanted attention to specific sites and thus generate a further security issue.

(7) The majority of the network is made up of the cable reticulation system and could be accessed by the public either directly, through cable pits or indirectly through excavation of cables. According to Telstra, it is not practical or possible to fully protect it from unauthorised access. Key cable routes and network sites are protected through provision of redundant paths and geographically diverse facilities. Further, key and strategic infrastructure is protected through a range of physical and logical security measures.
(8) Background checking processes have been used with appointments to areas handling nationally classified information or processes, access to customer IT systems and data, and to meet specific customer or ad hoc requirements. From time to time, they have been applied in appointment or recruitment to IT Local Area Network (LAN) management roles or for Telstra Shop staff.

(9) Any failure to comply with employment requirements is dealt with by local line management as a disciplinary issue. There are no stipulated minimum or maximum penalties for failure to wear an ID card. Telstra sites require company identification in order to gain entry. If an employee does not have their card they may be granted a temporary card under established processes.

(10) New staff are required to undertake a security induction training module which stipulates the requirement to wear the ID card. This module is followed up after 12 months employment by a further awareness module that reinforces this requirement. New ID cards are issued in a folded paper “card carrier” which again reiterates the company’s requirements to wear the ID. Staff who require entry into network facilities have completed further training in risk management which repeats the message. Further reminders appear from time to time in the staff newspaper and in e-mail bulletins. Awareness posters are available and displayed in many sites at local management discretion.

(11) Figures are only available for the past two years and cannot readily be broken down to identify those employed only in field or network roles. They therefore include agency call centre staff, IT support staff, administration and temporary assistants, etc. Telstra currently has a record of 33,000 separate contract personnel who have been issued approximately 60,000 ID cards. This number includes multiple reissues where an individual has been re-employed on different occasions and the card expiry date reflects the contract end date. It also includes issue of replacement cards for those lost or damaged.

(12) Telstra defines a ‘regular need to visit network sites’ as:
   - being the normal place of work; or
   - there being a requirement to visit network sites at least three days a week; and
   - there being a period contract for services to be performed.

(13) Generally, only those staff involved in servicing customers who have specific requirements for security clearances or background checking undergo this checking process.

(14) Telstra does not supply uniforms to prime contractors or sub-contractors undertaking activities in the Access Network.

Prime contractors and sub-contractors are issued with Telstra Contractor Photo Identification cards.

(15) Telstra does not require signage or branding to be displayed on prime contractor or sub-contractor vehicles.

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**Telstra: Maintenance**

(Question No. 1317)

**Senator Mackay** asked the Minister for Communications, Information Technology and the Arts, upon notice, on 24 March 2003:

With respect to question no. 30 taken on notice by Telstra during the Environment, Communications, Information Technology and the Arts References Committee hearing on 6 December 2002, into the Australian Telecommunications Network:

(1) (a) Has Telstra ever undertaken any work, including for internal purposes, of the nature of prioritising telephone exchanges according to revenue derived from them, and allocating maintenance and repair priorities based on that prioritisation; and (b) what steps did Telstra take to ascertain its answer.

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(2) Has Telstra ever done any work for internal purposes, of a similar nature to that described above; if so: (a) when was that work done; and (b) what was the exact description of that work.

(3) Can Telstra provide information of this type to the Environment, Communications, Information Technology and the Arts References Committee; if not, why not.

(4) How does Telstra ascertain what exchanges need work done on them.

(5) How does Telstra prioritise work in exchanges.

**Senator Alston**—The answer to the honourable senator’s question, based on information provided by Telstra, is as follows:

(1) (a) and (b) Telstra advises that to the best of its knowledge, it has not undertaken work for the specific purpose of allocating resources for maintenance and repairs to telephone exchanges based on revenue data. According to Telstra, there are a number of drivers that contribute to the prioritisation of telephone exchanges, such as growth, providing optimal customer service, and current and anticipated future demand. It is expected, however, that a large exchange that feeds a large number of customers, for example in a CBD area, is likely to require more resources for maintenance than a smaller exchange.

(2) (a) and (b) As outlined in response to part (1), Telstra advises that to the best of its knowledge, it has not undertaken work for the specific purpose of allocating resources for maintenance and repairs to telephone exchanges based on revenue data.

(3) As outlined in response to part (1), Telstra advises that to the best of its knowledge, it has not undertaken work for the specific purpose of allocating resources for maintenance and repairs to telephone exchanges based on revenue data.

(4) Telstra advises that allocation of funds is driven by proactive analysis of the network which prioritises projects and geographic areas where needs are greatest. Contributing factors would include growth, faults and maintenance. An example of this can be seen with Telstra’s recent announcement to invest $414 million next financial year to further improve the reliability of its national telecommunications network by undertaking a targeted program to improve network resilience, increase product availability and reduce fault levels. According to Telstra, the Network Reliability Framework will further assist in identifying areas of greatest need.

(5) Telstra advises that it prioritises work in exchanges as outlined in response to part (4).

**Dairy Regional Assistance Program: Bega Cheese**

(Question No. 1471)

**Senator O’Brien** asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 19 May 2003:

With reference to the grant of $660 645 awarded for the Bega Cheese Shredding and Mozzarella Line Project in the 2000-01 financial year under the Dairy Regional Assistance Programme (DRAP):

(1) (a) What total DRAP funds have been paid to the proponent; and (b) if paid as one sum, on what date was the payment made; if paid in instalments, what were the instalment dates and amounts paid on each date.

(2) (a) What is the name of the proponent; and (b) if the proponent is an organisation or company, does it operate on a commercial or not-for-profit basis.

(3) What is the proponent’s business address.

(4) Can a description of the project be provided.
(5) Did the department or the Minister receive representations from the Member for Eden-Monaro on behalf of the proponent and/or South East NSW Area Consultative Committee.

(6) On what date, or dates, did the department and/or the Minister inform the proponent, the South East NSW Area Consultative Committee and the Member for Eden-Monaro about the funding approval.

(7) On what date did the department and/or the Minister publicly announce the grant.

(8) In relation to the application for funding:

(a) on what date was the funding application lodged with the department;

(b) on what date was the application approved by the Minister;

(c) did the funding application comply with the DRAP guidelines; if not, can details of non-compliance be provided;

(d) if applicable, on what dates was the application varied;

(e) what total DRAP funding was sought including: (i) the goods and service tax (GST)-free amount, (ii) the GST-inclusive amount, and (iii) the specific GST amount;

(f) what preferred project start date was nominated by the proponent;

(g) what preferred project completion date was nominated by the proponent;

(h) what project objectives did the proponent nominate;

(i) what was the project rationale, including identification of need for the project and demonstrated connection to other regional or state plans;

(j) what community consultation did the proponent undertake prior to submitting the application;

(k) what previous studies or projects did the proponent nominate as relevant to the project;

(l) what project objectives and outcomes did the proponent nominate, including employment outcomes and ongoing regional benefit;

(m) in relation to employment outcomes, how many direct and indirect full-time equivalent positions did the proponent project would be generated;

(n) what additional sources of funding did the proponent nominate as being required to sustain the project at the end of the funding period;

(o) did a project plan accompany the application form nominating project milestones; if so, what major milestones were nominated by the proponent;

(p) (i) what project linkages were nominated by the proponent, including federal agencies, state agencies, local government, community organisations and the private sector, and (ii) what was the nature of the links;

(q) (i) what project management structure was proposed by the proponent, (ii) what selection process for the project manager was proposed, and (iii) if applicable, what was the proposed membership, role and terms of reference for the steering committee;

(r) what progress report timing and format did the proponent propose;

(s) what monitoring and evaluation process did the proponent propose;

(t) what assistance did the proponent advise would be received from other sources, identified by source and type;

(u) did the proponent disclose receipt of other government funding in the 3 years before the application was lodged; if so, what funding had the proponent received;

(v) did the proponent propose the purchase of assets with the DRAP funds;
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(w) did the proponent hold workers' compensation, public liability, professional indemnity and association liability insurance when the application was lodged;

(x) was the proponent a Job Network member or involved with a New Apprenticeship Centre or the Work for the Dole Program at the time the application was lodged;

(y) was the project endorsed for funding by the South East NSW Area Consultative Committee;

(z) was the proponent and/or the South East NSW Area Consultative Committee asked to provide advice on the primary and secondary electorates in which the project activity would be based; if so, why was this question asked and what answer was provided; and

(aa) did evidence of community support accompany the application or was evidence otherwise provided to the department; if so, what evidence was provided.

(9) In relation to the progress of the project:

(a) on what date did the project start;

(b) how many direct and indirect full-time equivalent positions have been generated by the project;

(c) what economic or regional benefit has the project provided;

(d) were progress payments negotiated on the basis of project activity; if so: (i) has the proponent failed to meet any agreed project milestones, and (ii) have any progress payments been delayed or withheld due to the failure to meet agreed project milestones;

(e) were all nominated project linkages (i.e. with government agencies and the private sector) realised; if not, which linkages were not realised;

(f) (i) what project management structure was established, (ii) what selection process for the project manager was adopted, and (iii) was a steering committee established;

(g) (i) what progress report timing and format was adopted, and (ii) have reporting requirements been met;

(h) (i) what monitoring and evaluation process was adopted, and (ii) has the department undertaken monitoring visits; if so, on what dates;

(i) has the project received assistance from other sources during the DRAP funding period; if so, what assistance, identified by source and type;

(j) has the proponent purchased assets with the DRAP funds; if so, did the proponent receive written permission prior to the purchase; and

(k) has the proponent maintained workers' compensation, public liability, professional indemnity and association liability insurance during the funding period.

(10) In relation to completion of the project funding period (if applicable):

(a) when did the project and/or funding period conclude;

(b) if the project is ongoing, what is its source of funding (i.e. self-funding or other sources);

(c) has the proponent properly acquitted the project by submitting a final report; if so, on what date;

(d) if applicable, has the final payment to the proponent been made;

(e) how many direct and indirect full-time equivalent positions have been generated by the project;

(f) have any assets, purchased with DRAP funds, remained the property of the Commonwealth; and
(g) has an independent evaluation been undertaken; if so: (i) who undertook the evaluation, (ii) when was it completed, and (iii) what findings did it make.

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

With reference to the grant of $660,645 awarded for the Bega Cheese Shredding and Mozzarella Line Project in the 2000-01 financial year under the Dairy Regional Assistance Programme (DRAP), I am advised as follows:

(1) (a) $612,470 (GST inclusive).
   (b) $246,235 on 23/2/2001;
       $246,235 on 19/12/2001;
       $120,000 on 4/6/2002.

(2) (a) Bega Cooperative Society Limited.
   (b) The company operates on a commercial basis.

(3) The proponent’s business address as provided on the application is 18-36 Ridge Street, North Bega, NSW, 2550.

(4) The project was to install and commission a shredded cheese line at the Ridge Street plant.

(5) Yes.

(6) No record exists of the date on which the proponent was advised by the Department. The Department informed the ACC and the Member for Eden-Monaro on 16 October 2000.

(7) The Minister publicly announced the grant on 17 October 2000.

(8) In relation to the application for funding:
   (a) 9 August 2000.
   (b) Dairy RAP applications are not approved by the Minister. The application was approved by the Departmental Delegate on 10 October 2000.
   (c) The application approved by the Department complied with Dairy RAP guidelines.
   (d) Not applicable.
   (e) (i) $600,586 (GST free amount)
       (ii) $660,645 (GST inclusive amount)
       (iii) $60,059 (GST amount)
   (f) 1 November 2000.
   (g) 1 February 2001.
   (h) Objectives as nominated by the applicant:
       • “Assume responsibility for production of shredded cheese.
       • Gain control over supply chain from ‘cow to consumer’, enabling value adding.
       • Increase the range of shredded products to meet needs of existing and potential customers.
       • Generate employment for the Bega community.
       • Provide employees the opportunity to develop their skills and provide further flexibility in the workplace.
       • Secure the long-term future of Bega’s dairying industry.”
   (i) The project rationale as nominated by the proponent:
“Bega Cheese, in planning for dairy deregulation, recognised Bega Cheese suppliers would lose their ‘quota’ rights and sought to utilise all of the supplier’s milk in the manufacture of cheddar and other dairy products. Bega Cheese is a co-operative, 100% Australian owned, the shareholders being 125 dairy farmers in the Bega Valley. Bega Cheese aimed to assume full responsibility from ‘cow to consumer’ leveraging off the leading brand in the Dairy cabinet, “Bega” and maximising supply chain value to achieve the highest possible returns for shareholders.

Shareholders recognise the importance of their co-operative to the future of the Dairy Industry, both in the local region and for NSW and appreciate the potential of their co-operative to service international markets and generate export revenue for the Australian economy.

Shareholders recognise the cooperative needs to be strong, independent and profitable to sustain the local dairy industry and have made large investments on farm and in assets and production related infrastructure.

The dairy industry is the core commercial activity in the SE NSW region employing over 1,000 permanent and part time staff and generating in excess of $100 million in turnover for the region.”

(j) Community consultation prior to submitting the application as listed by the proponent:

• “Bega Chamber of Commerce
• Bega Planning Forum
• Bega Valley Dairy Industry Working Group
• Bega Valley Shire Council
• Far South Coast Dairy Development Group Inc
• Member for Bega, Russell Smith
• Member for Eden Monaro, Gary Nairn
• NSW Dairy Farmers Association
• NSW Department of State & Regional Development
• South East NSW Area Consultative Committee”

(k) Previous studies or projects as nominated by the proponent:

The proponent advised it had completed a number of detailed evaluations as to shredded cheese equipment options. The studies were for internal purposes as various items of equipment became available and customers inquired regarding supply of shredded cheese.

The proponent submitted a proposal for funding under the Eden Region Adjustment Package which was not considered as Bega’s business fell outside the geographic boundaries that applied for that package.

(l) Objectives and outcomes as nominated by the proponent:

• “Assume direct responsibility for production of shredded cheese products
• Gain control over supply chain from ‘cow to consumer’
• Increase the range of shredded products through product innovation and development
• Generate immediate incremental employment for the Bega community - 11 direct, 23 indirect
• Provide employees the opportunity to develop their skills and provide further flexibility in the workplace
• Secure the long-term future of Bega’s dairying industry
• Local community will gain confidence in the future of the industry when they see that Bega Cheese is prepared to commit to an investment of $1.2 million supported by the Government.
• Increase employment, both during the installation phase and subsequent to commissioning, creating increased economic activity in the local business community.
• Increase the range of products available for export, generating significant foreign income for Australia.
• Increase business activity.”

(m) See question 8 (l).

(n) The proponent requires no further source of funding other than existing bank loan facilities.

(o) Yes, a project plan was submitted as part of the application; project performance indicators are used, rather than milestones in the project plan. The performance indicators as nominated by the proponent in their business plan are:
• “$600,000 support package agreed and conditions for draw down and use finalised.
• Relevant approvals signed off, capital budget approved. Bega Cheese financiers approval of project received.
• Confirmation of orders for equipment received, delivery schedules signed off. Successful tenderer to be identified.
• Equipment to arrive without damage, staff recruitment to commence.
• Plant moved, work completed according to the project plan. Interview panel selected, program for interviews resolved.
• Reports reviewed, signed off by management, short list agreed by Bega Cheese Human Resource Manager.
• Physical inspection as to status to be signed off by Group Operations Manager. Letters of offer to be sent by Human Resources Manager.
• Commissioning inspection and attendance at training reviewed by Group Operations manager.
• Final sign off by Group Operations Manager.”

(p) (i) Project linkages as nominated by the proponent:
• “Bega Chamber of Commerce
• Bega Planning Forum
• Bega Valley Dairy Industry Working Group
• Bega Valley Shire Council
• Far South Coast Dairy Development Group Inc
• Member for Bega, Russell Smith
• Member for Eden Monaro, Gary Nairn
• NSW Dairy Farmers Association
• NSW Department of State & Regional Development
• South East NSW Area Consultative Committee”

(ii) Seeking support for the project.
(q) (i) The proponent chose to manage the project.
   (ii) The proponent proposed to select the project manager from within the company.
   (iii) Not applicable.

