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**SITTING DAYS—2005**

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**RADIO BROADCASTS**

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

- **CANBERRA** 103.9 FM
- **SYDNEY** 630 AM
- **NEWCASTLE** 1458 AM
- **GOSFORD** 98.1 FM
- **BRISBANE** 936 AM
- **GOLD COAST** 95.7 FM
- **MELBOURNE** 1026 AM
- **ADELAIDE** 972 AM
- **PERTH** 585 AM
- **HOBART** 747 AM
- **NORTHERN TASMANIA** 92.5 FM
- **DARWIN** 102.5 FM
FORTY-FIRST PARLIAMENT
FIRST SESSION—FOURTH PERIOD

Governor-General

His Excellency Major-General Michael Jeffery, Companion in the Order of Australia, Com-
mander of the Royal Victorian Order, Military Cross

Senate Officeholders

President—Senator the Hon. Paul Henry Calvert
Deputy President and Chairman of Committees—Senator John Joseph Hogg
Temporary Chairmen of Committees—Senators Guy Barnett, George Henry Brandis, Hedley
Grant Pearson Chapman, Patricia Margaret Crossin, Alan Baird Ferguson, Michael George
Forshaw, Stephen Patrick Hutchins, Linda Jean Kirk, Philip Ross Lightfoot, Gavin Mark Mar-
shall, Claire Mary Moore, Andrew James Marshall Murray, Hon. Judith Mary Troeth and
John Odin Wentworth Watson
Leader of the Government in the Senate—Senator the Hon. Robert Murray Hill
Deputy Leader of the Government in the Senate—Senator the Hon. Nicholas Hugh Minchin
Leader of the Opposition in the Senate—Senator Christopher Vaughan Evans
Deputy Leader of the Opposition in the Senate—Senator Stephen Michael Conroy
Manager of Government Business in the Senate—Senator the Hon. Christopher Mar-
tin Ellison
Manager of Opposition Business in the Senate—Senator Joseph William Ludwig

Senate Party Leaders and Whips

Leader of the Liberal Party of Australia—Senator the Hon. Robert Murray Hill
Deputy Leader of the Liberal Party of Australia—Senator the Hon. Nicholas Hugh Minchin
Leader of The Nationals—Senator the Hon. Ronald Leslie Doyle Boswell
Deputy Leader of The Nationals—Senator John Alexander
Lindsay (Sandy) Macdonald
Leader of the Australian Labor Party—Senator Christopher Vaughan Evans
Deputy Leader of the Australian Labor Party—Senator Stephen Michael Conroy
Leader of the Australian Democrats—Senator Lynette Fay Allison
Liberal Party of Australia Whips—Senators Jeannie Margaret Ferris and Alan Eggleston
Nationals Whip—Senator Julian John James McGauran
Opposition Whips—Senators George Campbell, Linda Jean Kirk and Ruth Stephanie Webber
Australian Democrats Whip—Senator Andrew John Julian Bartlett
Leader of the Family First Party—Senator Steve Fielding

Printed by authority of the Senate
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(1) Chosen by the Parliament of Queensland to fill a casual vacancy vice Hon. John Joseph Herron, resigned.
(2) Chosen by the Parliament of Victoria to fill a casual vacancy vice Hon. Richard Kenneth Robert Alston, resigned.
(3) Term expires at close of day next preceding the polling day for the general election of members of the House of Representatives.
(4) Chosen by the Parliament of Tasmania to fill a casual vacancy vice Susan Mary Mackay, resigned.

**PARTY ABBREVIATIONS**
AD—Australian Democrats; AG—Australian Greens; ALP—Australian Labor Party; CLP—Country Labor Party; FF—Family First Party; LP—Liberal Party of Australia; NATS—The Nationals

**Heads of Parliamentary Departments**

Clerk of the Senate—H Evans
Clerk of the House of Representatives—I C Harris
Secretary, Department of Parliamentary Services—H R Penfold QC
**HOWARD MINISTRY**

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<tr>
<td>Minister for Trade and Deputy Prime Minister</td>
<td>The Hon. Mark Anthony James Vaile MP</td>
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<tr>
<td>Treasurer</td>
<td>The Hon. Peter Howard Costello MP</td>
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<td>Minister for Transport and Regional Services</td>
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<td>Minister for Defence and Leader of the Government</td>
<td>Senator the Hon. Robert Murray Hill</td>
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<td>Minister for Foreign Affairs</td>
<td>The Hon. Alexander John Gosse Downer MP</td>
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<td>Minister for Health and Ageing and Leader of the</td>
<td>The Hon. Anthony John Abbott MP</td>
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<td>Attorney-General</td>
<td>The Hon. Philip Maxwell Ruddock MP</td>
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<td>Minister for Finance and Administration, Deputy</td>
<td>Senator the Hon. Nicholas Hugh Minchin</td>
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<td>Vice-President of the Executive Council</td>
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<td>and Deputy Leader of the House</td>
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<td>Senator the Hon. Amanda Eloise Vanstone</td>
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<tr>
<td>Minister for Education, Science and Training</td>
<td>The Hon. Dr Brendan John Nelson MP</td>
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<tr>
<td>Minister for Family and Community Services and</td>
<td>Senator the Hon. Kay Christine Lesley Patterson</td>
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<td>The Hon. Kevin James Andrews MP</td>
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*(The above ministers constitute the cabinet)*
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<td>Minister for Revenue and Assistant Treasurer</td>
<td>The Hon. Malcolm Thomas Brough MP</td>
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<td>Parliamentary Secretary to the Minister for Finance and Administration</td>
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<td>Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry</td>
<td>Senator the Hon. Richard Mansell Colbeck</td>
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SHADOW MINISTRY

Leader of the Opposition: The Hon. Kim Christian Beazley MP
Deputy Leader of the Opposition and Shadow Minister for Education, Training, Science and Research: Jennifer Louise Macklin MP
Leader of the Opposition in the Senate, Shadow Minister for Indigenous Affairs and Shadow Minister for Family and Community Services: Senator Christopher Vaughan Evans
Deputy Leader of the Opposition in the Senate and Shadow Minister for Communications and Information Technology: Senator Stephen Michael Conroy
Shadow Minister for Health and Manager of Opposition Business in the House: Julia Eileen Gillard MP
Shadow Treasurer: Wayne Maxwell Swan MP
Shadow Attorney-General: Nicola Louise Roxon MP
Shadow Minister for Industry, Infrastructure and Industrial Relations: Stephen Francis Smith MP
Shadow Minister for Foreign Affairs and Trade and Shadow Minister for International Security: Kevin Michael Rudd MP
Shadow Minister for Defence: Robert Bruce McClelland MP
Shadow Minister for Regional Development: The Hon. Simon Findlay Crean MP
Shadow Minister for Primary Industries, Resources, Forestry and Tourism: Martin John Ferguson MP
Shadow Minister for Environment and Heritage, Shadow Minister for Water and Deputy Manager of Opposition Business in the House: Anthony Norman Albanese MP
Shadow Minister for Housing, Shadow Minister for Urban Development and Shadow Minister for Local Government and Territories: Senator Kim John Carr
Shadow Minister for Public Accountability and Shadow Minister for Human Services: Kelvin John Thomson MP
Shadow Minister for Finance: Lindsay James Tanner MP
Shadow Minister for Superannuation and Intergenerational Finance and Shadow Minister for Banking and Financial Services: Senator the Hon. Nicholas John Sherry
Shadow Minister for Child Care, Shadow Minister for Youth and Shadow Minister for Women: Tanya Joan Plibersek MP
Shadow Minister for Employment and Workforce Participation and Shadow Minister for Corporate Governance and Responsibility: Senator Penelope Ying Yen Wong