(r) The proponent proposed progress report timing to match the performance indicators with an
independent audit report to be completed in February 2001.

(s) The monitoring and evaluation process proposed by the proponent was that the Board of
Directors of Bega Cheese were to receive regular verbal and written reports from the
committee.

(t) The proponent advised assistance from other sources only included the proponent.

(u) Yes; The proponent advised it had received funding from the NSW Department of State &
Regional Development;
   • Grant $100,000
   • Payroll Tax Concession for new employees at Ridge Street
   • Training assistance through NSW TAFE

(v) I am advised, no.

(w) When the application was lodged the proponent held Workers Compensation and Public
Liability insurance.

(x) I am advised, no.

(y) Yes.

(z) Yes, all Area Consultative Committees were asked to provide advice on primary and
secondary electorates as part of the application process for ease of the Department advising the
local Member if the project was approved. The information was not provided.

(aa) Yes. Evidence in support of the project was provided by:
   • Rod Burgess, Executive Officer, Australian Capital Region Development Council (faxed
     letter);
   • Tom D’Arcy, Far South Coast Dairy Development Group (faxed letter);
   • F. D. Foster, Chairman, Bega Valley Dairy Industry Working Group (faxed letter);
   • Stephen Guthrey, President, Bega Branch, NSW Dairy Farmers’ Association (faxed
     letter);
   • Robert Hayson, Chairman, Bega Chamber of Commerce and Industry (faxed letter);
   • D. Jesson, General Manager, Bega Valley Shire Council (faxed letter);
   • Andrew Kenny, Executive Director, New Horizons for South East Primary Industries
     (faxed letter);
   • Gary Nairn, MP, Member for Eden-Monaro (faxed letter);
   • J. Neilson, President, Bermagui Area Chamber of Commerce (faxed letter);
   • Robin Owen, Team Leader, Bega Planning Forum (faxed letter);
   • Richard Platts, Chairman, Cobargo Dairy Farmers’ Association (faxed letter);
   • John Sautelle, Chairman, Bega Business Council (faxed letter);
   • Russell Smith MLA, Member for Bega (NSW State Government) (faxed letter);
   • Helen Stafford, President, Cobargo Tourist & Business Association (faxed letter);
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• Stewart Thompson, Agribusiness Development Officer, NSW Department of State & Regional Development, Goulburn (faxed letter);
• Clinton White, Regional Manager, Australian Business Ltd (faxed letter).

(9) In relation to the progress of the project:
(a) 5 February 2001.
(b) To date, 22 positions attributable to the project have been reported. The project is still to be completed.
(c) The full extent of regional and economic benefits provided by this project is yet to be determined.
(d) Milestones against which progress payments are set by Regional Offices on the basis of project activity.
   (i) Yes.
   (ii) Yes.
(e) The full extent to which nominated project linkages have been realised is yet to be determined.
(f) (i) The project management structure is detailed in the application and reviewed as part of the assessment process prior to approval and agreed to as part of the signed contract. The Bega Cheese Board of Directors carried out project management.
   (ii) No project manager was appointed.
   (iii) No.
(g) (i) The proponent was contracted to provide monthly progress reports. The format of the reports is specified in the Contract.
   (ii) No. The proponent has not provided regular reports, despite repeated requests from Regional Office.
(h) (i) Project monitoring was to be carried out by regular reporting, with a final report, evaluation and audit to be provided on completion of the project. The format for reports and evaluation is outlined in the Contract.
   (ii) Yes. 1 March 2001 and 23 May 2002.
(i) Additional assistance from other sources was not received for this project.
(j) Yes; Yes.
(k) To the best of the department’s knowledge the proponent has maintained the required insurances during the funding period.

(10) In relation to completion of the project funding period (if applicable):
(a) Not applicable. The project is not complete.
(b) Not applicable. The project is not complete.
(c) Not applicable. The project is not complete.
(d) Not applicable. The project is not complete.
(e) Not applicable. The project is not complete.
(f) Ownership of assets purchased with DRAP funds vests with the funding recipient.
(g) Not applicable. The project is not complete.
**Dairy Regional Assistance Program: Strategic Response to Implementation Project**

(Question No. 1472)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 19 May 2003:

With reference to the grant of $39,974 awarded for the Strategic Response to Dairy RAP Implementation Project in the 2000-01 financial year under the Dairy Regional Assistance Programme (DRAP):

1. (a) What total DRAP funds have been paid to the proponent; and (b) if paid as one sum, on what date was the payment made; if paid in instalments, what were the instalment dates and amounts paid on each date.

2. (a) What is the name of the proponent; and (b) if the proponent is an organisation or company, does it operate on a commercial or not-for-profit basis.

3. What is the proponent’s business address.

4. Can a description of the project be provided.

5. Did the department or the Minister receive representations from the Member for Eden-Monaro on behalf of the proponent and/or South East NSW Area Consultative Committee.

6. On what date, or dates, did the department and/or the Minister inform the proponent, the South East NSW Area Consultative Committee and the Member for Eden-Monaro about the funding approval.

7. On what date did the department and/or the Minister publicly announce the grant.

8. In relation to the application for funding:
   (a) on what date was the funding application lodged with the department;
   (b) on what date was the application approved by the Minister;
   (c) did the funding application comply with the DRAP guidelines; if not, can details of non-compliance be provided;
   (d) if applicable, on what dates was the application varied;
   (e) what total DRAP funding was sought including: (i) the goods and service tax (GST)-free amount, (ii) the GST-inclusive amount, and (iii) the specific GST amount;
   (f) what preferred project start date was nominated by the proponent;
   (g) what preferred project completion date was nominated by the proponent;
   (h) what project objectives did the proponent nominate;
   (i) what was the project rationale, including identification of need for the project and demonstrated connection to other regional or state plans;
   (j) what community consultation did the proponent undertake prior to submitting the application;
   (k) what previous studies or projects did the proponent nominate as relevant to the project;
   (l) what project objectives and outcomes did the proponent nominate, including employment outcomes and ongoing regional benefit;
   (m) in relation to employment outcomes, how many direct and indirect full-time equivalent positions did the proponent project would be generated;
   (n) what additional sources of funding did the proponent nominate as being required to sustain the project at the end of the funding period;
(o) did a project plan accompany the application form nominating project milestones; if so, what major milestones were nominated by the proponent;

(p) (i) what project linkages were nominated by the proponent, including federal agencies, state agencies, local government, community organisations and the private sector, and (ii) what was the nature of the links;

(q) (i) what project management structure was proposed by the proponent, (ii) what selection process for the project manager was proposed, and (iii) if applicable, what was the proposed membership, role and terms of reference for the steering committee;

(r) what progress report timing and format did the proponent propose;

(s) what monitoring and evaluation process did the proponent propose;

(t) what assistance did the proponent advise would be received from other sources, identified by source and type;

(u) did the proponent disclose receipt of other government funding in the 3 years before the application was lodged; if so, what funding had the proponent received;

(v) did the proponent propose the purchase of assets with the DRAP funds;

(w) did the proponent hold workers’ compensation, public liability, professional indemnity and association liability insurance when the application was lodged;

(x) was the proponent a Job Network member or involved with a New Apprenticeship Centre or the Work for the Dole Program at the time the application was lodged;

(y) was the project endorsed for funding by the South East NSW Area Consultative Committee;

(z) was the proponent and/or the South East NSW Area Consultative Committee asked to provide advice on the primary and secondary electorates in which the project activity would be based; if so, why was this question asked and what answer was provided; and

(aa) did evidence of community support accompany the application or was evidence otherwise provided to the department; if so, what evidence was provided.

(9) In relation to the progress of the project:

(a) on what date did the project start;

(b) how many direct and indirect full-time equivalent positions have been generated by the project;

(c) what economic or regional benefit has the project provided;

(d) were progress payments negotiated on the basis of project activity; if so: (i) has the proponent failed to meet any agreed project milestones, and (ii) have any progress payments been delayed or withheld due to the failure to meet agreed project milestones;

(e) were all nominated project linkages (i.e. with government agencies and the private sector) realised; if not, which linkages were not realised;

(f) (i) what project management structure was established, (ii) what selection process for the project manager was adopted, and (iii) was a steering committee established;

(g) (i) what progress report timing and format was adopted, and (ii) have reporting requirements been met;

(h) (i) what monitoring and evaluation process was adopted, and (ii) has the department undertaken monitoring visits; if so, on what dates;

(i) has the project received assistance from other sources during the DRAP funding period; if so, what assistance, identified by source and type;
(j) has the proponent purchased assets with the DRAP funds; if so, did the proponent receive written permission prior to the purchase; and
(k) has the proponent maintained workers’ compensation, public liability, professional indemnity and association liability insurance during the funding period.

(10) In relation to completion of the project funding period (if applicable):
(a) when did the project and/or funding period conclude;
(b) if the project is ongoing, what is its source of funding (i.e. self-funding or other sources);
(c) has the proponent properly acquitted the project by submitting a final report; if so, on what date;
(d) if applicable, has the final payment to the proponent been made;
(e) how many direct and indirect full-time equivalent positions have been generated by the project;
(f) have any assets, purchased with DRAP funds, remained the property of the Commonwealth; and
(g) has an independent evaluation been undertaken; if so: (i) who undertook the evaluation, (ii) when was it completed, and (iii) what findings did it make.

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

With reference to the grant of $39,974 awarded for the Strategic Response to Dairy RAP Implementation Project in the 2000-01 financial year under the Dairy Regional Assistance Programme (DRAP), I am advised as follows:

(1) (a) $39,974 (GST inclusive).
   (b) $25,983.10 on 6/4/2001;
      $9,993.50 on 19/12/2001;

(2) (a) South East NSW Area Consultative Committee.
   (b) The organisation operates on a not-for-profit basis.

(3) The proponent’s business address as provided on the application is Shop 6, 187 Carp Street, Bega, NSW, 2550

(4) The project was to strategically guide the implementation of the Dairy Regional Assistance Programme in accordance with regional priorities.

(5) Yes.

(6) The Department informed the ACC, the proponent for this project, on 10 April 2001. No record exists of the date on which the Member for Eden Monaro was advised.

(7) The Minister publicly announced the grant on 11 April 2001.

(8) In relation to the application for funding:
   (a) 22 December 2000.
   (b) Dairy RAP applications are not approved by the Minister. The application was approved by the Departmental Delegate on 21 February 2001.
   (c) The application approved by the Department complied with Dairy RAP guidelines.
   (d) Not applicable.
   (e) (i) $36,340 (GST free amount)
Tuesday, 19 August 2003

(ii) $39,974 (GST inclusive amount)
(iii) $3,634 (GST amount)

(f) 1 March 2001.
(g) 28 February 2002.

(h) Objectives as nominated by the applicant:
   • “Identify, encourage and assist eligible private sector and not-for-profit organisations to
develop appropriate project proposals;
• Foster enterprise development where appropriate as a means of off-setting the impact of
deregulation;
• Facilitate community and other stakeholder consultation and discussion regarding the
impact of deregulation;
• Facilitate smooth implementation of approved projects;
• Actively monitor progress and success of projects;
• Provide feedback to the ACC Executive Officer on the impacts of deregulation.”

(i) The project rationale as nominated by the proponent:
   “6 Area Consultative Committees (ACC’s) cover NSW dairy dependent communities. In each
case the ACC Executive Officer (EO) has established networks and is in the process of
expanding these to successfully implement DRAP. This project will enable the EO to lead a
prolonged campaign developing sound DRAP projects.
This project will address social dislocation in South East NSW arising from dairy
deregulation. Deregulation has already caused significant social dislocation. The dairy
industry is still to experience the full impact of the deregulation and the various elements of
the restructuring package. As a consequence the community needs the lead to be taken by this
ACC to promote and foster viable project proposals.
The ACC is comprised of key business and community leaders and is well placed to
coordinate stakeholders and proponents in accessing DRAP to address social dislocation in the
region.
The ACC is an organisation skilled in identifying and advising project proponents. The
experience and skills the ACC Board Members and the Executive Officer have in this field
make them an ideal body to coordinate the implementation of DRAP in the region.”

(j) Community consultation prior to submitting the application as listed by the proponent:
   • “NSW Department of Agriculture
   • Dairy Family
   • Dairy Industry Development Corporation
   • Dairy Women
   • Bega Co-operative society
   • Shire councils
   • Centrelink
   • private companies.”

(k) Previous studies or projects as nominated by the proponent:
   • “Reports that have involved the dairy industry include “10 Bega Valley Benchmarking
Program”.

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• The Impact of Water Reform and Dairy Deregulation on the economy of Bega Valley Shire.
• Economic Profile for the Bega Valley Shire’’

(l) Objectives and outcomes as nominated by the proponent:

“This project aims to support South East NSW dairy-dependent communities to initiate, develop and seek funding for projects under the Dairy Regional Assistance Programme and other funding alternatives. The project aims to ensure that dairy-dependent communities in South East NSW successfully develop worthwhile projects that will maintain and generate sustainable employment within the regions, as well as help address social dislocation following the deregulation of the dairy industry.

The project will assist in identifying and coordinating funding applications in conjunction with sponsor organisations.

Employment outcomes will be an indirect result of this project through the facilitation of appropriate DRAP projects and other funding alternatives.”

(m) See question 8 (l).

(n) The proponent was not aware at the time of application whether subsequent funding will be required to address the needs of the South East NSW ACC in respect of assistance to promote the Dairy Regional Assistance Programme.

(o) Yes, a project plan was submitted as part of the application; project performance indicators are used, rather than milestones in the project plan. The performance indicators as nominated by the proponent in their business plan are:

• Stakeholders identified, met with and briefed on the DRAP programme
• Mechanism established and appropriate feedback provided
• 6 - 9 (2-3 per round over 3 rounds) suitable DRAP applications submitted and approved by the Department.
• Feedback provided on the impact of dairy deregulation on dairy communities

(p) (i) Project linkages as nominated by the proponent:

• NSW Department of Agriculture – identifier of potential projects
• Dairy programs
• Bega Valley and Eurobodalla Shires
• Dairy Women
• Dairy Industry Development Corporation
• Various business that have the capacity to expand

(ii) Consulting with a view to identifying projects.

(q) (i) The proponent chose to manage the project.

(ii) The proponent proposed that recruitment could be through a direct approach to a capably skilled person.

(iii) Not applicable.

(r) The proponent proposed quarterly progress reports against the project plan.

(s) The monitoring and evaluation process proposed by the proponent was the proponent would prepare a final evaluation report reporting against the project plan and that its impact in
assisting dairy dependent communities. Progress was to be monitored at the completion of each Dairy RAP round within the 12 months the project operated.

(i) The proponent advised assistance from other sources only included the proponent providing in-kind funding of a car, premises, evaluation and software.

(u) Yes; The proponent advised it had received funding to run the ACC since 1995. Managed two Regional Assistance Programme (RAP) projects. Managed a project under IEP.

(v) I am advised, no.

(w) The proponent advised it had received funding to run the ACC since 1995. Managed two Regional Assistance Programme (RAP) projects. Managed a project under IEP.

(x) I am advised, no.

(y) Yes.

(z) Yes; all Area Consultative Committees were asked to provide advice on primary and secondary electorates as part of the application process for ease of the Department advising the local Member if the project was approved. The information was not provided.

(aa) I am advised, no.

(9) In relation to the progress of the project:

(a) 1st March 2003.

(b) The final report of the project states that the approved projects are expected to create approximately 100 direct jobs, and have already been responsible for an increase in local economic activity generally which will potentially create several hundred indirect jobs over the next few years.

(c) The economic or regional benefits of the project as indicated in the final report are as follows:

• Four projects were approved, worth over $1 million in total. Each of the funded projects generated the forecast direct employment.

• The benefits of DRAP support for the Bega Cheese project flow directly to those at risk by deregulation - dairy farmers, their employees and suppliers. Other projects funded have had smaller impacts but together contribute significantly to the region’s economic future.

• The local press and radio campaign generated 26 identifiable responses, and raised the profile of the programme generally.