(The above are shadow cabinet ministers)
SHADOW MINISTRY—continued

Shadow Minister for Consumer Affairs and Shadow Minister for Population Health and Health Regulation
Laurie Donald Thomas Ferguson MP

Shadow Minister for Agriculture and Fisheries
Gavan Michael O’Connor MP

Shadow Assistant Treasurer, Shadow Minister for Revenue and Shadow Minister for Small Business and Competition
Joel Andrew Fitzgibbon MP

Shadow Minister for Transport
Senator Kerry Williams Kelso O’Brien

Shadow Minister for Sport and Recreation
Senator Kate Alexandra Lundy

Shadow Minister for Homeland Security and Shadow Minister for Aviation and Transport Security
The Hon. Archibald Ronald Bevis MP

Shadow Minister for Veterans’ Affairs and Shadow Special Minister of State
Alan Peter Griffin MP

Shadow Minister for Defence Industry, Procurement and Personnel
Senator Thomas Mark Bishop

Shadow Minister for Immigration
Anthony Stephen Burke MP

Shadow Minister for Aged Care, Disabilities and Carers
Senator Jan Elizabeth McLucas

Shadow Minister for Justice and Customs and Manager of Opposition Business in the Senate
Senator Joseph William Ludwig

Shadow Minister for Overseas Aid and Pacific Island Affairs
Robert Charles Grant Sercombe MP

Shadow Parliamentary Secretary for Reconciliation and the Arts
Peter Robert Garrett MP

Shadow Parliamentary Secretary to the Leader of the Opposition
John Paul Murphy MP

Shadow Parliamentary Secretary for Defence and Veterans’ Affairs
The Hon. Graham John Edwards MP

Shadow Parliamentary Secretary for Education
Kirsten Fiona Livermore MP

Shadow Parliamentary Secretary for Environment and Heritage
Jennie George MP

Shadow Parliamentary Secretary for Industry, Infrastructure and Industrial Relations
Bernard Fernando Ripoll MP

Shadow Parliamentary Secretary for Immigration
Ann Kathleen Corcoran MP

Shadow Parliamentary Secretary for Treasury
Catherine Fiona King MP

Shadow Parliamentary Secretary for Science and Water
Senator Ursula Mary Stephens

Shadow Parliamentary Secretary for Northern Australia and Indigenous Affairs
The Hon. Warren Edward Snowdon MP
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**WEDNESDAY, 14 SEPTEMBER**

**Chamber**
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Telecommunications (Carrier Licence Charges) Amendment (Industry Plans and Consumer Codes) Bill 2005 and
Appropriation (Regional Telecommunications Services) Bill 2005-2006—

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The PRESIDENT (Senator the Hon. Paul Calvert) took the chair at 9.30 am and read prayers.

TELSTRA (TRANSITION TO FULL PRIVATE OWNERSHIP) BILL 2005

TELECOMMUNICATIONS LEGISLATION AMENDMENT (COMPETITION AND CONSUMER ISSUES) BILL 2005

TELECOMMUNICATIONS LEGISLATION AMENDMENT (FUTURE PROOFING AND OTHER MEASURES) BILL 2005

TELECOMMUNICATIONS (CARRIER LICENCE CHARGES) AMENDMENT (INDUSTRY PLANS AND CONSUMER CODES) BILL 2005

APPROPRIATION (REGIONAL TELECOMMUNICATIONS SERVICES) BILL 2005-2006

Declaration of Urgency

Senator ELLISON (Western Australia—Manager of Government Business in the Senate) (9.30 am)—I declare that the following bills are urgent bills:

Telstra (Transition to Full Private Ownership) Bill 2005

Telecommunications Legislation Amendment (Competition and Consumer Issues) Bill 2005

Telecommunications Legislation Amendment (Future Proofing and Other Measures) Bill 2005

Telecommunications (Carrier Licence Charges) Amendment (Industry Plans and Consumer Codes) Bill 2005

Appropriation (Regional Telecommunications Services) Bill 2005-2006

and I move:

That these bills be considered urgent bills.

Suspension of Standing Orders

Senator LUDWIG (Queensland) (9.31 am)—Pursuant to contingent notice of motion, and at the request of the Leader of the Opposition in the Senate, Senator Evans, I move:

That so much of standing order 142 be suspended as would prevent debate taking place on the motion.

Surprise, surprise that it has taken the government so long to get to the position of being able to cut this debate short! They have thrown out the principles of this Senate. The government know that, The Nationals know that and The Nationals should be ashamed of their actions. They should be absolutely ashamed of being blocked with the Liberal Party to do this—to cut the debate and to not allow the full second reading debate to be dealt with. What this government have done is cut the process in half. They have ensured that there will not be a full and frank debate, and yet they have had the opportunity but they have done one thing after the other. They have absolutely wrecked the program and how this Senate works.

You should be ashamed of the way you treat this place. This week you have done the cut-off motion, you have forced and bludgeoned your way through this Senate. You have done the cut-off motion not once but twice. There are five bills that were to be debated in this house in relation to the Telstra debate and what you have done is to ensure that your will, and that of the National Party, will prevail irrespective of what should properly happen in this place. There should be proper debate in this house on this matter but what you have done is ensure that there will not be proper debate.

You only have to look at your record on this. You have also ensured that the committee stage will not follow. What you have also done is ensure that the committee report and
the ability to examine the legislation and properly look at how it would work have been wrecked yet again. What you have not done is ensure that there will be a proper committee stage. The committee was given one day to deal with this debate in any proper way.

It has all been done with little notice. What we have today is the government coming into this chamber with not even the courtesy of consulting in the way that the place traditionally works. As I walked in the door, I was told, 'We’re going to move the guillotine.' That is what I was told as I walk into the chamber and listened to the movement of the guillotine. The way that you have done that is abysmal. You should be ashamed; you should hang your heads in shame. What the Liberals and The Nationals have done is to sign up to a process that you should be ashamed of, because not only have you done the standing orders of the Senate an injustice but you have also done yourselves an injustice. You should be absolutely ashamed of the way you have behaved, because what you have done is to set the scene as to how you are going to use your Senate power.

Senator Hill is not seen in this chamber. Of course he will not want to come into this chamber and he will be bowing his head in shame because Senator Hill himself, in contingent notice debates in 1993, argued why there should be proper scrutiny, why this is a house of review, why legislation should be dealt with in a proper and considered manner. What you have now done is ensure that there will not be proper debate in relation to these five bills. What you have ensured is that we will not be able to deal adequately with the five bills during the second reading stage. I have not been able to make a contribution in relation to the second reading. I had come down to the chamber to make a contribution this morning in the second reading debate, but instead you decide to cut the debate in half. Why? To push the bills through by the end of the week.

What you have then also ensured is that the processes within this place will not work, given the way that you have then tried to bludgeon us into submission in relation to this debate. You have taken a liberty. As I have said, Senator Hill is not in this chamber. He is not going to defend his position, because what he said back in 1993, in the native title debate, was:

It is alright for—a senator—to say we do not want that full and complete debate; government senators are not interested in the democratic process ...

You are not interested in the democratic processes. You have now thrown away your own principles. You have abandoned your own principles in relation to this debate, and you should hang your heads in shame and reflect upon what you have now done in this debate. You have now thrown the democratic principles of this place out the window, and you should hang your heads in shame. What you have also done is to ensure that the debate would be frustrated, it would be cut off and it would not be able to be completed properly. (Time expired)

Senator BOB BROWN (Tasmania) (9.37 am)—The Howard government has just hung up on Australia. It has slammed the phone down on the Australian people. This is the Howard government saying, ‘We will treat Australia with disdain by treating the parliament of this country with disdain.’ Here is a government that cannot maintain an argument. Here is a government that cannot defend its position. Here is a government that cannot even have its National Party here—not one National Party person is in this chamber. They are all hiding their heads in shame because they are coming in here shortly to vote to have this important debate
cut short because the government is getting the worst of it and the government cannot maintain it.

Every day, the government is faced with embarrassing leaks about how this is a sell-out to the big end of town. It is going to make billions, no doubt, out of Telstra as the rest of the country suffers and as, in particular, the average punter, who the Prime Minister has been so vocal about in his years in office, gets inferior telecommunications over the big end of town, the scions of the Liberal Party and the National Party. Yesterday we saw the National Farmers Federation come out, in the service of the Howard government, against farmers, against the bush. The millionaire Donald McGauchie should be very pleased with that—and no doubt he had a lot to do with it; after all, he is on the board of Telstra now.

Here we have the big boys, the millionaires and the billionaires, dictating to this government, through this government, in the interests of themselves against the interests of average Australians. The government is saying that we cannot debate this, that we cannot hold a debate on this in the Senate or in the House of Representatives. This is a disgraceful day for democracy. This is a disgraceful day for proper parliamentary procedure. This is a disgraceful day for a parliament that should be representative of, listening to and reacting on behalf of the people of Australia.

The Prime Minister says he is there for all of us—not today he is not. He has hung up the phone. He has slammed it down on the Australian people who, seven to three, do not want this legislation going through the parliament. And where is Senator Joyce? He is missing in action. He is out behind the screen there being told what to do. He has been worn down. He has gone weak at the knees. He has collapsed. He says he is out their getting a better deal. Where is it? Where is it before this parliament? It is not here at all. Senator Joyce has wimped out on the very constituency that he went to the election saying he was going to defend. He was not going to sell Telstra. Now he will be voting for debate to be cut off on the Telstra bills.

The big boys have moved in and, against his conscience, Senator Joyce has collapsed. He said, ‘I’m going to see what else I can get out of it.’ I ask Senator Joyce: how do you get anything else out of it when the guillotine is dropping, cutting off those lines that you were there to defend? What an inglorious day for Senator Joyce this is. What a sell-out day for the National Party this is. What an antidemocratic day for the Howard government this is. The Prime Minister is not even here as the guillotine drops. We have five members of the government in this place, but not one National Party person, as this crucial—

Senator Ferguson—Who would want to come and listen to you?

Senator BOB BROWN—You are, Sir. You might make light of this, but the Australian people think this is a very serious matter. Certainly, we are not going to hear the government try to defend this. It is left to the opposition benches—the Labor Party, the Greens and the Democrats—to try to defend the 70 per cent of Australians who think this is a sell-out by the government, and that 70 per cent is right.

Senator BARTLETT (Queensland) (9.41 am)—The urgency motion is not a surprise but nonetheless it shows how gutless the government is. This government does not want scrutiny of what they are doing. They are happy to have all of the raging backwards and forwards about whether or not to sell, but they do not want anybody to look at the substance of what they are doing with the
competition regime, what the consumer controls will be, what the lack of controls over the funding in the future will be and how many gaping holes there are in this entire shambles of a package. There is no clearer example of poor legislation than when the people putting it forward try and hide what is in it by pushing it through without allowing proper scrutiny.

It is another crystal clear indication of not just the extraordinary arrogance of this government, not just their gutlessness and cowardliness, but also their contempt even for other senators in this place. Obviously, a guillotine is not unprecedented in this chamber. All of us, Democrats, Greens and Labor alike, have supported guillotines in the past. But the minimum that is done before a guillotine is brought down is, if not consultation, at least to inform people about what it is going to contain and what the hours are going to be, rather than just contemptuously walking in and saying: ‘Here it is. We’re just going to bring out the steamroller because we can, and we’re not even going to bother telling you in advance what is going to happen.’

As this debate attempting to suspend standing orders surrounding the Telstra bills is under way, we are just now finding out what the time frame planned is. The schedule is being circulated around the chamber. We have the opposition parties trying to get justification from the government for this—justification from The Nationals would be nice as well instead of their complete absence from the chamber. We see now that the guillotine is to come down on the second reading debate at 11.30 am today. There is a likelihood of three hours for consideration in detail at the committee stage. Five pieces of legislation will have to be considered in detail in about three hours.

As senators would know, the Democrats have a range of amendments that we have circulated already in this chamber that go to issues like so-called future proofing—that has to be one of the great new con phrases of the year, but that is what is in the legislation—the competition regime and the role of the ACCC. We have a range of amendments and, particularly given that we were prevented from having a committee inquiry of any decency at all, the Committee of the Whole stage of the debate becomes more fundamental because that is the only opportunity the Senate has to actually ask questions of the minister about what the real meaning, the real intent, of the legislation is. It is the only opportunity we have got.

We have had a total gutting of the committee process—a farcical one-day process. Senator Joyce said that one day was not enough, that a one-day inquiry was inadequate. Of course, the same Senator Joyce voted to allow that one-day inquiry to happen, along with all the other National Party and Liberal Party senators in this place, so complaining about it afterwards is pretty extraordinary. But he will also prevent scrutiny and questioning in the Committee of the Whole process in this chamber. To quote another National Party MP, the Leader of The Nationals in Queensland, Mr Lawrence Springborg: ‘You can’t bake a good fruitcake in 10 minutes.’ Well, this will not be a good fruitcake; it will not even be one decent pumpkin scone. It will be, clearly, a rotten and decaying piece of inedible trash that will disintegrate not long after the vote is railroaded through later on this evening.