(d) Milestones against which progress payments are set by Regional Offices on the basis of project activity.

(i) I am advised, no.

(ii) I am advised, no.

(e) Yes.

(f) (i) The project management structure is detailed in the application and reviewed as part of the assessment process prior to approval and agreed to as part of the signed contract.

(ii) The selection process adopted was to advertise through local papers that cover the region from Batemans Bay to Eden. An appropriate selection panel was formed, and the selected candidate was treated as an employee of the ACC for the duration of the project.

(iii) I am advised, no.

(g) (i) The contract specifies that progress reports are to be provided by the proponent quarterly.
(ii) Yes. The proponent provided progress reports on a quarterly basis. The reports were in the format specified by the Department and included information as stated in the Contract.

(h) (i) The monitoring and evaluation process adopted for this project included the following:
   • Monitoring of progress through quarterly reports.
   • Preparation of a final evaluation report, which will report against the project plan, its impact in assisting dairy dependent communities.
   • Progress monitored at the completion of each DRAP round within the 12 months the project operated.

(ii) No. Monitoring visits are not mandatory. The funding contract requires the proponent to make the project premises and records available should such an inspection be requested.

(i) I am advised, no.

(j) Yes; yes.

(k) To the best of the department’s knowledge the proponent has maintained the required insurances during the funding period.

(10) In relation to completion of the project funding period (if applicable):

(a) 28 July 2002.

(b) Funding to continue the position was sourced through Dairy RAP.

(c) Yes, 2 September 2002.

(d) Yes.

(e) 50 indirect positions.

(f) Ownership of assets purchased with DRAP funds vests with the funding recipient.

(g) Yes.

(i) The project was evaluated by the South East Area Consultative Committee, with the expenditure of funds being audited. The independent audit was carried out by Kothes Chartered Accountants, Bega.

(ii) The evaluation was completed in April 2002. The audit was completed on 2 September 2002.

(iii) The evaluation found that:
   • The impact of diary deregulation in Southern NSW dairy regions (Eurobodalla and Bega) was softened by the vigorous activities of Bega Cooperative.
   • During the DRAP contract 50 possible projects were considered.
   • Local press and radio campaign generated 26 responses.
   • Approved DRAP projects were likely to create 100 jobs.

   The audit found that all funds were expended in accordance with the DRAP funding contract and a true and fair statement of the financial records was certified.

Dairy Regional Assistance Program: Alternative Industry Starter Kits

(Question No. 1473)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 19 May 2003:

With reference to the grant of $39 914 awarded for the Alternative Industry Starter Kits Project in the 2000-01 financial year under the Dairy Regional Assistance Programme (DRAP):
(1) (a) What total DRAP funds have been paid to the proponent; and (b) if paid as one sum, on what date was the payment made; if paid in instalments, what were the instalment dates and amounts paid on each date.

(2) (a) What is the name of the proponent; and (b) if the proponent is an organisation or company, does it operate on a commercial or not-for-profit basis.

(3) What is the proponent’s business address.

(4) Can a description of the project be provided.

(5) Did the department or the Minister receive representations from the Member for Eden-Monaro on behalf of the proponent and/or South East NSW Area Consultative Committee.

(6) On what date, or dates, did the department and/or the Minister inform the proponent, the South East NSW Area Consultative Committee and the Member for Eden-Monaro about the funding approval.

(7) On what date did the department and/or the Minister publicly announce the grant.

(8) In relation to the application for funding:
   (a) on what date was the funding application lodged with the department;
   (b) on what date was the application approved by the Minister;
   (c) did the funding application comply with the DRAP guidelines; if not, can details of non-compliance be provided;
   (d) if applicable, on what dates was the application varied;
   (e) what total DRAP funding was sought including: (i) the goods and service tax (GST)-free amount, (ii) the GST-inclusive amount, and (iii) the specific GST amount;
   (f) what preferred project start date was nominated by the proponent;
   (g) what preferred project completion date was nominated by the proponent;
   (h) what project objectives did the proponent nominate;
   (i) what was the project rationale, including identification of need for the project and demonstrated connection to other regional or state plans;
   (j) what community consultation did the proponent undertake prior to submitting the application;
   (k) what previous studies or projects did the proponent nominate as relevant to the project;
   (l) what project objectives and outcomes did the proponent nominate, including employment outcomes and ongoing regional benefit;
   (m) in relation to employment outcomes, how many direct and indirect full-time equivalent positions did the proponent project would be generated;
   (n) what additional sources of funding did the proponent nominate as being required to sustain the project at the end of the funding period;
   (o) did a project plan accompany the application form nominating project milestones; if so, what major milestones were nominated by the proponent;
   (p) (i) what project linkages were nominated by the proponent, including federal agencies, state agencies, local government, community organisations and the private sector, and (ii) what was the nature of the links;
   (q) (i) what project management structure was proposed by the proponent, (ii) what selection process for the project manager was proposed, and (iii) if applicable, what was the proposed membership, role and terms of reference for the steering committee;
   (r) what progress report timing and format did the proponent propose;
(s) what monitoring and evaluation process did the proponent propose;
(t) what assistance did the proponent advise would be received from other sources, identified by source and type;
(u) did the proponent disclose receipt of other government funding in the 3 years before the application was lodged; if so, what funding had the proponent received;
(v) did the proponent propose the purchase of assets with the DRAP funds;
(w) did the proponent hold workers’ compensation, public liability, professional indemnity and association liability insurance when the application was lodged;
(x) was the proponent a Job Network member or involved with a New Apprenticeship Centre or the Work for the Dole Program at the time the application was lodged;
(y) was the project endorsed for funding by the South East NSW Area Consultative Committee;
(z) was the proponent and/or the South East NSW Area Consultative Committee asked to provide advice on the primary and secondary electorates in which the project activity would be based; if so, why was this question asked and what answer was provided; and
(aa) did evidence of community support accompany the application or was evidence otherwise provided to the department; if so, what evidence was provided.

(9) In relation to the progress of the project:
(a) on what date did the project start;
(b) how many direct and indirect full-time equivalent positions have been generated by the project;
(c) what economic or regional benefit has the project provided;
(d) were progress payments negotiated on the basis of project activity; if so: (i) has the proponent failed to meet any agreed project milestones, and (ii) have any progress payments been delayed or withheld due to the failure to meet agreed project milestones;
(e) were all nominated project linkages (i.e. with government agencies and the private sector) realised; if not, which linkages were not realised;
(f) (i) what project management structure was established, (ii) what selection process for the project manager was adopted, and (iii) was a steering committee established;
(g) (i) what progress report timing and format was adopted, and (ii) have reporting requirements been met;
(h) (i) what monitoring and evaluation process was adopted, and (ii) has the department undertaken monitoring visits; if so, on what dates;
(i) has the project received assistance from other sources during the DRAP funding period; if so, what assistance, identified by source and type;
(j) has the proponent purchased assets with the DRAP funds; if so, did the proponent receive written permission prior to the purchase; and
(k) has the proponent maintained workers’ compensation, public liability, professional indemnity and association liability insurance during the funding period.

(10) In relation to completion of the project funding period (if applicable):
(a) when did the project and/or funding period conclude;
(b) if the project is ongoing, what is its source of funding (i.e. self-funding or other sources);
(c) has the proponent properly acquitted the project by submitting a final report; if so, on what date;
(d) if applicable, has the final payment to the proponent been made;
(e) how many direct and indirect full-time equivalent positions have been generated by the project;
(f) have any assets, purchased with DRAP funds, remained the property of the Commonwealth; and
(g) has an independent evaluation been undertaken; if so: (i) who undertook the evaluation, (ii) when was it completed, and (iii) what findings did it make.

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

With reference to the grant of $39,914 awarded for the Alternative Industry Starter Kits Project in the 2000-01 financial year under the Dairy Regional Assistance Programme (DRAP), I am advised as follows:

(1) (a) $31,422 (GST inclusive) of the $34,914 requested and approved under the Dairy Regional Assistance Programme.
(b) $22,694.10 on 9/7/2001;
   $8,728.50 on 5/11/2002.
(2) (a) Sapphire Coast Producers Association Inc.
(b) The organisation operates on a not-for-profit basis.
(3) The proponent’s business address as provided on the application is 163 Auckland Street, Bega, NSW, 2550
(4) The project was to increase agricultural production in new emerging products that have strong niche market value, by providing accurate and current information for SE NSW Dairy Farmers about these economically viable alternative land uses.
(5) Yes.
(7) The Minister publicly announced the grant on 11 April 2001.
(8) In relation to the application for funding:
(a) 8 August 2000.
(b) Dairy RAP applications are not approved by the Minister. The application was approved by the Departmental Delegate on 29 March 2001.
(c) The application approved by the Department complied with Dairy RAP guidelines.
(d) 22 November 2000.
(e) (i) $31,740 (GST free amount)
      (ii) $34,914 (GST inclusive amount)
      (iii) $3,174 (GST amount)
(g) August 2001.
(h) Objectives as nominated by the applicant:
   • “Increase agricultural production in new emerging products by providing accurate and current information for SE NSW Dairy Farmers about economically viable alternative land uses.
• Promote viable alternatives for supplementary income to dairy farmers and those engaged in traditional agricultural practices.
• To create three specific agricultural product information packages – 1) Plantation Grown Flowers, 2) Organic Food Production, 3) Small Species Meat Production.
• Research, update, collate and word process information into a user-friendly format that is specific to the SE of NSW.
• This then has to be printed, bound, distributed and launched to Dairy farmers and eventually to other landholders in the SE of NSW.
• The Kits then will be promoted on an ongoing basis."

(i) The project rationale as nominated by the proponent:
• “SCP A is meeting a community need for alternative economically viable agricultural solutions for a number of years.
• The Bega Valley Shire area is economically dependent on Dairying, and with deregulation, at least $10.5 million per year of primary production income will be withdrawn annually from the area as of July 2000.
• Of the 131 Bega dairy farmers, NSW Agriculture’s current best estimates are that 6 will leave the industry ASAP, and possibly another 12 will go within 12 months. The local Dairy Farmers Association (DFA) estimates that of the remaining farmers 10% will actively pursue some form of farm diversification.
• This project will be targeted at dairy farmers then later at landowners who will require extra on-farm income or those who wish to enter some form of a share-farming agreement.
• The Kits aim to assist in the introduction of non-traditional agricultural diversity to dairy farmers wishing to remain farming within the Bega district.
• SCPA appears to be the only local organisation promoting and providing support for rural income diversification.
• SCPA aims to see a tenfold increase in the production of flowers, small species meat, and organic produce in the Bega Valley Shire over the next 5 years. This aim is supported by all local peak Farming bodies who recognise the future for agriculture in this region is linked to these types of emerging rural industries.”

(j) Community consultation prior to submitting the application as listed by the proponent:
• “Area Consultative Committee
• Agriculture NSW - District Dairy Officer
• Bega Valley Shire Council Planning Development Manager
• Bega Planning Forum
• SERTEC
• Bega Dairy Farmers Association
• South Coast Business Enterprise Centre
• NSW Farmers Association local group
• Bega Dairy Farmers Association
• Bega Business Council
• New Horizons Consultants”

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(k) Previous studies or projects as nominated by the proponent:

“The Federally funded Rural Industries Research & Development Corporation (RIRDC) is conducting a number of trial projects in these areas. Preliminary findings will be incorporated as they become available, eg R&D Plan for Organic Produce-1998-2003, and R&D ‘Plan for Wildflowers and Native Plants Program 1995-2000.

Over the last 4 years, SCPA members have trialed Plantation Grown Flower crops, Organic Food production and Meat Rabbits on a small scale. Results have been successful enough in the Bega area for SCPA to be able to recommend all three areas as having high potential for dairy farmers.’

(l) Objectives and outcomes as nominated by the proponent:

- “Increase agricultural production, primarily in the Bega Valley Shire, of new niche market products
- To give dairy farmers viable alternatives to support or replace existing income from dairying.
- Research the available literature, collate relevant, accurate information, photos and artwork, typing and formatting of the information ready for the printer.
- Printing and binding of 100 of each of the product Starter Kits.
- Launch of the New Starter Kits, their promotion and distribution.
- Ongoing promotion, 10 to 20 dairy farmers/landholders examining or starting projects related to the products discussed in the Kits, within 2 years of their launch.

Indirect employment actual figures are difficult to quantify, but every new enterprise started has the capacity to provide 1-2 jobs, ie. 10-40 jobs within 2 years. With the infrastructure that these enterprises will need, such as a Multi Purpose Processing facility, a further 5-10 jobs can be created.

SCP A is committed to providing on farm traineeships through the network of members, as the opportunities arise and the diversification into these emerging industries will provide those opportunities.

Increased diversification of rural industries will make the area less susceptible to individual commodity problems. A tenfold increase in farm gate value of products from these 3 areas within the next 5 years should be achievable as landholders take up these options.

These new agricultural products will require processing and value adding locally, which will attract much needed diverse food processing industry development in Bega, such as the proposed Small Species Meat Processing Plant.”

(m) See question 8 (l).

(n) The proponent nominated that at the end of the project, costs of further research, revision of Kits and any new print runs will be underwritten by the proponent.

(o) Yes, a project plan was submitted as part of the application; project performance indicators are used, rather than milestones in the project plan. The performance indicators as nominated by the proponent in their business plan are:

- “Information, photos and art-work completed for all three Starter Kits assembled and ready for proof reading and word processing.
- Material prepared ready for printing.
- 3 x 100 copies of each Starter Kit delivered to SCPA.
- Widespread media coverage of launch.

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- Participation at dairy farmer meetings.
- Distribution of Starter Kits to target market.
- Ongoing publicity through SCPA network, New Horizons for SE Primary Producers, Guest speakers for seminars to promote these new land-use options through the new Starter Kits.
- A tenfold increase in the farmgate value of products related to these Kits over the next 5 years, in the SE of NSW.
- Increased diversity in farm income sources in the Bega Valley, to include new emerging agricultural products.
- 10-40 new jobs created, both on farm, and with processing and value adding, within the next 2 years.”

(p) (i) Project linkages as nominated by the proponent:
- “Rural Industries Research and Development Corporation
- NSW State & Regional Development
- Bega Valley Shire Council
- Sapphire Coast Producers Association
- NAASA, BFA, & OHGA
- SERTEC – Business Enterprise Centre Manager
- NSW Dairy Farmers Assoc – Bega Dairy Farmers Assoc
- NSW Farmers Assoc
- Bega Planning Forum, the Bega Business Council and the New Horizons project consultants”

(ii)
- “Rural Industries Research and Development Corporation - Supply of information, assistance with proof reading & evaluation
- NSW State & Regional Development - Supply of information & advice
- Bega Valley Shire Council - Consultation and assistance with related projects through New Horizons funding
- Sapphire Coast Producers Association - Use of members expertise as consultants
- NAASA, BFA, & OHGA etc - Supply of information and expertise in relation to Organic Food Production and certification issues.
- SERTEC – Business Enterprise Centre Manager - Checking and advice on financial information contents and formats.
- NSW Dairy Farmers Association – Bega Dairy Farmers Assoc - Advice about Dairy Industry issues, & organising information sessions
- NSW Farmers Association – Bega District Council local representatives assistance with access to local farmer groups.”

(q) (i) The proponent chose to manage the project.
(ii) The proponent proposed to advertise for a coordinator.
(iii) Not applicable.
(r) The proponent proposed five progress reports against performance indicators plus an auditor's report.

(s) The monitoring and evaluation process proposed by the proponent was to include the submission of monthly interim reports for consideration by the proponent's executive, a final report and independent audit.