The National Party and the Liberal Party must stand condemned. The complete failure of any National Party MP to even turn up and have the guts to justify this shows that they know in their hearts—those that have them—that what they are doing is wrong. They are just, once again, rolling over for the political imperatives rather than for the policy good of this country. (Time expired)
Senator ELLISON (Western Australia—Manager of Government Business in the Senate) (9.47 am)—There has been extensive debate on these bills. We have had a total of 16 hours debate in one way or another in relation to these bills. We have had 10 hours on the substance and around six hours, I think, including an MPI, on the procedure. Just under 40 per cent of the total debate has been on procedure, I would put to the Senate. The fact is that these bills are urgent. There is a legitimate process for doing this. We are looking at standing order 142, which has been used by this government previously and by the previous Labor government. In fact, when you look at the record over 10 years, you see that 221 bills were put through with the use of the guillotine by Labor. When you compare that to the record of this government—84 in eight years—you see that the rate of using the guillotine under the previous Labor government was much higher. Senator Robert Ray used it on 52 bills. Senator Gareth Evans and Senator Bob McMullan used it 144 times combined. So there is a precedent. Labor can hardly criticise what the government is intending to do here.

These bills are urgent and we want to see debate continue in the Committee of the Whole. I foreshadow that there will be a motion moved by the government in relation to allotment of time. The more debate that we use up on process, the less time there will be for substance. You just have to look at the record to see that, out of 16 hours, just under 40 per cent has been not on the substance of these bills.

It is farcical of others to suggest that this is in some way untoward. There is a precedent for using order 142. As I have pointed out, the previous Labor government used it on many occasions, and in fact this government has used it with the opposition’s support on previous occasions. It is important that we get on with dealing with these bills. We have always made it clear that we wanted these bills to be dealt with this week. This issue of the privatisation of Telstra has had longstanding public exposure. I will not go into the details again of the number of inquiries there have been, the number of times the Senate committee has looked at various aspects of this. We have the Senate committee report and we have amendments which are due to be dealt with in the committee stage. We should get on with that committee stage. I move:

That the question be now put.

Question put.

The Senate divided. [9.54 am]

(The President—Senator the Hon. Paul Calvert)

Ayes............. 35

Noes............. 32

Majority......... 3

AYES


NOES

Bartlett, A.J.J. Brown, B.J. Campbell, G. *

The question now is that the motion moved by Senator Ludwig to suspend standing orders be agreed to.

The Senate divided. [9.58 am]

(The President—Senator the Hon. Paul Calvert)

Ayes.........  32
Noes.........  35

Majority.......  3

AYES

Bartlett, A.J.J.  Bishop, T.M.
Brown, B.J.  Brown, C.L.
Campbell, G. *  Carr, K.J.
Crossin, P.M.  Evans, C.V.
Faulkner, J.P.  Fielding, S.
Forsyth, M.G.  Hogg, J.J.
Hurley, A.  Hutchins, S.P.
Kirk, L.  Ludwig, J.W.
Lundy, K.A.  Marshall, G.
McEwen, A.  Milne, C.
Moore, C.  Murray, A.J.M.
Nettle, K.  O’Brien, K.W.K.
Polley, H.  Siewert, R.
Stephens, U.  Sterle, G.
Stott Despoja, N.  Webber, R.
Wong, P.  Wortley, D.

NOES

Abetz, E.  Adams, J.
Barnett, G.  Boswell, R.L.D.
Brandis, G.H.  Calvert, P.H.
Campbell, I.G.  Chapman, H.G.P.
Colbeck, R.  Coonan, H.L.
Eggleston, A.  Ellison, C.M.
Ferguson, A.B.  Ferris, J.M.*
Fierravanti-Wells, C.  Fifield, M.P.
Heffernan, W.  Hill, R.M.
Johnston, D.  Joyce, B.
Lightfoot, P.R.  Macdonald, J.A.L.
Mason, B.J.  McGauran, J.J.J.
Minchin, N.H.  Nash, F.
Parry, S.  Patterson, K.C.
Payne, M.A.  Ronaldson, M.
Santoro, S.  Scullion, N.G.
Troeth, J.M.  Trood, R.
Watson, J.O.W.

* denotes teller

Question agreed to.

The PRESIDENT—The question now is that the motion moved by Senator Ludwig to suspend standing orders be agreed to.

The Senate divided. [9.58 am]

(The President—Senator the Hon. Paul Calvert)

Ayes.........  32
Noes.........  35

Majority.......  3

AYES

Bartlett, A.J.J.  Bishop, T.M.
Brown, B.J.  Brown, C.L.
Campbell, G. *  Carr, K.J.
Crossin, P.M.  Evans, C.V.
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Stott Despoja, N.  Webber, R.
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Santoro, S.  Scullion, N.G.
Troeth, J.M.  Trood, R.
Watson, J.O.W.

* denotes teller

Question negatived.

In division—

Senator Bob Brown—On a point of order, Mr President. I would like it clarified to the Senate whether or not Senator Allison has been granted a pair by the government.

The PRESIDENT—That is not a matter for the chair, Senator; it is a matter for the whips.

Senator Bob Brown—Mr President, on a point of order: I would just like to point out the standing orders which require that any senator who has a pecuniary interest, including in Telstra, should state it at this juncture.

The PRESIDENT—I think you realise, Senator, that pecuniary interests have been registered some time back. The question now is that the motion moved by Senator Ellison be agreed to.
The Senate divided. [10.04 am]
(The President—Senator the Hon. Paul Calvert)

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<td>Ayes………</td>
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**AYES**

Abetz, E.  
Barnett, G.  
Brandis, G.H.  
Campbell, I.G.  
Colbeck, R.  
Eggleston, A.  
Ferguson, A.B.  
Fierravanti-Wells, C.  
Heffernan, W.  
Johnston, D.  
Lightfoot, P.R.  
Mason, B.J.  
Minchin, N.H.  
Parry, S.  
Payne, M.A.  
Santoro, S.  
Troeth, J.M.  
Watson, J.O.W.

**NOES**

Bartlett, A.J.J.  
Brown, B.J.  
Campbell, G.  
Crossin, P.M.  
Faulkner, J.P.  
Forshaw, M.G.  
Hurley, A.  
Kirk, L.  
Lundy, K.A.  
McEwen, A.  
Moore, C.  
Nettle, K.  
Polley, H.  
Stephens, U.  
Stott Despoja, N.  
Wong, P.

* denotes teller

Question agreed to.

In division—

Senator Bob Brown—On a point of order, Mr President. Not withstanding your statement a moment ago, I draw your attention to the standing orders and section 5 under senators’ interests which states:

Notwithstanding the lodgment by a senator of a statement of the senator’s registrable interests ...

… … …

(b) as soon as practicable after a division is called for in the Senate, committee of the whole Senate, or a committee of the Senate or of the Senate and the House of Representatives, if the senator proposes to vote in that division;

and the declaration shall be recorded and indexed …

The PRESIDENT—I think you might be reading from an old set of standing orders, Senator. I am assured by the Clerk that where an interest is registered there is no requirement for a senator to stand in the chamber, and that is under a very recent amendment.

**Allotment of Time**

Senator ELLISON (Western Australia—Manager of Government Business in the Senate) (10.08 am)—I move:

That the time allotted for consideration of the remaining stages of the bills be as follows:

Second reading  
till 11.30 am today

Committee of the whole  
from 11.30 am till 12.45 pm, and from not later than 4.30 pm till 6.15 pm today

All remaining stages  
from 6.15 pm till 6.30 pm today.