(t) The proponent advised assistance from other sources only included the proponent and:
- SERTEC - Office space (in-kind)
- RIRDC - access to recent research materials (in-kind)
- NAASA/BFA/OHGA - Information, organic standards, speakers (in-kind)
- SCPA - Access to advice & information from grower members, existing Starter Kit material. (in-kind)
- SCPA - Member travel, phone, internet access, evaluation support (cash and in-kind)
- Bega District News - Editorial support (in-kind)

(u) Yes; The proponent advised it had received funding from:
- Office of Labour Market Adjustment (97) $10,000 to develop a business & marketing plan for Vermiculture in the South East region.
- Rural Assistance Program (98) $80,000 Sustainable produce marketing and development.
- National Heritage Trust Funds (99) $34,000 Bush foods trial of various species of bush foods.
- Rural Assistance Program (2000) $19,500 Grow your own jobs, development of marketing tools.
- Regional Assistance Program (2000) $25,000 Business plan for the establishment of a multi purpose processing facility.
- Regional Communities Program (2000) $3000 Production of a Rural Industries newsletter.

(v) I am advised, no.

(w) When the application was lodged the proponent held Workers Compensation, Public Liability and Association Liability insurance. Professional Indemnity was to be advised.

(x) I am advised, no.

(y) Yes.

(z) Yes, all Area Consultative Committees were asked to provide advice on primary and secondary electorates as part of the application process for ease of the Department advising the local Member if the project was approved. The information was not provided.

(aa) Yes. Evidence in support of the project was provided by:
- "Stephen Guthrey, President, Bega Branch, NSW Dairy Farmers' Association (faxed letter);
- David Evans, Research Manager, New Plant Products & Wildflowers & Native Plants, Rural Industries, Research & Development Corporation (faxed Letter);
- Dick Buesnel, Livestock Officer (Dairying) NSW Agriculture, Bega (faxed letter);
- Robin Owen, Team Leader, Bega Planning Forum (faxed letter);
Gary Nairn, MP, Member for Eden-Monaro (letter)."

(9) In relation to the progress of the project:
(a) 1 August 2001.
(b) No employment outcomes have been generated to date. The proponent has advised that the
drought has had a serious impact on the ability of the Starter Kits to generate employment. The
delivery of the kits coincided with the peak of the drought. The Gourmet Meat kit has
stimulated interest; a processing facility is soon to be established with 4-6 job outcomes
forecast.
(c) The full extent of regional and economic benefits provided by this project is yet to be
determined.
(d) Milestones against which progress payments are set by Regional Offices on the basis of
project activity.
   (i) Yes.
   (ii) Yes.
(e) The full extent to which nominated project linkages have been realised is yet to be determined.
(f) (i) The project management structure is detailed in the application and reviewed as part of
   the assessment process prior to approval and agreed to as part of the signed contract.
   (ii) A selection committee was formed to appoint a project manager.
   (iii) Yes.
(g) (i) The proponent was contracted to provide bimonthly reports. The format of the reports
   was as specified in the Contract.
   (ii) Yes.
(h) (i) Project monitoring was to be carried out by regular reporting, with a final report,
evaluation and audit to be provided on completion of the project. The format for reports and
evaluation was outlined in the Contract.
   (ii) No.
(i) In-kind assistance for this project was obtained from the following sources:
   • SERTEC;
   • RIRDC;
   • Bega District News;
   • NAASA/BFA/OHSA.
(j) I am advised, no. Not applicable.
(k) To the best of the department’s knowledge the proponent has maintained the required
insurances during the funding period.

(10) In relation to completion of the project funding period (if applicable):
(a) Not applicable. The project is not complete.
(b) Not applicable. The project is not complete.
(c) Not applicable. The project is not complete.
(d) Not applicable. The project is not complete.
(e) Not applicable. The project is not complete.
(f) I am advised no assets were purchased with DRAP funds.
Dairy Regional Assistance Program: Eurobodalla Coast Gourmet Trail
(Question No. 1474)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 19 May 2003:

With reference to the grant of $20 900 awarded for the Eurobodalla Coast Gourmet Trail Project in the 2001-02 financial year under the Dairy Regional Assistance Programme (DRAP):

(1) (a) What total DRAP funds have been paid to the proponent; and (b) if paid as one sum, on what date was the payment made; if paid in instalments, what were the instalment dates and amounts paid on each date.

(2) (a) What is the name of the proponent; and (b) if the proponent is an organisation or company, does it operate on a commercial or not-for-profit basis.

(3) What is the proponent’s business address.

(4) Can a description of the project be provided.

(5) Did the department or the Minister receive representations from the Member for Eden-Monaro on behalf of the proponent and/or South East NSW Area Consultative Committee.

(6) On what date, or dates, did the department and/or the Minister inform the proponent, the South East NSW Area Consultative Committee and the Member for Eden-Monaro about the funding approval.

(7) On what date did the department and/or the Minister publicly announce the grant.

(8) In relation to the application for funding:

(a) on what date was the funding application lodged with the department;

(b) on what date was the application approved by the Minister;

(c) did the funding application comply with the DRAP guidelines; if not, can details of non-compliance be provided;

(d) if applicable, on what dates was the application varied;

(e) what total DRAP funding was sought including: (i) the goods and service tax (GST)-free amount, (ii) the GST-inclusive amount, and (iii) the specific GST amount;

(f) what preferred project start date was nominated by the proponent;

(g) what preferred project completion date was nominated by the proponent;

(h) what project objectives did the proponent nominate;

(i) what was the project rationale, including identification of need for the project and demonstrated connection to other regional or state plans;

(j) what community consultation did the proponent undertake prior to submitting the application;

(k) what previous studies or projects did the proponent nominate as relevant to the project;

(l) what project objectives and outcomes did the proponent nominate, including employment outcomes and ongoing regional benefit;

(m) in relation to employment outcomes, how many direct and indirect full-time equivalent positions did the proponent project generate;

(n) what additional sources of funding did the proponent nominate as being required to sustain the project at the end of the funding period;
(o) did a project plan accompany the application form nominating project milestones; if so, what major milestones were nominated by the proponent;

(p) (i) what project linkages were nominated by the proponent, including federal agencies, state agencies, local government, community organisations and the private sector, and (ii) what was the nature of the links;

(q) (i) what project management structure was proposed by the proponent, (ii) what selection process for the project manager was proposed, and (iii) if applicable, what was the proposed membership, role and terms of reference for the steering committee;

(r) what progress report timing and format did the proponent propose;

(s) what monitoring and evaluation process did the proponent propose;

(t) what assistance did the proponent advise would be received from other sources, identified by source and type;

(u) did the proponent disclose receipt of other government funding in the 3 years before the application was lodged; if so, what funding had the proponent received;

(v) did the proponent propose the purchase of assets with the DRAP funds;

(w) did the proponent hold workers’ compensation, public liability, professional indemnity and association liability insurance when the application was lodged;

(x) was the proponent a Job Network member or involved with a New Apprenticeship Centre or the Work for the Dole Program at the time the application was lodged;

(y) was the project endorsed for funding by the South East NSW Area Consultative Committee;

(z) was the proponent and/or the South East NSW Area Consultative Committee asked to provide advice on the primary and secondary electorates in which the project activity would be based; if so, why was this question asked and what answer was provided; and

(aa) did evidence of community support accompany the application or was evidence otherwise provided to the department; if so, what evidence was provided.

(9) In relation to the progress of the project:

(a) on what date did the project start;

(b) how many direct and indirect full-time equivalent positions have been generated by the project;

(c) what economic or regional benefit has the project provided;

(d) were progress payments negotiated on the basis of project activity; if so: (i) has the proponent failed to meet any agreed project milestones, and (ii) have any progress payments been delayed or withheld due to the failure to meet agreed project milestones;

(e) were all nominated project linkages (i.e. with government agencies and the private sector) realised; if not, which linkages were not realised;

(f) (i) what project management structure was established, (ii) what selection process for the project manager was adopted, and (iii) was a steering committee established;

(g) (i) what progress report timing and format was adopted, and (ii) have reporting requirements been met;

(h) (i) what monitoring and evaluation process was adopted, and (ii) has the department undertaken monitoring visits; if so, on what dates;

(i) has the project received assistance from other sources during the DRAP funding period; if so, what assistance, identified by source and type;
(j) has the proponent purchased assets with the DRAP funds; if so, did the proponent receive written permission prior to the purchase; and
(k) has the proponent maintained workers’ compensation, public liability, professional indemnity and association liability insurance during the funding period.

(10) In relation to completion of the project funding period (if applicable):
(a) when did the project and/or funding period conclude;
(b) if the project is ongoing, what is its source of funding (i.e. self-funding or other sources);
(c) has the proponent properly acquitted the project by submitting a final report; if so, on what date;
(d) if applicable, has the final payment to the proponent been made;
(e) how many direct and indirect full-time equivalent positions have been generated by the project;
(f) have any assets, purchased with DRAP funds, remained the property of the Commonwealth; and
(g) has an independent evaluation been undertaken; if so: (i) who undertook the evaluation, (ii) when was it completed, and (iii) what findings did it make.

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

With reference to the grant of $20,900 awarded for the Eurobodalla Coast Gourmet Trail Project in the 2001-02 financial year under the Dairy Regional Assistance Programme (DRAP), I am advised as follows:

1. (a) $20,900 (GST inclusive).
   (b) $5,225 on 9/10/2001;
      $13,585 on 12/4/2002;
      $2,090 on 20/5/2003

2. (a) Eurobodalla Shire Council
    (b) The organisation operates on a not-for-profit basis.

3. The proponent’s business address as provided on the application is 81-83 Campbell Street, Moruya, NSW, 2537

4. The project was to significantly update an earlier Eurobodalla Coast Gourmet Trails brochure in order to capitalise on the interest in food and wine tourism and to assist the growth and economic viability of local producers by increasing tourism.

5. Yes.


7. The Minister publicly announced the grant on 1 October 2001.

8. In relation to the application for funding:
   (a) 4 June 2001.
   (b) Dairy RAP applications are not approved by the Minister. The application was approved by the Departmental Delegate on 17 September 2001.
   (c) The application approved by the Department complied with Dairy RAP guidelines.
(e) (i) $19,000 (GST free amount)
(ii) $20,900 (GST inclusive amount)
(iii) $1,900 (GST amount)

(f) 1 June 2001.

(g) 14 September 2001

(h) Objectives as nominated by the applicant:

- “A brochure to capitalise on tourism interest in food and wine and assist the growth and economic viability of local producers.
- Distribution via Eurobodalla Coast Visitor Information Centres, direct mailouts and possible print advertisements.
- Brochure researched, written and managed by Eurobodalla Coast Tourism.
- The produced brochure to be direct mailed to existing ECT mailing database of approximately 6,000 Sydney addresses.”

(i) The project rationale as nominated by the proponent:

- “Eurobodalla Coast Tourism has achieved great success with marketing strategies pitched at higher yield visitors, particularly from Sydney. Because of problems with seasonal tourism fluctuations, marketing strategies have concentrated on shoulder periods by emphasising experiences available apart from just traditional seaside activities.
- At the same time, there has been a substantial growth in the quantity and diversity of local suppliers of fresh produce.
- A quality brochure to bring higher yield visitors to these outlets will enhance all year round visitation and assist with the growth and success of local suppliers.”

(j) Community consultation prior to submitting the application as listed by the proponent:

“The first publication was produced following extensive industry consultation. A decision to produce a higher quality, updated publication has been made by the Eurobodalla Coast Tourism Board representing the local tourism industry.”

(k) Previous studies or projects as nominated by the proponent:

- “Previous publication “Gourmet Trails – Self-drive tours of the fresh food and produce of the Eurobodalla Nature Coast”.
- The Bureau of Tourism Research released a case study on Regional Tourism Employment – BTR Occasional Paper No 33, March 2001 indicating that food and drink accounted for 36 per cent of all visitor expenditure, followed by accommodation (24 per cent) and fuel (16 per cent).”

(l) Objectives and outcomes as nominated by the proponent:

- “A study by the Bureau of Tourism Research (Regional Tourism Employment – BTR Occasional Paper No 33, March 2001) indicates 14% of employment on the South Coast is directly related to tourism. The Bureau estimates that for every million dollars of tourism expenditure a further 9 jobs are created.
- In 1996–97, tourism expenditure in the Eurobodalla Coast Region was $171 million. Through this Gourmet Trails Brochure with increased marketing particularly to Sydney region, it’s estimated additional tourism expenditure of $2 million will be generated, leading to the creation of up to 18 jobs.
By acting as a conduit between growers, manufactures and suppliers we hope to enrich visitor experiences and assist the viability of established and emerging suppliers. This will add significantly to the image of the Eurobodalla Nature Coast and increase reasons for visiting all year round. It is also complementary with our image of a clean environment, cultural richness and heritage villages.

The project plans to amplify an existing, growing group of activities to a voracious tourism market. Not all suppliers are as yet full time – this brochure will assist in establishing viability. Other industries, such as transport and retail, will also benefit.”

See question 8 (l).

The proponent nominated Eurobodalla Coast Tourism as the source of funding required to sustain the project.

Yes, a project plan was submitted as part of the application; project performance indicators are used, rather than milestones in the project plan. The performance indicators as nominated by the proponent in their business plan are:

• “Number of suppliers keen to be included, meeting criteria of quality, opening hours, etc.
• Quality of text and photography, signed off by steering committee
• Overall “wow” impact of publication, signed off by steering committee
• Media interest, support by suppliers, consumer response.”

Project linkages as nominated by the proponent:

• Tourism NSW
• Eurobodalla Shire and Eurobodalla Coast Tourism Board
• Pre-existing cooperatives
• Tourism operators, accommodation proprietors - to help promote ECT’s goals.”

(i) Eurobodalla Coast Tourism was chosen due to an outstanding record in assisting with the production of nationally recognised publications.

(ii) Steering committee members were to be drawn from the Tourism Board, suppliers and others, to ensure the widest representation of suppliers available to the tourism industry.

The proponent proposed three progress reports during the life of the project.

The monitoring and evaluation process proposed by the proponent was that the Tourism Manager reporting to the Eurobodalla Coast Tourism Board would monitor and evaluate the project with a report to be prepared following the official launch. An evaluation survey was to be undertaken 12 months after release of the brochure.

The proponent advised assistance from other sources included assistance in cash and in-kind from Eurobodalla Coast Tourism.

Yes; the proponent advised it had received RAP funding of $38,000 for the Eurobodalla Regional Online Reservation System.
(v) I am advised, no.
(w) The proponent stated in their application insurance was not applicable to this project.
(x) I am advised, no.
(y) Yes.
(z) Yes, all Area Consultative Committees were asked to provide advice on primary and secondary electorates as part of the application process for ease of the Department advising the local Member if the project was approved. The information was not provided.

(aa) I am advised, no.

(9) In relation to the progress of the project:
(a) 1 October 2003.
(b) 4 direct full-time equivalent positions were generated by the project.
(c) The economic or regional benefits of the project as indicated in the final report are as follows:
   • business participants in the brochure surveyed reported their business performance had improved (through tourists to the region having the brochure).
   • Canberra Times feature also raised region profile resulting in requests for publications.
(d) Milestones against which progress payments are set by Regional Offices on the basis of project activity.
   (i) The proponent failed to carry out a publication launch due to lack of availability of invitees.
   (ii) No.
(e) Yes.
(f) (i) The project management structure is detailed in the application and reviewed as part of the assessment process prior to approval and agreed to as part of the signed contract.
   (ii) See question 8 q ii).
   (iii) Yes.
(g) (i) The progress report timing and format was 31 July, 30 September and project completion.
   (ii) Yes.
(h) (i) The monitoring and evaluation process adopted was nominated by the proponent in the application for funding. See question 8 s).
   (ii) Yes.
(i) Yes, the applicant has received funding from other sources as at question 8 (t).
(j) I am advised, no; Not Applicable.
(k) I am advised, no.

(10) In relation to completion of the project funding period (if applicable):
(a) 20 May 2003.
(b) Not applicable.
(c) Yes; 27 February 2003.
(d) Yes.
(e) 4 direct full-time equivalent positions have been generated by the project.
(f) I am advised no assets were purchased with DRAP funds.
(g) The project was evaluated by the proponent, with the expenditure of funds being audited.
(i) The audit was carried out by Carl Millington of Millington SBS, Sydney.
(ii) The audit was completed on 19 July 2002.
(iii) All funds were expended in accordance with the DRAP funding contract and a true and fair statement of the financial records was certified.

**Dairy Regional Assistance Program: Bega Cheese**

*(Question No. 1475)*

**Senator O’Brien** asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 19 May 2003:

With reference to the grant of $770,000 awarded for the Bega Cheese – Cheese Plant Upgrade Project in the 2001-02 financial year under the Dairy Regional Assistance Programme (DRAP):

1. (a) What total DRAP funds have been paid to the proponent; and (b) if paid as one sum, on what date was the payment made; if paid in instalments, what were the instalment dates and amounts paid on each date.

2. (a) What is the name of the proponent; and (b) if the proponent is an organisation or company, does it operate on a commercial or not-for-profit basis.

3. What is the proponent’s business address.

4. Can a description of the project be provided.

5. Did the department or the Minister receive representations from the Member for Eden-Monaro on behalf of the proponent and/or South East NSW Area Consultative Committee.

6. On what date, or dates, did the department and/or the Minister inform the proponent, the South East NSW Area Consultative Committee and the Member for Eden-Monaro about the funding approval.

7. On what date did the department and/or the Minister publicly announce the grant.

8. In relation to the application for funding:
   
   (a) on what date was the funding application lodged with the department;
   
   (b) on what date was the application approved by the Minister;
   
   (c) did the funding application comply with the DRAP guidelines; if not, can details of non-compliance be provided;
   
   (d) if applicable, on what dates was the application varied;
   
   (e) what total DRAP funding was sought including: (i) the goods and service tax (GST)-free amount, (ii) the GST-inclusive amount, and (iii) the specific GST amount;
   
   (f) what preferred project start date was nominated by the proponent;
   
   (g) what preferred project completion date was nominated by the proponent;
   
   (h) what project objectives did the proponent nominate;
   
   (i) what was the project rationale, including identification of need for the project and demonstrated connection to other regional or state plans;
   
   (j) what community consultation did the proponent undertake prior to submitting the application;
   
   (k) what previous studies or projects did the proponent nominate as relevant to the project;
   
   (l) what project objectives and outcomes did the proponent nominate, including employment outcomes and ongoing regional benefit;
   
   (m) in relation to employment outcomes, how many direct and indirect full-time equivalent positions did the proponent project generate;
(n) what additional sources of funding did the proponent nominate as being required to sustain the project at the end of the funding period;
(o) did a project plan accompany the application form nominating project milestones; if so, what major milestones were nominated by the proponent;
(p) (i) what project linkages were nominated by the proponent, including federal agencies, state agencies, local government, community organisations and the private sector, and (ii) what was the nature of the links;
(q) (i) what project management structure was proposed by the proponent, (ii) what selection process for the project manager was proposed, and (iii) if applicable, what was the proposed membership, role and terms of reference for the steering committee;
(r) what progress report timing and format did the proponent propose;
(s) what monitoring and evaluation process did the proponent propose;
(t) what assistance did the proponent advise would be received from other sources, identified by source and type;
(u) did the proponent disclose receipt of other government funding in the 3 years before the application was lodged; if so, what funding had the proponent received;
(v) did the proponent propose the purchase of assets with the DRAP funds;
(w) did the proponent hold workers’ compensation, public liability, professional indemnity and association liability insurance when the application was lodged;
(x) was the proponent a Job Network member or involved with a New Apprenticeship Centre or the Work for the Dole Program at the time the application was lodged;
(y) was the project endorsed for funding by the South East NSW Area Consultative Committee;
(z) was the proponent and/or the South East NSW Area Consultative Committee asked to provide advice on the primary and secondary electorates in which the project activity would be based; if so, why was this question asked and what answer was provided; and
(aa) did evidence of community support accompany the application or was evidence otherwise provided to the department; if so, what evidence was provided.

(9) In relation to the progress of the project:
(a) on what date did the project start;
(b) how many direct and indirect full-time equivalent positions have been generated by the project;
(c) what economic or regional benefit has the project provided;
(d) were progress payments negotiated on the basis of project activity; if so: (i) has the proponent failed to meet any agreed project milestones, and (ii) have any progress payments been delayed or withheld due to the failure to meet agreed project milestones;
(e) were all nominated project linkages (i.e. with government agencies and the private sector) realised; if not, which linkages were not realised;
(f) (i) what project management structure was established, (ii) what selection process for the project manager was adopted, and (iii) was a steering committee established;
(g) (i) what progress report timing and format was adopted, and (ii) have reporting requirements been met;
(h) (i) what monitoring and evaluation process was adopted, and (ii) has the department undertaken monitoring visits; if so, on what dates;
(i) has the project received assistance from other sources during the DRAP funding period; if so, what assistance, identified by source and type;

(j) has the proponent purchased assets with the DRAP funds; if so, did the proponent receive written permission prior to the purchase; and

(k) has the proponent maintained workers’ compensation, public liability, professional indemnity and association liability insurance during the funding period.

(10) In relation to completion of the project funding period (if applicable):

(a) when did the project and/or funding period conclude;

(b) if the project is ongoing, what is its source of funding (i.e. self-funding or other sources);

(c) has the proponent properly acquitted the project by submitting a final report; if so, on what date;

(d) if applicable, has the final payment to the proponent been made;

(e) how many direct and indirect full-time equivalent positions have been generated by the project;

(f) have any assets, purchased with DRAP funds, remained the property of the Commonwealth; and

(g) has an independent evaluation been undertaken; if so: (i) who undertook the evaluation, (ii) when was it completed, and (iii) what findings did it make.

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

With reference to the grant of $770,000 awarded for the Bega Cheese – Cheese Plant Upgrade Project in the 2001-02 financial year under the Dairy Regional Assistance Programme (DRAP), I am advised as follows:

(1) (a) $539,000 (GST inclusive).

(b) $539,000 on 26/6/2002.

(2) (a) Bega Cooperative Society Limited

(b) The company operates on a commercial basis.

(3) The proponent’s business address as provided on the application is 18-36 Ridge Street, North Bega, NSW, 2550.

(4) To purchase, install and commission new equipment at the Lagoon Street Dairy Products Unit to increase the cheese manufacturing capacity from 3 tonne per hour to 3.8 tonne per hour.

(5) Yes.

(6) The Department informed the proponent on 17 May 2002. The Department informed the ACC and the Member for Eden-Monaro on 9 May 2002.

(7) The Minister publicly announced the grant on 31 May 2002.

(8) In relation to the application for funding:

(a) 30 August 2001.

(b) Dairy RAP applications are not approved by the Minister. The application was approved by the Departmental Delegate on 29 April 2002.

(c) The application approved by the Department complied with Dairy RAP guidelines.

(d) 2 January 2002, 8 March 2002.

(e) (i) $700,000 (GST free amount)
(ii) $770,000 (GST inclusive amount)
(iii) $70,000 (GST amount)

(f) April 2002.
(g) October 2002.

(h) Objectives as nominated by the applicant:
   • “Receiving, handling and manufacturing up to 200 million litres of milk per annum from our direct supplier members.
   • Cope with changes to milk flows (seasonal peak production).
   • Continue to be a reliable outlet for farmers’ milk, value-adding to production.
   • Enable farmers to cope with the pressures of deregulation.
   • Maintain on-farm employment in the immediate future.
   • Provide employees the opportunity to develop skills and provide future flexibility in the workplace.
   • Generate significant incremental export income for Bega Cheese, Regional NSW and the Nation.
   • Secure the long term future of Bega’s dairying industry.”

(i) The project rationale as nominated by the proponent:
   “Bega Cheese, in planning for dairy deregulation, recognised Bega Cheese suppliers would lose their ‘quota’ rights and sought to utilise all of the supplier’s milk in the manufacture of cheddar and other dairy products. Bega Cheese is a co-operative, 100% Australian owned, the shareholders being 125 dairy farmers in the Bega Valley. Bega Cheese aimed to assume full responsibility from ‘cow to consumer’ leveraging off the leading brand in the Dairy cabinet, “Bega” and maximising supply chain value to achieve the highest possible returns for shareholders.

Shareholders recognise the importance of their co-operative to the future of the Dairy Industry, both in the local region and for NSW and appreciate the potential of their co-operative to service international markets and generate export revenue for the Australian economy.

Shareholders recognise the cooperative needs to be strong, independent and profitable to sustain the local dairy industry and have made large investments on farm and in assets and production related infrastructure.

The dairy industry is the core commercial activity in the South East NSW region employing over 1,000 permanent and part time staff and generates in excess of 120 million turnover for the region.”

(j) Community consultation prior to submitting the application as listed by the proponent:
   • “Australian Business Limited
   • Australian Capital Region Development Council
   • Bega Chamber of Commerce and Industry
   • Bega Planning Forum
   • Bega Valley Dairy Industry Working Group
   • Bega Valley Shire Council
   • Bermagui Area Chambers of Commerce and Tourism
   • Cobargo Tourist and Business Association Inc

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Far South Coast Dairy Development Group Inc
Member for Eden-Monaro
Member for Bega
New Horizons for South East Primary Industries
NSW Dairy Farmers Association
NSW Department of State and Regional Development
South East NSW Area Consultative Committee”

(k) Previous studies or projects as nominated by the proponent:

• “1998, Bega Cheese commission Rabobank to complete an independent survey of Bega Cheese’s farmer members to gauge their expectations for milk production into the future.

• Bega Cheese Board formed a Communications Committee to focus on direct communications with members to ensure Bega Cheese continues to receive timely feedback about future plans of dairy farmer members.

• Bega Cheese Board resolved to form a “Towards 200 Working Group”, with the primary focus being on coordinating any assistance which may be required by Bega direct supplier members in order to achieve total milk production of 200 million litres per annum.

• Bega Cheese completed a number of detailed evaluations of Cheese plant upgrade plans.

• Bega Cheese commissioned Tetra Pak to complete a detailed management plan and capital expenditure program to meet Bega Cheese’s requirements.”

(l) Objectives and outcomes as nominated by the proponent:

• “Ensure Bega Cheese is capable of receiving, handling and manufacturing up to 200 million litres of milk per annum from direct supplier members.

• Ensure Bega Cheese can cope with changes to milk flows (seasonal peak production).

• Continue to be a reliable outlet for our farmers milk, taking direct responsibility for value-adding.

• Enable farmers to cope with the pressures of deregulation.

• Maintain on-farm employment in the immediate future, and secure a viable industry in which future growth in employment will be achieved.

• Bega Cheese estimates that at 200 million litres of milk per annum total local production, a further 20 to 30 new jobs will be created (indirectly) on-farm.

• Additional direct staff required include:
  • 1 additional milk receiveal employee
  • 5 permanent cheese factory employees, and up to 10 part time seasonal employees (4 to 6 months per year)
  • An additional 2 permanent whey plant operators and up to 2 part time seasonal whey plant production employees (4 to 6 months per year)
  • 25 – 30 new employees could be required at the processing and packaging unit at Ridge Street.

• Provide employees at Bega Cheese an opportunity to develop their skills and provide future flexibility in the workplace.

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• Generate significant incremental export income for Bega Cheese, Regional NSW and the Nation.
• Secure the long term future of Bega’s dairying industry."

(m) See question 8 (l).

(n) The proponent requires no further source of funding other than existing bank loan facilities.

(o) Yes, a project plan was submitted as part of the application; project performance indicators are used, rather than milestones in the project plan. The performance indicators as nominated by the proponent in their business plan are:

• “$1 million support package agreed and conditions for draw down and use finalised
• Relevant approvals signed off and capital expenditure budget approved.
• Confirmation of orders for equipment received and delivery schedules agreed. Successful tenderers being identified and final supply contracts being agreed.
• Equipment manufacture from the original equipment suppliers will take 2 to 3 months to complete. However, this does not pose a problem for Bega Cheese as the installation of the equipment would be planned for Bega Cheese’s traditional quieter period during winter 2002.
• Project timetable to allow for sufficient time to receive install and commission equipment with minimal disruption to site.
• All equipment to arrive on site in accordance with requirements and contractors to be in place ready to commence work.
• Existing Bega Cheese staff and any new employees required to be involved in the commissioning process and receive on the job training from the original equipment suppliers as to the functionings of the equipment and how it has been set up.
• Physical inspection as to status to be signed off by Group Operations Manager and contractors required to sign appropriate Certificates of Completion.
• Commissioning inspection and training of staff in use of the equipment to be reviewed by Group Operations Manager.
• Final sign off by Group Operations Manager.”

(p) (i) Project linkages as nominated by the proponent:

• “Gary Nairn, The Member for Eden-Monaro
• South East NSW Area Consultative Committee
• Bega Valley Shire Council”

(ii) Seeking support for the project.

(q) (i) The proponent chose to manage the project.

(ii) The proponent proposed to select the project manager from within the company and were to consult with independent experts as required during the commissioning phase.

(iii) Not applicable.

(r) The proponent proposed progress report timing to match the performance indicators with an independent audit report to be completed in July 2002.

(s) The monitoring and evaluation process proposed by the proponent was that the Board of Directors of Bega Cheese were to receive require regular verbal and written reports from the committee.
(t) The proponent advised assistance from other sources only included the proponent.
(u) Yes; The proponent advised it had received funding from the NSW Department of State and Regional Development:
   - Grant $100,000
   - Payroll tax concessions for new employees at Ridge Street
   - Training assistance through NSW TAFE
   - Dairy Regional Assistance Programme - Shredded Cheese Plant $600,000.
(v) I am advised, no.
(w) When the application was lodged the proponent held Workers Compensation and Public Liability insurance.
(x) I am advised, no.
(y) Yes.
(z) Yes, all Area Consultative Committees were asked to provide advice on primary and secondary electorates as part of the application process for ease of the Department advising the local Member if the project was approved. The information was not provided.
(aa) No.
(9) In relation to the progress of the project:
   (a) 26 June 2002.
   (b) To date, 24 positions attributable to the project have been reported. Additional employment in the milk receival plant has not been possible due to reduction in milk volumes from the drought.
   (c) The full extent of regional and economic benefits provided by this project is yet to be determined.
   (d) Milestones against which progress payments are set by Regional Offices on the basis of project activity.
      (i) Yes.
      (ii) Yes.
   (e) The full extent to which nominated project linkages have been realised is yet to be determined.
   (f) (i) The project management structure is detailed in the application and reviewed as part of the assessment process prior to approval and agreed to as part of the signed contract. The Bega Cheese Board of Directors carried out project management.
      (ii) No project manager was appointed.
      (iii) No.
   (g) (i) The proponent was contracted to provide quarterly progress reports. The format of the reports was as specified in the Contract.
      (ii) No. Proponent has not provided regular reports, despite repeated requests from Regional Office.
   (h) (i) Project monitoring was to be carried out by regular reporting, with a final report, evaluation and audit to be provided on completion of the project. The format for reports and evaluation was outlined in the Contract.
      (ii) Yes, 23 May 2002.
   (i) Additional assistance from other sources was not received for this project.
(j) I am advised, no. Not applicable.
(k) To the best of the department’s knowledge the proponent has maintained the required insurances during the funding period.

(10) In relation to completion of the project funding period (if applicable):
(a) Not applicable. The project is not complete.
(b) Not applicable. The project is not complete.
(c) Not applicable. The project is not complete.
(d) Not applicable. The project is not complete.
(e) Not applicable. The project is not complete.
(f) I am advised no assets were purchased with DRAP funds.
(g) Not applicable. The project is not complete.

Dairy Regional Assistance Program: South-East New South Wales Area Consultative Committee

(Question No. 1476)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 19 May 2003:

With reference to the grant of $40,015 awarded for the Strategic Response to the Dairy RAP South East NSW ACC Project in the 2001-02 financial year under the Dairy Regional Assistance Programme (DRAP):

(1) (a) What total DRAP funds have been paid to the proponent; and (b) if paid as one sum, on what date was the payment made; if paid in instalments, what were the instalment dates and amounts paid on each date.

(2) (a) What is the name of the proponent; and (b) if the proponent is an organisation or company, does it operate on a commercial or not-for-profit basis.

(3) What is the proponent’s business address.

(4) Can a description of the project be provided.