I also move:

That the question be now put.
Suspension of Standing Orders

Senator CHRIS EVANS (Western Australia—Leader of the Opposition in the Senate) (10.09 am)—Pursuant to contingent notice, I move:

That so much of standing order 142 be suspended as would prevent debate taking place on the motion.

In doing so, I want to say that I think this is the most disgraceful performance we have seen for a long time. It is a reflection of the arrogance of the government. I do not argue that the guillotine is not a legitimate means of managing business in the Senate on occasion. Labor has used the guillotine and does not object to the guillotine being used on appropriate occasions, so it is not a debate about the guillotine. But what we have here is the gag being applied before we could even debate the guillotine. That is how afraid of the argument this government are. They moved the gag before I, as Leader of the Opposition in the Senate, was given the call by the President. Standing orders were flagrantly abused. Even the Leader of the Opposition in the Senate was not allowed the call before the gag was moved. What is the impact—

Senator Hill interjecting—

Senator CHRIS EVANS—Senator Hill, you were missing in action again. What is the effect of this motion? Senator Joyce will not speak in the debate on Telstra. The government have gagged Senator Joyce. They have gagged Senator Fielding. Not only have you gagged the Labor Party, the Greens and the Democrats, you have prevented Senator Joyce from speaking.

Opposition senators interjecting—

The PRESIDENT—Order! Senator Evans, senators from your own side are making so much noise I cannot hear you. I ask them to come to order.

Senator CHRIS EVANS—Mr President, the reason my voice is raised is that you did not deal with interjections from the government in the first place. What I want to make clear is that the government have gagged Senator Barnaby Joyce. Under their resolution, he will not be allowed to speak in the debate on Telstra. They are so arrogant—they are so afraid—that they will not even let their own people speak on Telstra. They are not scared of us. They know we have the support of the Australian people. They know we are right. They know they cannot win the argument. But they are so afraid, so very afraid, that they will not let their own people speak. At least three Nationals who are selling out the bush will not speak in this debate. Senator Joyce, the Hamlet of Australian politics—will he or won’t he?—will not be allowed to speak because they are not sure what he will say.

Senator Hill—Mr President, I rise on a point of order. Surely it is against standing orders to deliberately mislead the Senate. This motion does not prohibit any individual senator or senators from contributing to the further parts of the debate: the second reading and the committee stages.

An opposition senator interjecting—

The PRESIDENT—are you reflecting on the chair, Senator? If you are, I will warn you.

Senator Conroy—Rule on the point of order!

The PRESIDENT—I am ruling on the point of order. There is no point of order.

Senator CHRIS EVANS—That is a pathetic attempt because the government cannot defend itself. Under the resolution on the hours, by 11.30 today the second reading debate is over. I have the list of speakers. Senator Joyce is not on it.

Senator Ferguson—He didn’t ask!
Senator CHRIS EVANS—So Senator Joyce isn’t interested in Telstra now? Apparently the bullyboys from The Nationals and the government have told him he is not really interested. Senator Fielding did not get his family impact statement but he will not get to speak because you are so afraid. You cannot win the debate—you cannot win the argument—so you gag your own. That is how arrogant, out of touch and disgraceful your behaviour has become. I have no objection to a proper guillotine being moved when appropriate. Labor moved—

Senator Hill—When it suits you!

Senator CHRIS EVANS—No!

The PRESIDENT—Order, Senator Hill!

Senator CHRIS EVANS—Mr President, are you going to deal with this or shall we debate this issue?

The PRESIDENT—I have just called him to order.

Senator CHRIS EVANS—Thank you. What we have is the government walking in on the Wednesday morning with no consultation, no meeting and no warning and moving that, with an hour and a half, debate is over—it is finished; we get out of here. Senator Joyce, you cannot speak. The committee stage has a total of 1½ hours. There are five bills and 1½ hours. That is about 15 minutes a bill. That is the detail of the sale of $30 billion worth of assets—we get about 15 to 20 minutes per bill. If the government had been serious, they would have brought in a rolling guillotine at the start of the week, consulted about the management of the debate and ensured a proper debate. But they do not want debate, because they cannot stand it. They cannot win the argument. What we have had today is—

Senator Coonan interjecting—

The PRESIDENT—Order!

Senator CHRIS EVANS—Senator Coonan, if you want to speak, get the call.

Senator Hill interjecting—

The PRESIDENT—Senator Hill, come to order.

Senator CHRIS EVANS—Mr President, I do not know whether I am going to be allowed to continue, but I would appreciate your support.

The PRESIDENT—I just called Senator Hill to order.

Senator CHRIS EVANS—Thank you, Mr President. What we have is a situation where the government not only moved the guillotine, which is a process for bringing the debate to a head, but also immediately moved a gag. One is not even allowed to debate the processes. We have seen the abuse of question time. We have seen the abuse of nearly every democratic process this Senate has supported over the last 100 years—within four weeks of this parliament sitting. Four weeks of a government majority in the Senate has seen every process of the Senate overturned and thrown out. The government are drunk with power, they are scared of debate and they are willing to abuse any Senate process. Every process has been abused in the first four weeks. And now they are so scared they silence their own. Whatever happened to the National Party? The government will not let Senator Joyce speak. They will not let the other Nationals speak because they are so scared of what they might say; they are so scared of the debate. (Time expired)

Senator ELLISON (Western Australia—Manager of Government Business in the Senate) (10.15 am)—I move:

That the question be now put.

Question put.

The Senate divided. [10.19 am]
(The President—Senator the Hon. Paul Calvert)

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AYES

Abetz, E.       Adams, J. 
Barnett, G.     Boswell, R.L.D. 
Brandis, G.H.   Calvert, P.H. 
Campbell, I.G.  Chapman, H.G.P. 
Colbeck, R.     Coonan, H.L. 
Eggleton, A.    Ellison, C.M. 
Ferguson, A.B.  Ferris, J.M. 
Fierravanti-Wells, C.  Fifield, M.P. 
Heffernan, W.   Hill, R.M. 
Johnston, D.    Joyce, B. 
Lightfoot, P.R. Mason, B.J. 
McGauran, J.J.  Minchin, N.H. 
Nash, F.        Parry, S. 
Patterson, K.C. Payne, M.A. 
Ronaldson, M.   Santoro, S. 
Scullion, N.G.  Troeth, J.M. 
Trood, R.       Watson, J.O.W. 

NOES

Bartlett, A.J.J. Brown, B.J. 
Brown, C.L.     Campbell, G. 
Carr, K.J.      Conroy, S.M. 
Crossin, P.M.   Evans, C.V. 
Faulkner, J.P.  Fielding, S. 
Forsshaw, M.G.  Hogg, J.J. 
Hurley, A.      Hutchins, S.P. 
Kirk, L.        Ludwig, J.W. 
Lundy, K.A.     Marshall, G. 
McEwen, A.      Milne, C. 
Moore, C.       Murray, A.M. 
Nettle, K.      Polley, H. 
Siewert, R.     Stephens, U. 
Sterle, G.      Stott Despoja, N. 
Webber, R.      Wong, P. 
Wortley, D.     

PAIRS

Humphries, G.   O'Brien, K.W.K. 
Kemp, C.R.      Bishop, T.M. 
Macdonald, I.   Ray, R.F. 
Macdonald, J.A.L.  Sherry, N.J. 
Vanstone, A.E.  McLucas, J.E. 