(5) Did the department or the Minister receive representations from the Member for Eden-Monaro on behalf of the proponent and/or South East NSW Area Consultative Committee.

(6) On what date, or dates, did the department and/or the Minister inform the proponent, the South East NSW Area Consultative Committee and the Member for Eden-Monaro about the funding approval.

(7) On what date did the department and/or the Minister publicly announce the grant.

(8) In relation to the application for funding:
(a) on what date was the funding application lodged with the department;
(b) on what date was the application approved by the Minister;
(c) did the funding application comply with the DRAP guidelines; if not, can details of non-compliance be provided;
(d) if applicable, on what dates was the application varied;
(e) what total DRAP funding was sought including: (i) the goods and service tax (GST)-free amount, (ii) the GST-inclusive amount, and (iii) the specific GST amount;
(f) what preferred project start date was nominated by the proponent;
(g) what preferred project completion date was nominated by the proponent;
(h) what project objectives did the proponent nominate;
(i) what was the project rationale, including identification of need for the project and demonstrated connection to other regional or state plans;
(j) what community consultation did the proponent undertake prior to submitting the application;
(k) what previous studies or projects did the proponent nominate as relevant to the project;
(l) what project objectives and outcomes did the proponent nominate, including employment outcomes and ongoing regional benefit;
(m) in relation to employment outcomes, how many direct and indirect full-time equivalent positions did the proponent project would be generated;
(n) what additional sources of funding did the proponent nominate as being required to sustain the project at the end of the funding period;
(o) did a project plan accompany the application form nominating project milestones; if so, what major milestones were nominated by the proponent;
(p) (i) what project linkages were nominated by the proponent, including federal agencies, state agencies, local government, community organisations and the private sector, and (ii) what was the nature of the links;
(q) (i) what project management structure was proposed by the proponent, (ii) what selection process for the project manager was proposed, and (iii) if applicable, what was the proposed membership, role and terms of reference for the steering committee;
(r) what progress report timing and format did the proponent propose;
(s) what monitoring and evaluation process did the proponent propose;
(t) what assistance did the proponent advise would be received from other sources, identified by source and type;
(u) did the proponent disclose receipt of other government funding in the 3 years before the application was lodged; if so, what funding had the proponent received;
(v) did the proponent propose the purchase of assets with the DRAP funds;
(w) did the proponent hold workers’ compensation, public liability, professional indemnity and association liability insurance when the application was lodged;
(x) was the proponent a Job Network member or involved with a New Apprenticeship Centre or the Work for the Dole Program at the time the application was lodged;
(y) was the project endorsed for funding by the South East NSW Area Consultative Committee;
(z) was the proponent and/or the South East NSW Area Consultative Committee asked to provide advice on the primary and secondary electorates in which the project activity would be based; if so, why was this question asked and what answer was provided; and
(aa) did evidence of community support accompany the application or was evidence otherwise provided to the department; if so, what evidence was provided.

(9) In relation to the progress of the project:
(a) on what date did the project start;
(b) how many direct and indirect full-time equivalent positions have been generated by the project;
(c) what economic or regional benefit has the project provided;
(d) were progress payments negotiated on the basis of project activity; if so: (i) has the proponent failed to meet any agreed project milestones, and (ii) have any progress payments been delayed or withheld due to the failure to meet agreed project milestones;

(e) were all nominated project linkages (i.e. with government agencies and the private sector) realised; if not, which linkages were not realised;

(f) (i) what project management structure was established, (ii) what selection process for the project manager was adopted, and (iii) was a steering committee established;

(g) (i) what progress report timing and format was adopted, and (ii) have reporting requirements been met;

(h) (i) what monitoring and evaluation process was adopted, and (ii) has the department undertaken monitoring visits; if so, on what dates;

(i) has the project received assistance from other sources during the DRAP funding period; if so, what assistance, identified by source and type;

(j) has the proponent purchased assets with the DRAP funds; if so, did the proponent receive written permission prior to the purchase; and

(k) has the proponent maintained workers’ compensation, public liability, professional indemnity and association liability insurance during the funding period.

(10) In relation to completion of the project funding period (if applicable):

(a) when did the project and/or funding period conclude;

(b) if the project is ongoing, what is its source of funding (i.e. self-funding or other sources);

(c) has the proponent properly acquitted the project by submitting a final report; if so, on what date;

(d) if applicable, has the final payment to the proponent been made;

(e) how many direct and indirect full-time equivalent positions have been generated by the project;

(f) have any assets, purchased with DRAP funds, remained the property of the Commonwealth; and

(g) has an independent evaluation been undertaken; if so: (i) who undertook the evaluation, (ii) when was it completed, and (iii) what findings did it make.

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

With reference to the grant of $40 015 awarded for the Strategic Response to the Dairy RAP South East NSW ACC Project in the 2001-02 financial year under the Dairy Regional Assistance Programme (DRAP), I am advised as follows:

(1) (a) $40,015 (GST inclusive).

(b) $20,007.15 on 23/5/2002;


(2) (a) South East NSW Area Consultative Committee

(b) The organisation operates on a not-for-profit basis.

(3) The proponent’s business address as provided on the application is Shop 6, 187 Carp Street, Bega, NSW, 2550.

(4) The project was to continue to strategically guide the implementation of the Dairy Regional Assistance Programme in accordance with regional priorities.
(5) Yes.

(6) The Department informed the proponent on 10 April 2002. The Department informed the ACC and the Member for Eden-Monaro on 9 May 2002.

(7) The Minister publicly announced the grant on 31 May 2002.

(8) In relation to the application for funding:

(a) 2 January 2002.

(b) Dairy RAP applications are not approved by the Minister. The application was approved by the Departmental Delegate on 7 April 2002.

(c) The application approved by the Department complied with Dairy RAP guidelines.

(d) Not applicable.

(e) (i) $36,378 (GST free amount)

(ii) $40,015 (GST inclusive amount)

(iii) $3,637 (GST amount)

(f) 22 April 2002.

(g) 18 April 2003.

(h) Objectives as nominated by the applicant:

- “Identify, encourage and assist eligible private sector and not-for-profit organisations to develop appropriate project proposals;
- Provide advice and guidance to proponents to facilitate the completion of DRAP application forms;
- Actively monitor the progress and success of projects;
- Provide feedback to Department on impact of dairy deregulation and operation of DRAP in the region.
- Provide feedback to ACC Executive Officer on the impacts of deregulation.
- Explain to proponents DRAP assessment, approval and announcement process.”

(i) The project rationale as nominated by the proponent:

“This application is to extend the good work of the South East ACC DRAP Officer for a further 12 months to capitalise on the progress made on the existing contract. SE ACC will continue to take a lead role in identifying potential Dairy RAP proponents, developing viable projects, monitoring existing projects and monitor the impact of dairy deregulation in the ACC region. The project will address social dislocation in the South East NSW arising from dairy deregulation. Deregulation has already caused significant social dislocation. The ACC is comprised of key business and community leaders and is well placed to coordinate stakeholders and proponents in accessing DRAP to address social dislocation in the region. The ACC is an organisation skilled in identifying and advising project proponents. The experience and skills the ACC Board members, the Executive Officer and the DRAP Officer have in this field make them an ideal body to continue the implementation of DRAP in the region.”

(j) Community consultation prior to submitting the application as listed by the proponent:
“This ACC has had ongoing consultations already with the main players in the dairy industry. ACC staff have addressed various meetings of the community and businesses around the region to promote the programme.

- NSW Department of Agriculture
- Dairy Family
- Dairy Industry Development Corporation
- Dairy Women
- Bega Co-operative society
- Shire councils
- Centrelink
- Private companies (present and possible Dairy RAP proponents)
- Chambers of Commerce
- Job Network”

(k) Previous studies or projects as nominated by the proponent:

- “Bega Valley Benchmarking Program
- The Impact of Water Reform and Dairy Deregulation on the economy of Bega Valley Shire
- Economic Profile for the Bega Valley Shire
- Quarterly reports from the current DRAP officer sent to the Department”

(l) Objectives and outcomes as nominated by the proponent:

- “This project aims to support South East NSW dairy-dependent communities to initiate, develop and seek funding for projects under the Dairy Regional Assistance Programme and other funding alternatives through the employment of a DRAP project officer.
- The project aims to ensure that dairy-dependent communities in South East NSW successfully develop worthwhile projects that will maintain and generate sustainable employment within the regions, as well as help address social dislocation following the deregulation of the dairy industry.
- The project will assist in identifying and coordinating funding applications in conjunction with sponsor organisations.

Employment outcomes will be mixed between direct and indirect jobs resulting of this project through the facilitation of appropriate DRAP projects and other funding alternatives

The project will make a difference to dairy-dependent communities by allowing the regions to diversify their economic and employment base so that as far as possible the current skills, expertise and living standards are maintained within these regions. This will be achieved through facilitating their access to the Dairy RAP funding earmarked for this purpose.”

(m) See question 8 (l).

(n) The proponent did not require any further funding for this project.

(o) Yes, a project plan was submitted as part of the application; project performance indicators are used, rather than milestones in the project plan. The performance indicators as nominated by the proponent in their business plan are:

- Stakeholders identified, met with and briefed on the Dairy RAP programme
- Appropriate feedback provided
• 6 - 9 (2-3 per round over 3 rounds) suitable Dairy RAP applications submitted and approved by DOTARS.

• Feedback provided on the impact of dairy deregulation on dairy communities through quarter reports to Government.

(p) (i) Project linkages as nominated by the proponent:
• NSW Department of Agriculture – identifier of potential projects
• Dairy Check/family programs
• Bega Valley and Eurobodalla Shires
• Dairy Women
• Dairy Industry Development Corporation
• Various businesses that have the capacity to expand
• Chambers of Commerce – regional bodies

(ii) Consulting with a view to identifying projects.

(q) (i) The proponent chose to manage the project.

(ii) As this project is a continuation rather than a new project, the management structure was already in place.

(iii) Not applicable.

(r) The proponent proposed quarterly progress reports against the project plan.

(s) The monitoring and evaluation process proposed by the proponent was on a quarterly basis and a final evaluation report against project plan on project impact on assisting dairy dependent communities.

(t) The proponent advised assistance from other sources only included the proponent providing in-kind funding of a car and rent.

(u) Yes; The proponent advised it had received funding for the ACC since 1995. Managed two RAP projects. Managing projects under IEP and DRAP.

(v) I am advised, no.

(w) When the application was lodged the proponent held Workers Compensation, Public Liability and Association Liability insurance.

(x) I am advised, no.

(y) Yes.

(z) Yes, all Area Consultative Committees were asked to provide advice on primary and secondary electorates as part of the application process for ease of the Department advising the local Member if the project was approved. The information was not provided.

(aa) No.

(9) In relation to the progress of the project:

(a) 22nd April 2002.

(b) 44 in-direct full-time equivalent positions to be created with the development of projects approved in Round 9.

(c) The extent of regional and economic benefits provided by this project is yet to be determined.

(d) Milestones against which progress payments are set by Regional Offices on the basis of project activity.
(e) Yes.

(f) (i) The project management structure is detailed in the application and reviewed as part of the assessment process prior to approval and agreed to as part of the signed contract.

(ii) The application stated that the SEACC intended to continue the part-time employment of the current employee, whom they stated had significant expertise in knowing guidelines and assessment processes that applicants need to go through.

(iii) No.

(g) (i) The contract specifies that progress reports are to be provided quarterly. The first progress report was due on the 22 July 2002. The second progress report was due on the 22 October 2002. The third progress report was due on the 22 January 2003. The reports must be in the format specified by the Department and must include information as stated in the Contract.

(ii) Yes, all progress reporting requirements to date have been met.

(h) (i) The monitoring and evaluation process adopted for this project included the following:

- Monitoring of progress through quarterly reports within the twelve months the project operates, and regular monthly updates of project activity to DOTARS.
- Preparation of a final evaluation report by the ACC reporting against the project plan and its impact in assisting dairy dependant communities.
- Project officer to provide feedback to SEACC committee at their meetings.
- The number of DRAP projects and the number of SEACC endorsed projects submitted for consideration
- The quality and completeness of DRAP proposals - measured by the number of projects approved for funding.
- Adherence to the requirements and principles of DRAP.
- The number of actual DRAP proponents contacted and the quality of reports provided.

(ii) Yes. The Department had regular informal and formal contact regarding project application development.

(i) I am advised, no.

(j) I am advised, no; Not Applicable.

(k) The Dairy RAP contract specifies the recipient must maintain workers’ compensation, public liability, professional indemnity (if applicable) and association liability (if applicable) during the funding period.

(10) In relation to completion of the project funding period (if applicable):

(a) Not applicable. The project is not complete.

(b) Not applicable. The project is not complete.

(c) Not applicable. The project is not complete.

(d) Not applicable. The project is not complete.

(e) Not applicable. The project is not complete.

(f) I am advised no assets were purchased with DRAP funds.
(g) Not applicable. The project is not complete.

**Australia Post: Agency Staff**

*(Question No. 1527)*

Senator Mackay asked the Minister for Communications, Information Technology and the Arts, upon notice, on 18 June 2003:

(1) Can details be provided of Australia Post’s use of employment agency staff to deliver mail.

(2) How many mail runs that were previously operated by mail contractors are currently staffed in this manner.

(3) What is the cost to Australia Post of staffing a mail run in this manner compared to the cost of employing a contractor.

(4) What plans does Australia Post have for the further conversion of contracted mail runs.

(5) What are Australia Post’s intentions in regard to bringing these positions back ‘in house’.

(6) Under what conditions would such positions be created.

(7) What progress has been made between Australia Post and the Communications, Electrical, Electronic, Energy, Information, Postal, Plumbing and Allied Services Union (CEPU) in negotiations surrounding the employment of staff in total outdoor work (given that the case is currently adjourned indefinitely in the Australian Industrial Relations Commission (AIRC)).

(8) What is the time frame for the resolution of these issues.

(9) How many hours of outdoor work per day are currently being undertaken by the agency staff employed to deliver mail.

(10) What plans does Australia Post have for the creation of total outdoor work positions in locations other than those involved in the AIRC case.

(11) What would be the applicable salary level for staff employed in total outdoor work positions.

(12) What is the salary payable for staff currently employed sorting as well as delivering mail.

Senator Alston—The answer to the honourable senator’s question, based on advice received from Australia Post, is as follows:

(1) Third party agency staff are employed to provide relief for Australia Post staff for specified periods, other than that normally provided by permanent relief staff. This is covered under Post’s Enterprise Bargaining Agreement.

(2) There are two mail runs utilising agency staff to perform delivery duties on an ongoing basis. They are in Joondalup and Bibra Lake, Western Australia.

(3) The difference in cost of contract versus agency staff will depend on the hours of the specified contract but generally speaking contractor arrangements are less costly as there are no agency overheads built into the payments. Using the Western Australian examples, the cost differential is:

  - Joondalup - $46,555 under contract, $56,340 under temp arrangements.
  - Bibra Lake - $27,523 under contract, $35,487 under temp arrangements.

(4) There are no plans to convert any additional mail contracts to agency staff on a national basis. Agency staffing is typically used in situations where the arrangements are seen as temporary. In the case of Joondalup and Bibra Lake, four contractors had not sought extensions to contracts and temporary arrangements were put in place to ensure mail was delivered.

(5) and (6) The runs in question are existing street mail delivery contracts which are currently performed by agency staff. A review of these existing runs is currently being undertaken and it is
expected that delivery for these runs will be put to tender at the conclusion of this review. There is no intention for agency staff to perform these contracts long-term.

(7) Discussions with the CEPU are continuing and a range of matters have been resolved. A number of issues are still subject to research and analysis. The AIRC is assisting in discussions.

(8) It is anticipated that issues will be resolved through normal consultative arrangements to the extent that a trial can proceed within the next few months.

(9) The two runs in question have a total work available requirement of 61.75 hours (Joondalup 36.75 and Bibra Lake 25 hours per week). The runs include an indoor and outdoor work component. On average, the Joondalup requirement is for around 4.5 hours outdoor time and Bibra Lake 3.0 to 3.5 hours outdoor time per day.