* denotes teller

Question agreed to.

Question put:

That the motion (Senator Chris Evans's) be agreed to.

The Senate divided.  [10.24 am]

(The President—Senator the Hon. Paul Calvert)

<table>
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AYES

Bartlett, A.J.J. Brown, B.J. 
Brown, C.L.     Campbell, G. 
Carr, K.J.      Conroy, S.M. 
Crossin, P.M.   Evans, C.V. 
Faulkner, J.P.  Fielding, S. 
Forsshaw, M.G.  Hogg, J.J. 
Hurley, A.      Hutchins, S.P. 
Kirk, L.        Ludwig, J.W. 
Lundy, K.A.     Marshall, G. 
McEwen, A.      Milne, C. 
Moore, C.       Murray, A.M. 
Nettle, K.      Polley, H. 
Siewert, R.     Stephens, U. 
Sterle, G.      Stott Despoja, N. 
Webber, R.      Wong, P. 
Wortley, D.     

NOES

Abetz, E.       Adams, J. 
Barnett, G.     Boswell, R.L.D. 
Brandis, G.H.   Calvert, P.H. 
Campbell, I.G.  Chapman, H.G.P. 
Colbeck, R.     Coonan, H.L. 
Eggleton, A.    Ellison, C.M. 
Ferguson, A.B.  Ferris, J.M. 
Fierravanti-Wells, C.  Fifield, M.P. 
Heffernan, W.   Hill, R.M. 
Johnston, D.    Joyce, B. 
Lightfoot, P.R. Mason, B.J. 
McGauran, J.J.  Minchin, N.H. 
Nash, F.        Parry, S. 
Patterson, K.C. Payne, M.A. 
Ronaldson, M.   Santoro, S. 
Scullion, N.G.  Troeth, J.M. 
Trood, R.       Watson, J.O.W. 

CHAMBER
The PRESIDENT—The question now is that the closure motion moved by the minister in relation to the allotment of time motion be agreed to.

The Senate divided. [10.28 am]
(The President—Senator the Hon. Paul Calvert)

Ayes............ 34
Noes............ 31
Majority......... 3

AYES

NOES

* denotes teller

Question negatived.

The PRESIDENT—The question is that the motion for the allotment of time be agreed to.

The Senate divided. [10.33 am]
(The President—Senator the Hon. Paul Calvert)

Ayes............ 34
Noes............ 31
Majority......... 3

AYES

NOES

* denotes teller

Question agreed to.

The PRESIDENT—I remind honourable senators that, when a division is being counted, senators should remain in their place. The question is that the motion for the allotment of time be agreed to.

The Senate divided. [10.38 am]
(The President—Senator the Hon. Paul Calvert)

Ayes............ 34
Noes............ 31
Majority......... 3

AYES

NOES
NOES

Bartlett, A.J.J.  Brown, B.J.
Brown, C.L.  Campbell, G.
Carr, K.J.  Conroy, S.M.
Crossin, P.M.  Evans, C.V.
Faulkner, J.P.  Fielding, S.
Forshaw, M.G.  Hogg, I.J.
Hurley, A.  Hutchins, S.P.
Kirk, L.  Ludwig, J.W.
Lundy, K.A.  Marshall, G.
Moore, C.  Milne, C.
Nette, K.  Murray, A.J.M.
Siewert, R.  Polley, H.
Sterle, G.  Stephens, U.
Webber, R.  Stott Despoja, N.
Wortley, D.  Wong, P.

PAIRS

Humphries, G.  O’Brien, K.W.K.
Kemp, C.R.  Bishop, T.M.
Macdonald, I.  Ray, R.F.
Macdonald, J.A.L.  Sherry, N.J.
Vanstone, A.E.  McLucas, J.E.

* denotes teller

Question agreed to.

SENATE PROCEDURES

Suspension of Standing Orders

Senator CONROY (Victoria) (10.36 am)—I seek leave to make a statement regarding Senate procedure.

Leave not granted.

Senator CONROY (Victoria) (10.37 am)—Pursuant to contingent notice and at the request of the Leader of the Opposition in the Senate, Senator Evans, I move:

That so much of the standing orders be suspended as would prevent me from making the statement.

What an abuse of Senate power we are seeing today. We have a government out of control, drunk on power, that is determined to abuse the Senate chamber, abuse the parliamentary process and abuse the Australian public. What do we know? We know that Senator Joyce is being gagged. We know that Senator Nash raised concerns yesterday. We are not allowed to have a committee process. We are not allowed to get to the bottom of what is in the legislation. We are not allowed to have a debate on the second reading. We are going to gag the committee process. We are going to gag the third readings. This is a government drunk on power. This is a government that promised after the election: ‘We won’t abuse our control of the Senate. We won’t take our position for granted. We’ll continue with the process.’

Senator Boswell, I see you are here again. I remind you of some very important words that you said on The 7.30 Report when you were asked about the abuse of Senate process. You said, ‘I think that the system works pretty well.’ I thought, ‘Good on Senator Boswell. He is true to his profession, true to his calling.’ But no, the first two or three opportunities to prove those words, to prove those sentiments meant anything, Roll-over Ron Boswell is in here gagging debate, gagging committees, gagging process, abusing the government’s power.

What is this government hiding? Why do we have this rush? It became clear yesterday as Telstra were forced to admit that they have created a redundancy fund. It is in the Age if you want to read it, Senator Joyce or anybody else. That is the admission. They are going to be involved in mass sackings after this bill is passed this week. They are pushing back the date of the review. They do not want Sol Trujillo’s review to possibly become public before this chamber has to vote because they know that they are going to be engaged in mass sackings. They put out a very mealy-mouthed statement yesterday to the Stock Exchange: ‘We don’t know anything about a 104-page document that canvasses cuts of that magnitude.’ All right, Telstra, they might not be 14,000, they might not be 10,000, but are they 8,000? Are they 5,000? Because, Senator Joyce, we know
Thursday, 14 September 2005

SENA TE 13

CHAMBER

where these cuts are going to be. They are going to rip the guts out of Telstra Country Wide. They are going to take all these people out there. All these——they are going to be gone. And you are going to say, ‘How on earth are they going to meet all these community requirements that we’ve negotiated so toughly for? How on earth are we going to make them keep their word?’ I have got news for you, Senator Joyce: there is no chance. Read Ross Gittins today. If you want a picture of what is going to happen after you vote for this, you read Ross Gittins today, because that is what is going on.

The Prime Minister and Senator Hill do not want the truth to come out. They are engaged in a deceit of the Australian public, a deceit of this parliament and a deceit of this chamber. That is what is going on here. The PM does not want the truth out. We have seen some extraordinary scenes in the last few weeks. Senator Joyce has been followed round by members of the National Party, members of the government. It is quite embarrassing and demeaning. He has been physically intimidated by Senator Heffernan. I witnessed the exchange in the hall outside. I saw Senator Heffernan front Senator Joyce. Senator Boswell, you were there as well. To be fair to you, Senator Boswell, you were trying to protect him from Senator Heffernan, but I witnessed it.

The PRESIDENT—Senator Conroy, through the chair.

Senator CONROY—I was not addressing any individual senator then, but I accept your admonishment yet again. So let us be clear: we have a senator who has been dragged from room to room, taken into meetings and pressured, who has had the president of the National Party announce publicly how he is going to vote. The president of the Queensland National Party has stood up and said: ‘I know how Senator Joyce is voting. This is how he’s going to vote.’ (Time expired)

Senator ELLISON (Western Australia—Manager of Government Business in the Senate) (10.42 am)—I move:

That the question be now put.

Question put.

The Senate divided. [10.46 am]

(The President—Senator the Hon. Paul Calvert)

Ayes……….. 34

Noes……….. 32

Majority……… 2

AYES


NOES

Bartlett, A.J.J. Brown, B.J. Campbell, G. *


Bishop, T.M. Brown, C.L. Conroy, S.M.
Question agreed to.

The PRESIDENT—The question now is that the suspension motion moved by Senator Conroy be agreed to.

The Senate divided. [10.51 am]
(The President—Senator the Hon. Paul Calvert)

Ayes............. 32
Noes............. 34
Majority......... 2

AYES

Bartlett, A.J.J. Bishop, T.M.
Brown, B.J. Brown, C.L.
Campbell, G. * Conroy, S.M.
Crossin, P.M. Evans, C.V.
Faulkner, J.P. Fielding, S.
Forsshaw, M.G. Hogg, J.J.
Hurley, A. Hutchins, S.P.
Kirk, L. Ludwig, J.W.
Lundy, K.A. Marshall, G.
McEwen, A. McLucas, J.E.
Milne, C. Moore, C.
Murray, A.J.M. Nettle, K.
Polley, H. Siewert, R.
Stephens, U. Sterle, G.
Stott Despoja, N. Webber, R.
Wong, P. Wortley, D.

NOES

Abetz, E. Adams, J.
Barnett, G. Boswell, R.L.D.
Brandis, G.H. Calvert, P.H.
Campbell, I.G. Chapman, H.G.P.
Colbeck, R. Cooman, H.L.
Eggleston, A. * Ellison, C.M.
Ferguson, A.B. Ferris, J.M.
Fierravanti-Wells, C. Fifield, M.P.
Heffernan, W. Hill, R.M.
Johnston, D. Joyce, B.
Lightfoot, P.R. Mason, B.J.
McGauran, J.J.J. Minchin, N.H.
Nash, F. Parry, S.
Patterson, K.C. Payne, M.A.
Ronaldson, M. Santoro, S.
Scullion, N.G. Troeth, J.M.
Trood, R. Watson, J.O.W.

* denotes teller

Question negatived.

Senator BOB BROWN (Tasmania) (10.58 am)—Mr President, I seek leave to make a statement.

Leave not granted.

Suspension of Standing Orders

Senator BOB BROWN (Tasmania) (10.58 am)—I move:

That so much of the standing orders be suspended as would prevent me making a statement.

The PRESIDENT—Order! A majority of the Senate have decided not to grant leave and not to entertain continued suspension motions, so I direct the Clerk to read the order.

Senator Chris Evans—On a point of order, Mr President: I find your ruling a little confusing. As I understand it, Senator Con-
roy moved a motion, based on a suspension standing in my name. I understand that now Senator Brown, as the leader of the Greens in the Senate, has moved a suspension in his own right, which is an unrelated motion. I do not see how the defeat of an earlier motion allows you to rule Senator Brown’s rights in this chamber out of order. It seems to me a further abuse of the processes of this parliament if the leader of a political party is not allowed to exercise his rights to move a contingency motion. I would like some explanation of your ruling.

The PRESIDENT—I will explain. I do not know how many divisions we have had this morning, but the majority of the Senate has decided not to grant leave. A majority of the Senate has agreed not to agree to a contingency suspension of standing orders. This is not a precedent, I am presuming; Senator Sibraa gave the same determination on a previous guillotine motion. It is time to move on, and I am directing the Clerk to read the order.

Ruling of the President

Senator BOB BROWN (Tasmania)  
(11.00 am)—I move: That the ruling of the President be dissented from.

The PRESIDENT—I am led to believe that the motion that you are moving, Senator, is adjourned to the next day of sitting unless an urgent motion to deal with it now is agreed to.

Senator BOB BROWN—According to the contingency provisions, I move that the motion be an urgent motion.

The PRESIDENT—Senator, you should move that the matter requires immediate determination.

Senator BOB BROWN—I move: That the question of dissent requires immediate determination. I so move because your ruling is quite biased—

The PRESIDENT—Senator, that motion is not debatable. You have already moved it and it has to be decided now.

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

The Senate divided. [11.06 am]

(The President—Senator the Hon. Paul Calvert)

Ayes……….. 32
Noes……….. 34
Majority…….. 2

AYES

Bartlett, A.J.J.  Bishop, T.M.
Brown, B.J.  Brown, C.L.
Campbell, G.  Conroy, S.M.
Crossin, P.M.  Evans, C.V.
Faulkner, J.P.  Fielding, S.
Forsaw, M.G.  Hogg, J.J.
Hurley, A.  Hutchins, S.P.
Kirk, L.  Ludwig, J.W.
Lundy, K.A.  McEwen, A.
McLucas, J.E.  Milne, C.
Moore, C.  Murray, A.J.M.
Nettle, K.  Polley, H.
Sherry, N.J.  Siewert, R.
Stephens, U.  Sterle, G.
Stott Despoja, N.  Webber, R.
Wong, P.  Wortley, D.

NOES

Abetz, E.  Adams, J.
Barnett, G.  Boswell, R.L.D.
Brandis, G.H.  Calvert, P.H.
Campbell, I.G.  Chapman, H.G.P.
Colbeck, R.  Coonan, H.L.
Eggleson, A.  Ellison, C.M.
Ferguson, A.B.  Ferris, J.M.
Fierravanti-Wells, C.  Fifield, M.P.
Heffernan, W.  Hill, R.M.
Johnston, D.  Joyce, B.
Lightfoot, P.R.  Mason, B.I.
McGauran, J.J.J.  Minchin, N.H.
Nash, F.  Parry, S.
Patterson, K.C.  Payne, M.A.
Ronaldson, M.  Santoro, S.
Scullion, N.G.  Troeth, J.M.
Trood, R.  Watson, J.O.W.
Question negatived.

Ordered that debate be adjourned till the next day of sitting, pursuant to standing order 198.

TELESTRA (TRANSITION TO FULL PRIVATE OWNERSHIP) BILL 2005

TELECOMMUNICATIONS LEGISLATION AMENDMENT (COMPETITION AND CONSUMER ISSUES) BILL 2005

TELECOMMUNICATIONS LEGISLATION AMENDMENT (FUTURE PROOFING AND OTHER MEASURES) BILL 2005

TELECOMMUNICATIONS (CARRIER LICENCE CHARGES) AMENDMENT (INDUSTRY PLANS AND CONSUMER CODES) BILL 2005

APPROPRIATION (REGIONAL TELECOMMUNICATIONS SERVICES) BILL 2005-2006

Second Reading

Debate resumed from 13 September, on motions by Senator Coonan and Senator Vanstone:

That these bills be now read a second time upon which Senator Bob Brown had moved by way of an amendment:

Omit all words after “That”, substitute “further consideration of the bills be made an order of the day for 4 October 2005”.