(10) There are no plans at present to implement outdoor work positions at locations outside the proposed trial. Once trial outcomes have been evaluated, Australia Post will be able to assess in what circumstances total outdoor delivery work might be appropriate.

(11) and (12) The positions being assessed in the trial and the personnel employed against them have the classification of Postal Delivery Officer. Payment would be in accordance with the agreed award rates for this classification.

**Australia Post: Defence Force Mail**

*(Question No. 1528)*

Senator Mackay asked the Minister for Communications, Information Technology and the Arts, upon notice, on 18 June 2003:

With reference to free postage on parcels to Australian troops deployed overseas:

(1) What is the value of the payments made to Australia Post by the Australian Defence Force (ADF) or the Department of Defence for mail sent free or at subsidised rates to ADF personnel deployed overseas.

(2) What are the technical arrangements in place for the billing of the ADF and/or the Department of Defence in relation to this mail.

(3) What percentage of the mail sent to ADF personnel deployed overseas and subsidised in this manner was originally lodged at Licensed Post Offices (LPOs).

(4) What is the value of payments to LPOs to reimburse them for the commission forgone as a result of not stamping this mail; if the answer is $0: (a) what consultation was undertaken with LPOs to ensure they were happy to provide this work free of charge; and (b) will Australia Post be implementing a policy to ensure LPOs are reimbursed for this loss of income.

Senator Alston—The answer to the honourable senator’s question, based on advice received from Australia Post, is as follows:

(1) The total value of invoices submitted to the Department of Defence in relation to mail sent free or at subsidised rates to ADF personnel deployed overseas (1 July 2002 to 31 May 2003) was $1.17m.

(2) Information about incoming and outgoing mail is collected at the Sydney Gateway Facility (SGF). This information is forwarded to Defence for reconciliation with its mail statistics. From the information provided by the SGF, an invoice is prepared and forwarded monthly to the Department of Defence in Canberra.

(3) Australia Post does not keep records of Defence Force Mail lodged at individual lodgement points, including LPOs.

(4) Licensees receive a base representational allowance of $660 per year to take account of a number of functions such as the acceptance of Defence Force Mail.
In cases where more than 25 items of such mail are lodged over a weekly period, Licensees may seek specific separate recompense at normal postage sales and acceptance rates.

**Australia Post: Mail Contractors and Licensed Post Offices**

*(Question No. 1530)*

**Senator Mackay** asked the Minister for Communications, Information Technology and the Arts, upon notice, on 18 June 2003:

1. Is Australia Post requiring mail contractors to become incorporated; if so: (a) why has this requirement been imposed; and (b) what risks or concerns of Australia Post are being addressed by such a move.

2. What has been the impact of incorporation on mail contractors’ operating costs.

3. If incorporation is a requirement of Australia Post, what financial assistance has been provided to contractors to meet these additional costs.

4. What is Australia Post’s process for dealing with disputes between itself and licensees of Licensed Post Offices (LPOs), including the time frame set down for resolution of such disputes.

5. What is the particular process for disputes that have resulted in the lodgement of an LPO11.

6. How many such disputes have there been in the last 12 months between Australia Post and the licensees who operate LPOs.

7. (a) How does this compare to previous years; and (b) if there has been an increase, what is the cause of this increase.

8. How many LPO11 disputes were not resolved in sufficient time to meet Australia Post’s commitments on dispute resolution.

**Senator Alston**—The answer to the honourable senator’s question, based on advice received from Australia Post, is as follows:

1. (a) Following a review of the mail contracting arrangements Australia Post determined that, as a general rule, it should encourage incorporated contractors. This arrangement was first introduced in the Annual Tender Call of 2002.

   (b) The purpose of this policy change was:

   - to ensure Australia Post’s relationship with the contractors is such that they are, and are seen to be, legitimate stand alone businesses;
   - to avoid the deeming provisions of the Personal Services Income Tax Rule (a contractor is an employee for the purposes of this tax ruling where he/she earns 80% or more from the one source); and
   - to enable the display of corporate identity, such as the Corporate logo and wear work attire without affecting the contractors status as independent contractors.

2. and (3) The costs of incorporation would be reflected in the price of the contract during the tender process and be recouped from Australia Post over the life of the contract.

4. and (5) The 5-stage dispute resolution process is explained in detail in the LPO Manual that forms part of the LPO Agreement. Each stage has its own time frame ranging from 5 to 30 days. All Licensees are provided with a copy of this Manual. A copy of the relevant appendix from the LPO Manual is attached.

6. and (7) There were 82 LPO11 disputes in the last 12 months. This compares with 24 the previous year. A large number of the LPO11 disputes managed in the past 12 months related to Post’s request for repayment of previous overpayments of the Mail Service Payment to Licensees.

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(8) Approximately 20 of the LPO11 disputes handled over the past 12 months were not resolved within the time frames as set out in the LPO Agreement. The principal reason was administrative issues including the unavailability of Post staff, POAAL representation, or in some cases a suitable third party to act as an independent chairman. In some cases, parties may agree to a longer resolution time beyond the published ones, as per the dispute resolution guidelines.

**Australia Post: Work Practices**

*(Question No. 1531)*

**Senator Mackay** asked the Minister for Communications, Information Technology and the Arts, upon notice, on 18 June 2003:

(1) What is the accepted safe weight limit for parcels under the occupational health and safety guidelines.

(2) Does Australia Post accept parcels above this limit; if so, what is the process for dealing with such parcels.

(3) What processes are there in place to ensure that mail contractors and licensees of Licensed Post Offices are not exposed to dangerous work practices when dealing with parcels above the safe weight limit.

**Senator Alston**—The answer to the honourable senator’s question, based on advice received from Australia Post, is as follows:

(1) Under Australia Post’s OHS procedures (Manual Handling Policy 1998), the operational weight limit for a single person to lift a parcel unaided (i.e., where a detailed assessment of the individual item has not been conducted) is 16 kg.

(2) The maximum allowed weight of an ordinary parcel accepted over a retail counter is 20 kg. Items up to 32 kg may be accepted separately under special contract conditions. For items over 16 kg an ‘Assisted Handling Parcel Label’ is to be attached to the left of the addressee’s name and address and also on the reverse side of the parcel.

(3) Parcels over 16 kgs must have the appropriate sticker affixed to indicate a two person lift. The acceptance/delivery over the counter of a parcel over 16 kgs requires coordination/cooperation between the Licensee and customer. Contractors are required to provide, as part of their contractual obligations, appropriate lifting equipment to fulfil the services.

**Immigration: Woomera Detention Centre**

*(Question No. 1613)*

**Senator Brown** asked the Minister representing the Minister for Immigration and Multicultural and Indigenous Affairs, upon notice, on 10 July 2003:

With reference to the August to September 2000 period at Woomera Detention Centre:

(1) Why were detainees incarcerated in such a way that a power tool was required to release bolts on the entry door to their huts.

(2) Who gave the instruction for this form of detention.

(3) What measures were available for emergency access to, or release of, such a prisoner.

(4) Why was there no toilet available in the bolted huts.

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

(1) At no time were any detainees accommodated in units where a power tool was required to release the door.
(2) No instructions were given for this form of detention, nor did such detention occur.
(3) There are no prisoners in immigration detention. The occupants in immigration facilities are
detainees in administrative detention.

Empty accommodation units were sealed with bolts in an attempt to prevent pilfering and
vandalism. Detainees regularly broke into sealed accommodation units through windows and were
sometimes unable to exit via the windows. When this occurred the bolts were drilled off the door to
allow the detainee to exit.

(4) Detainees occupied none of the sealed units. The accommodation units at Woomera IRPC did not
have ensuites, as toilet facilities were available in the ablution blocks located near the
accommodation units.

Australian Prudential Regulation Authority: AMP
(Question No. 1617)

Senator Brown asked the Minister representing the Treasurer, upon notice, on 10 July
2003:

With reference to the insurance regulator, the Australian Prudential Regulation Authority (APRA):

(1) (a) What investigations has APRA made into the misfortunes of AMP; (b) when did these
investigations begin; and (c) what was the result.
(2) What, in APRA’s view, caused the fall in AMP’s value.
(3) (a) What could the managers of AMP have done to reduce or stop the fall; (b) how; and (c) when.
(4) What is APRA’s e-mail address.

Senator Minchin—The Treasurer has provided the following answer to the honourable
senator’s question:

(1) APRA reviews the entities that it regulates on an ongoing basis to ensure that they meet prudential
regulatory requirements. This is the case with AMP. Secrecy provisions of the Australian Prudential
Regulation Authority Act 1998 preclude APRA from providing details of its activities in relation to
specific entities.

(2) and (3) APRA does not have any legislative remit to consider shareholders of regulated institutions.
APRA is responsible for ensuring regulated institutions meet prudential requirements.

(4) Electronic contact with APRA can be directed through the APRA website at http://www
apra.gov.au.

Solomon Islands
(Question No. 1620)

Senator Brown asked the Minister representing the Minister for Foreign Affairs, upon
notice, on 11 July 2003:

With reference to Australia’s proposed intervention in the Solomon Islands:

(1) (a) Where and how will major management decisions during the lifetime of the operation take
place; and (b) will the process be transparent and accountable to all citizens of Australia and the
Solomon Islands.

(2) Are there, or will there be, measurable objectives with time-specific indicators of progress.

(3) Is there, or will there be, an agreed formal procedure for localising all decision-making processes
and roles delegated during this intervention.
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(4) (a) Does the ‘project’ include an adequate and appropriate national communication system so that all Solomon Islands’ citizens have access to information on what is proposed and what is happening during the intervention; and (b) how will this information be communicated.

(5) Can the Minister guarantee that established Solomon Islands national development policies and plans will not be replaced or modified by new goals and objectives set by a new generation of expatriate ‘experts’.

(6) Does the Minister accept the necessity for thorough and ongoing community consultation on the nature, composition, power, transparency and accountability of the international/multilateral body, as proposed by the Australian Strategic Policy Institute (ASPI) report, to oversee the conduct of the peace-building and nation re-building processes; and (b) how will this be carried out and by whom.

(7) Can a list be provided of substantiated costings envisaged for all stakeholders.

(8) Can an accurate risk analysis matrix be provided for all stakeholders and risk management strategies, such as the Government normally requires for development assistance using public money.

(9) How much aid money has Australia spent in the Solomon Islands over the past 15 years.

(10) Is it correct that much of Australia’s past aid has been directed into police, judiciary, customs, governance, auditing, forestry, education, health, water and various ministry reforms, and that these are areas now cited by the Australian Government as needing urgent reform; if so, what were the failings in Australia’s past assistance that now necessitate intervention.

(11) In what way will the proposed intervention be an improvement on Australia’s past performance.

(12) What processes will be instituted to identify, design and implement appropriate, sustainable endogenous development options and strategies.

(13) (a) To what extent is the ASPI report being employed to guide policy on this intervention; and (b) how does it compare with the recent AusAID framework document on assistance to the Solomon Islands.

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

(1) (a) and (b) A Special Coordinator, Mr Nick Warner, has been appointed to oversee the implementation of the Strengthened Assistance Package to Solomon Islands. He will be responsible for coordinating management decisions regarding the implementation of the package. He is located on Solomon Islands and will consult widely with members of the Solomon Islands Government, particularly Prime Minister Kemakeza. The Solomon Islands Government is the sovereign authority in Solomon Islands and is in overall control of the assistance package. The Australian Government remains responsible for all policy decisions regarding the Australian contribution to the Strengthened Assistance package.

(2) As Ministers have noted, some elements of the program may be completed in a reasonably short period, other elements will take a considerable period of time to achieve their objectives. In this environment the type and number of assistance personnel will be periodically reviewed. It is likely that the number of Australian Defence Force personnel will be reduced once law and order has been re-established. This, of itself, will be an indication that a measurable objective has been achieved. Nevertheless, it is recognised that some tasks, such as creating an effective police force, will take a considerable time and cannot be linked easily to time-specific indicators.

(3) It is not the intention of the package to take responsibility away from Solomon Islanders. In some cases, notably the police force and the finance ministry, Australian and other expatriate officials will assume in-line positions and work with Solomon Islanders. It is expected that as the process matures Solomon Islanders will assume sole responsibility for these positions.

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(4) (a) and (b) A comprehensive communication strategy has been developed to keep all Solomon Islanders informed of developments in the implementation of the program. Full use will be made of local communication networks, including the Solomon Islands Broadcasting Commission and the local newspaper. In addition, the Special Coordinator intends to travel frequently around Solomon Islands speaking to local communities.

(5) The Assistance Package has been developed at the request of the Solomon Islands Government and has been approved by that Government. The Solomon Islands Government has decided that new approaches are needed. The Government of Solomon Islands remains in control of this process.

(6) The Solomon Islands Rehabilitation Authority was a proposal made in the ASPI report. The Government has not established any such body.

(7) As the Prime Minister has said, the estimated annual cost of the assistance package is between $200-300 million. This will cover the early period of the deployment. The costs are expected to decline in future years.

(8) AusAID is required to adhere to regulations of the Financial Management and Accountability Act 1997 and these requirements for Australian development assistance, including the appropriate identification, assessment, analysis and preparation of strategies for risk management, remain in place to ensure that proper care for the care and custody of public monies is exercised.

(9) Over the last fifteen years, Australia has provided $246.2 million in aid assistance to Solomon Islands. This incorporates bilateral development assistance, as well as funds provided by the aid program to Non-Government Organisations, Multilateral and regional organisations for their work in Solomon Islands. It also includes a significant track record of assistance to humanitarian emergencies in Solomon Islands.

(10) Australian assistance to Solomon Islands has not failed or contributed to the problems facing the country. Australian aid has made a positive difference. The Australian aid program, particularly since the outbreak of the conflict, has responded in an extremely difficult environment to immediate humanitarian needs in Solomon Islands, while also helping to address the most critical challenges facing the country – law and order and economic management. The aid program has resulted in increased government revenue through better management of customs and forestry, rudimentary health services being sustained across the country, including the funding of essential, basic medical supplies and services to all provinces and putting more police on the streets with 170 new graduates – the first since 1996.

(11) The objectives of the current aid program - restoring law and justice, improving economic management, basic service delivery (health) and community development - are fundamental. The current program provides a strong foundation on which to build the civilian development assistance envisaged for the Strengthened Assistance operation.

(12) As the Prime Minister has said, this is about a long-term commitment to improving the situation in Solomon Islands. Planning is underway for longer-term sustainable rebuilding of systems and institutions. Solomon Islands ownership and involvement from the beginning is crucial to this, and fundamental to Australia’s approach. The aid program has well-established processes and a body of knowledge and experience in the identification, design and implementation of sustainable development activities. This knowledge, experience and appropriate processes will continue to be applied to development assistance to Solomon Islands as part of the ongoing partnership with Solomon Islanders to assist them in the economic and social development of their country.

(13) (a) and (b) The ASPI report is a very useful contribution to the public debate on issues relevant to Solomon Islands. It has helped to inform thinking but it has not served as a template for the development of policy. The development of policy and planning on Solomon Islands is the product of ongoing dialogue, monitoring and strategies with the Solomon Islands Government, other
stakeholders in Solomon Islands, and other partners in the region. The longstanding AusAID program to Solomon Islands was developed in partnership with the Solomon Islands Government, and has had four key objectives: restoring law and justice, improving economic governance, peace and community development and basic service delivery (health), which have sat alongside an ongoing role in humanitarian and emergency response. These key objectives are well targeted and responsive to the issues, are founded in partnership with Solomon Islands, and provide a foundation for the Strengthened Assistance package.

Attorney-General’s: United Nations Convention Breach

(Question No. 1634)

Senator Brown asked the Minister representing the Attorney-General, upon notice, on 16 July 2003:

(1) Does the Government regard the public display of the word ‘Nigger’ as acceptable.

(2) What action will the Government take to implement the decision of the United Nations Committee on the Elimination of Racial Discrimination calling on the Government to ‘take the necessary measures to secure the removal of the offending term (Nigger) from the sign at the Toowoomba sports ground’.

Senator Ellison—The Attorney-General has provided the following answer to the honourable senator’s question:

(1) The Australian Government condemns racial discrimination and vilification.

Australia has comprehensively implemented its obligations under the International Convention on the Elimination of Racial Discrimination in Australian law in the form of the Racial Discrimination Act 1975 (the Act). The Act prohibits discrimination on the basis of race, colour, descent or national or ethnic origin, whether by public authorities, private organisations or individuals. The Act also prohibits any act of racial vilification or hatred, that is, an act done otherwise in private, if

(a) the act is reasonably likely, in all the circumstances, to offend, insult, humiliate or intimidate another person or a group of people; and

(b) the act is done because of the race, colour or national or ethnic origin of the other person or of some or all of the people in the group (section 18C).

This prohibition is subject to the exemption set out in Section 18D of the Act, which provides that section 18C does not render unlawful anything said or done reasonably and in good faith in certain circumstances, including

• in the performance, exhibition or distribution of an artistic work (section 18D(a)), or
• in the course of any statement, publication, discussion or debate made or held for any genuine academic, artistic or scientific purpose or any other genuine purpose in the public interest (section 18D(b)).

The Australian Government believes that the most lasting and effective way to prevent all forms of discrimination is through education. The Human Rights and Equal Opportunity Commission carries out an important role in increasing community awareness about rights and responsibilities, including the need to prevent racial discrimination. People who consider they have been the target of racial discrimination or vilification can also make a complaint to the Commission.

(2) The Government is considering the views of the Committee. The Government notes that the Committee did not find that Australia had breached any of its obligations under the International Convention on the Elimination of All Forms of Racial Discrimination. The Government also notes that the matters raised in the communication before the Committee have been considered extensively by the Federal Court of Australia, which concluded that, given the context in which the
word ‘nigger’ was used on the grandstand, it was not racially discriminatory. Leave to appeal that
decision was denied by the High Court of Australia. The Government notes that, in announcing its
decision, the CERD Committee noted with satisfaction the resolution passed by a public meeting
attended by members of the local Aboriginal community and the chair of the Toowoomba sports
ground trust that, in the spirit of reconciliation, racially derogatory or offensive terms will not be
used or displayed in the future. The Government supports the community based resolution of this
matter as appropriate in the circumstances.

**Defence: Savings**

*(Question No. 1651)*

**Senator Chris Evans** asked the Minister for Defence, upon notice, on 23 July 2003:

With reference to previous Defence budget statements which projected that savings worth $54.3
million and $200.2 million would be achieved during the 2001-02 and 2002-03 financial years,
respectively (see page 81 of Defence Portfolio Additional Estimate Statements 2001-02), and page
87 of Defence Portfolio Additional Estimates Statements 2002-03): Can a table, in the same format
as the tables referred to above, be provided which indicates whether these savings were achieved
during the 2001-02 and 2002-03 financial years.

**Senator Hill**—The answer to the honourable senator’s question is as follows:

The White Paper required savings of $50m in 2001-02 and $100m in 2002-03. In addition, Defence
was required to find an additional $97m in administrative savings as a one-off budget measure in
2002-03 as a contribution to the cost of operations in that year. The forecast achievement of savings
against both measures in 2001-02 and 2002-03 is shown in the table below. Actual savings
achieved in 2002-03 will be available when the Defence Annual Report 2002-03 is finalised.

**Table 1: White Paper Savings**

<table>
<thead>
<tr>
<th></th>
<th>2001-02 Actual $m</th>
<th>2002-03 Forecast(1) $m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fringe benefits tax liability reduction</td>
<td>36.2</td>
<td>14.2</td>
</tr>
<tr>
<td>Qantas travel contract</td>
<td>20.0</td>
<td>20.0</td>
</tr>
<tr>
<td>Reduction in, and improved management of, the Defence commercial vehicle fleet</td>
<td>1.9</td>
<td></td>
</tr>
<tr>
<td>Re-basing of Group budget allocations</td>
<td>-</td>
<td>69.0</td>
</tr>
<tr>
<td>Sub-total</td>
<td>58.1</td>
<td>103.2</td>
</tr>
<tr>
<td>Reprioritisation of administrative spending to operational requirements (2)</td>
<td>-</td>
<td>97.0</td>
</tr>
<tr>
<td>Total savings</td>
<td>58.1</td>
<td>200.2</td>
</tr>
</tbody>
</table>

**Notes:**

1. Actual savings achieved in 2002-03 will be detailed in the Defence Annual Report 2002-03.
2. One-off additional savings in 2002-03 to partially offset additional funding provided to meet
   operational requirements through efficiencies within administrative expenditure such as travel,
   facilities maintenance, publishing and printing, advertising, consultants and contractors and
   other general services.

**Defence: Savings**

*(Question No. 1652)*

**Senator Chris Evans** asked the Minister for Defence, upon notice, on 23 July 2003:

QUESTIONS ON NOTICE
Given that Defence, under the Defence White Paper, is required to deliver additional savings of $200 million during the 2003-04 financial year and given that in previous Defence Portfolio Budget Statements, a breakdown of how these savings are to be achieved was provided (see page 97 of Defence Portfolio Budget Statements 2001-02, and page 95 of Defence Portfolio Budget Statements 2002-03):

Can the same breakdown of projected savings for the 2003-04 financial year be provided.

Senator Hill—The answer to the honourable senator’s question is as follows:

The forecast achievement of savings against measures in 2003-04 is shown in the table below. The balance of savings in 2003-04 have been achieved through a baseline adjustment to the non-capability elements of Group budgets rather than through targeting of discrete activities/functions. All of these savings are recurrent.

Table 1: White Paper Savings

<table>
<thead>
<tr>
<th>2003-04 Onwards Estimate $m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fringe benefits tax liability reduction</td>
</tr>
<tr>
<td>Qantas travel contract</td>
</tr>
<tr>
<td>Re-basing of Group budget allocations</td>
</tr>
<tr>
<td><strong>Total savings</strong></td>
</tr>
</tbody>
</table>

### Defence: Employee Expenses

(Question No. 1653)

Senator Chris Evans asked the Minister for Defence, upon notice, on 23 July 2003:

Given that previous Defence financial statements included a note that provides a full breakdown of estimates of employee expenses for future financial years (see, for example, page 49 of Defence Portfolio Budget Statements 2000-01):

Why do the 2003-04 financial statements simply contain an overall figure for projected employee expenses for the 2002-03 and 2003-04 financial years, without an accompanying note to provide a full breakdown of these expenses.

Can the estimates for the 2003-04 financial year, along with the expected outcomes for the 2002-03 financial year, be provided.

Senator Hill—The answer to the honourable senator’s question is as follows:

1. The “Notes to the Financial Statements” are produced in accordance with the Department of Finance and Administration’s Guidelines for the Preparation of Portfolio Budget Statements. These guidelines do not mandate the provision of any data below the Operating Statement line item level. At the time of 2000-01 Budget, these figures were provided as additional background information.

2. A full breakdown of actual expenditure in the 2002-03 financial year on employee expenses will be detailed in the Defence Annual Report 2002-03. A breakdown of the employee expenses budget for 2003-04 is provided in the following table:

<table>
<thead>
<tr>
<th>2003-04 Budget Estimate $’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Military</td>
</tr>
<tr>
<td>Salaries and wages</td>
</tr>
<tr>
<td>Workers Compensation</td>
</tr>
<tr>
<td>Health services</td>
</tr>
<tr>
<td>Housing</td>
</tr>
</tbody>
</table>
Senator Chris Evans asked the Minister for Defence, upon notice, on 23 July 2003:

With reference to the proposed sale of Defence land at Maribyrnong in Victoria:

(1) How much land is proposed for sale.
(2) What was this land previously used for.
(3) How is the sale process to be managed.
(4) Who is managing the sale on behalf of Defence; and (b) how much are they being paid.
(5) (a) Has the sale itself been advertised; if so, when did this occur; and (b) can a copy of the advertisement be provided.
(6) What are the key dates in the sale process.
(7) To date, have any organisations expressed an interest in the site; if so, can a list of the organisations be provided.
(8) Has the land been valued by either the Victorian Valuer General or the Australian Valuation Office; if so: (a) on what dates did the valuations occur; and (b) what was the estimated value of the site.
(9) Is Defence aware of any heritage and/or environmental significance attached to the site.
(10) Was this taken into account prior to the decision being taken to sell the land; if not, why not.
(11) On what basis was it decided to sell the land. (a) Who took this decision; and (b) when was the decision taken.
(12) Are there any restrictions on the future use of the land in the sale documentation; if not, why not; if so, can a description of the nature of these restrictions be provided.
(13) Could the land be used for residential and/or commercial development.
(14) Does Defence consider that residential and/or commercial development would be an appropriate use of this site.
(15) Did Defence have any discussions with either the local council or the State Government prior to the decision being taken to sell the land; if not, why not; if so, what was the nature of these discussions.
(16) Given the environmental and heritage significance of the site, did Defence raise the possibility of gifting the land to the local council or the State Government for preservation as parkland; if not, why not.

Senator Hill—The answer to the honourable senator’s question is as follows:

(1) 130 hectares.
(2) An explosives factory.
(3) and (4) A management arrangement has not been developed for the sale at this time.
(5) (a) and (b) No.
(6) The sale is currently identified in the 2003/2004 disposals program.
(7) No formal expressions of interest have been requested or received for the site.
(8) (a) and (b) The valuations of Defence property prior to the sale of a property are Commercial-in-
Confidence and are not made public prior to the sale of the property.
(9) Defence has undertaken extensive heritage and environmental studies on the site.
(10) Yes.
(11) On the basis of:
   (a) the Department having no further requirement for the property; and
   (b) Commonwealth policy having regard for the heritage and environmental values of the site.
(12) (a) and (b) The Government approved the inclusion of the Maribyrnong property in the 2003/2004
disposals program in the context of the 2003/2004 Budget earlier this year.
(13) The sales documentation has not been prepared.
(14) Parts of the land could be used for residential and/or commercial development.
(15) Parts of the land are appropriate for residential and/or commercial development.
(16) Defence is consulting with the State Government and Maribyrnong City Council on the proposed
divestment of the site.
(17) No. The environmental and heritage values of the site can and will be equally protected through a
market sale process.

Iraq

(Question No. 1664)

Senator Chris Evans asked the Minister for Defence, upon notice, on 28 July 2003:

(1) Is the Government aware of reports regarding Iraq’s Atomic Energy Agency (IAEA) concerns on
looting at Iraq’s nuclear installations; (b) are any of these sites within the areas that are being
monitored and/or patrolled by Australians; and (c) what action has been taken by Australians
deployed in Iraq to prevent the looting of nuclear installations in Iraq.

(2) (a) Is the Government concerned that such looting adds to the risk that terrorists can obtain
weapons of mass destruction; and (b) what is being done to alleviate these concerns.

(3) Can the Minister advise whether the Government has made any representations to the United States
Administration urging that they allow IAEA access to nuclear sites as requested by that agency; if
not, why not.

Senator Hill—The answer to the honourable senator’s question is as follows:

(1) Yes.
   (a) For force security reasons, the Government will not comment on the exact location of
Australian troops on deployment.
   (b) Refer to part (1) (b). Coalition forces have secured the facilities at the al Tuwaitha nuclear
complex that housed the natural and low enriched uranium.

(2) (a) Not in this instance. The International Atomic Energy Agency (IAEA) conducted an
inspection of the al Tuwaitha Nuclear Research Centre during 7-23 June. The IAEA released a
report by Director General El Baradei on 14 July 2003. The report estimates that 10 kilograms of
uranium compounds could have been dispersed or lost (out of a total of 1.8 tonnes of low-enriched
(b) The IAEA is currently in discussions with the United States relating to IAEA requests to inspect other nuclear-related sites in Iraq.

(3) The Government has discussed the situation at al Tuwaitha with the United States, including our support for early reinstatement of the IAEA to resume its safeguard responsibilities.

Defence: Capability Committee

(Question No. 1667)

Senator Chris Evans asked the Minister for Defence, upon notice, on 28 July 2003:

With reference to the Defence Capability Committee:

(1) When was the committee established.
(2) Who established the committee.
(3) For what purpose was the committee established.
(4) Does the committee have terms of reference; if so, can a copy of these terms of reference be provided.
(5) What is the membership of the committee.
(6) What are the reporting arrangements for the committee, for example: (a) to whom does it report; (b) how regularly are such reports made; and (c) what do the reports contain.

Senator Hill—The answer to the honourable senator’s question is as follows:

(1) In August 2002.
(2) Vice Chief of the Defence Force.
(3) The DCC was established to review and recommend options on capability development priorities, with a focus on a whole of life and whole of capability approach. The role of the DCC is to consider and develop options for current and future capability. The DCC focuses on individual major capital investment projects to ensure:
   (a) consistency with the Defence White Paper and the Defence Capability Plan;
   (b) a whole-of-life and whole-of-capability perspective;
   (c) an acceptable return on capital expenditure;
   (d) there are no unmanageable strategic, technical, schedule or financial risks; and
   (e) rigorous, independent scrutiny of capability, cost, schedule and risk.
(4) The DCC does not have terms of reference. The role of the committee is covered under
(5) (a) Vice Chief of the Defence Force (chair)
   (b) Deputy Secretary Strategic Policy (deputy chair)
   (c) Under Secretary Defence Materiel representative
   (d) Chief Finance Officer
   (e) Chief Defence Scientist
   (f) Deputy Chief of Navy
   (g) Deputy Chief of Army
   (h) Deputy Chief of Air Force
   (i) Head Capability Systems
   (j) Deputy Chief Information Officer
(k) Head Defence Personnel Executive  
(l) First Assistance Secretary Capability, Investment and Resources  
(m) Deputy Secretary Corporate Services representative  
(n) Deputy Secretary Intelligence and Security  
(o) Department of Finance and Administration representative  

(6) The DCC chair reports to the Defence Committee each month on the outcomes of the DCC meetings.

**Defence: Property Disposal**  
*(Question No. 1675)*

_Senator Chris Evans_ asked the Minister for Defence, upon notice, on 28 July 2003:

With reference to the response to the answer to question on notice no. 337 which indicated that Defence properties at Winnelle in the Northern Territory and Meeandah in Queensland were to be sold and leased back during 2002-03 financial year:

1. What is the status of the proposed sale and leaseback of these properties.  
2. What sites are proposed for sale and leaseback during the 2003-04 financial year.

_Senator Hill—_The answer to the honourable senator’s questions are as follows:

1. The Australian Government Solicitor has advised that formal legal settlement of the sale of Winnelle occurred on 31 July 2003. The sale of the Meeandah property was tendered in 2002-03 with offers well below the market valuation obtained by the department. Consequently, the property is scheduled to be remarketed in 2003-04.

2. Apart from the sale and leaseback of Winnelle and Meeandah, which slipped from 2002-03, there are currently no other sites proposed for sale and leaseback in 2003-04.

**Answers to Questions on Notice**  
*(Question No. 1804)*

_Senator Murray_ asked the President of the Senate, upon notice, on 18 August 2003:

1. Has the President noted, from the Questions on Notice Summary document, which he regularly presents to the Senate, that most departments on average take well over the 30-day limit to answer questions on notice.  
2. Has the President noted the great restraint of senators in not using the procedure of asking about overdue answers after question time.  
3. Is the President aware that, if every overdue answer were the subject of this procedure, most of the Senate’s time would be spent on explanations of overdue answers and debate on the explanations.  
4. Will the President take some action to convey to ministers that they are being let off lightly, and that they should make a greater effort to ensure that questions are answered in time.  
5. Will the President report back periodically to the Senate on progress being made to improve this state of affairs.

_The PRESIDENT—_The answer to the honourable senator’s question is as follows:

1. to (5) I am aware of the contents of the Questions on Notice Summary document, and of the statistics contained therein. I will write to all Ministers in the Senate or represented by Ministers in the Senate to remind them of the provisions of standing order 74, however the honourable senator will note that the standing order places any further action in the hands of the senator who has asked the question, not the President.