Senator McEWEN (South Australia) (11.08 am)—I wish to speak against the Telstra (Transition to Full Private Ownership) Bill 2005 and related legislation before us today. I am mindful that other people want to speak about this bill in the very short period of time we have left to speak about it, so I just want to put on the record that Labor is opposed to the sale of Telstra. We voted against it five times before and we are going to vote against it again. I am a new senator and I am absolutely appalled by what has happened in the Senate over the last week. One week ago we got these bills into this parliament. One week ago they were referred to a Senate committee for a one-day inquiry—one day for the people of Australia to contemplate this legislation that will radically alter the delivery of telecommunications in Australia for the rest of their lives.

Now the bills are back in the parliament. This morning, when there are senators wanting to speak about it to represent the people of Australia on this matter, the debate has been guillotined by this parliament, by those people over there—that gutless crew over there, those doormats over there. I wish you good luck in the next election. I wish you good luck, because you are going to need it. You have sold Australia down the river, down the creek. Seventy per cent of Australians do not want Telstra sold but, for a small grab bag of promises for Senator Barnaby Joyce’s constituents in Queensland, you have sold out everybody. You have given us one week to consider the legislation. You are a disgrace.

Senator JOYCE (Queensland) (11.10 am)—Thank you very much, and I welcome the good honourable gentleman to our side of the chamber—

Senator Stott Despoja—Acting Deputy President Hutchins, on a point of order: I am next on the speakers list. Senator Joyce is not on the list. Will we stick to the speakers list or have we gagged that too?

Senator Hill—It is a longstanding practice: one side of the chamber then the other side of the chamber. The Democrats have
chosen to sit on the Labor side of the chamber, so they are part of that speaking contingent.

Senator George Campbell interjecting—

Senator Hill—How many speeches has the government had on this bill? How many opportunities? Very few.

Opposition senators interjecting—

Senator Hill—In fact the Labor spokesman damned the government for not allowing Senator Joyce to speak. Then, when Senator Joyce rises, the Labor Party wants to gag him. They cannot have it both ways.

Senator Chris Evans—Mr Acting Deputy President, on a point of order: I would welcome Senator Joyce’s contribution to the debate but, unfortunately, we are faced with a situation where the government and Senator Joyce have voted for a gag that ends the debate at 11.30 am. I am happy for the government to move a motion extending the time for the debate. Senator Joyce is a victim of his own party discipline. He voted for a resolution that stifled the debate. Now he wishes to jump on the speakers list. The speakers list is agreed between the parties and circulated in the chamber. The speakers list shows McEwen, Stott Despoja and Fielding. If Senator Joyce is to jump in and speak, then he denies Senator Stott Despoja and Senator Fielding their opportunities.

Senator Hill—Not necessarily. You’re wasting speaking time now.

Senator Chris Evans—My point of order, Mr Acting Deputy President, is that the government have overturned all the Senate procedures and this is another one—a distributed formal agreement between the parties, the speakers list, which is given to the chair. They are going to break that convention as well. According to the list, Senator Stott Despoja has the call and she ought to be given the call.

Senator Bob Brown—On the point of order: it is totally outrageous that the speakers order now be broken to convenience government members who have not had the gumption to get up to speak until now. I move, according to contingent orders:

That so much of standing orders be suspended as would prevent Senator Stott Despoja being heard next.

The ACTING DEPUTY PRESIDENT (Senator Hutchins)—I have been advised that you cannot move that because there is a point of order before the chair.

Senator Bob Brown—I will move it immediately afterwards.

The PRESIDENT—I believe there is a point of order before the chair. As everybody knows, it has always been the practice to take one speaker from one side and then one from the other. The order of speaking is decided by the whips. I call Senator Joyce.

Senator Bob Brown—Mr President, you have an obligation in this place to recognise that there is a crossbench. It is not one side or the other; there are three sides. Senator Stott Despoja is on the speaking list and Senator Joyce is not. It is totally contrary to all practice in this place that you suddenly come in here and give favour to a government member over a crossbench member who, according to the whips’ arrangements—

The PRESIDENT—Senator, you have made a point of order. I am ruling on that point of order. It is always the custom of the chair to take one speaker from one side and then one from the other. The last speaker was Senator McEwen on my left. I propose to take a speaker from my right, and I call Senator Joyce. I ask you to resume your seat, Senator Brown. I have ruled on the point of order. I call Senator Joyce.

Senator Joyce—Thank you very much, Mr President. There have been a number of
calls from the other side of the house that I had been gagged, so it is very important—

Senator Fielding—Mr President, I rise on a point of order. You were saying that you go from one side of the chamber to the other. I happen to be on the other side of the chamber to the previous speaker and I happen to be on the speakers list. I think it would be more than appropriate for Family First to have their say in the second reading debate on this legislation.

The President—There has been a lot of time wasted this morning and, Senator, I am sure that you will get the opportunity, either now or in the committee stage. I call Senator Joyce.

Senator Joyce—Thank you very much, Mr President. It is important that we get it on the record today that the National Party wished to extract from the Telstra legislation what we have extracted, what we have done in the last week and how the process goes on. It is very important for people to know exactly what the resolutions were that we came down to this chamber with. In Queensland we had two resolutions that were given to us. One resolution was to not sell Telstra at all, and from the 350 or so delegates at the National Party state conference it managed to attract two votes, because the people in Queensland realise the political dynamics that we have to work with and the fact that we have to go out and do the very best deal we possibly can. As such, and realising that we do not actually have every vote in the chamber, although a lot of people think we do have every vote in the chamber—and I am flattered to think that a lot of people think that I am the only senator in the chamber—

Opposition senators interjecting—

Senator Joyce—and it is great to attract the attention from the Labor Party and the free advertising they give me. I welcome the advertising. So far we have attracted a Labor member to our side of the parliament and I congratulate him for coming across. It is very important to know that what we actually came down here to support was a five-pillar policy, which was the extraction of a deal. We made it well known and everybody knew that, if we did not extract that deal, we would not vote for the sale of Telstra. We have gone into this process and we have accomplished so much. Even in the last week we have managed to—

Opposition senators interjecting—

Senator Joyce—Who is gagging the debate now?

Opposition senators interjecting—
The PRESIDENT—Come to order!

Senator JOYCE—Thank you very much, Mr President. I just want to go through what has happened in the last week, because everybody knows all the pros and cons. In the last week we have managed to have the review process of this legislation to clarify exactly what is in the $2 billion trust fund. We have got that. There was a problem with it and we have clarified that. The National Party managed to get that clarified. We have managed to get clarification of the means and mechanisms of the operation of the Regional Telecommunications Independent Review Committee.

It was great to see in the last week the National Farmers Federation coming out in support of us, and in fact imploring me to vote for this legislation. It is great to see that there has been recognition by the Minister for Communications, Information Technology and the Arts of the need to get a wider involvement in the Regional Telecommunications Independent Review Committee group. They will now get peak industry bodies involved with it. All this is part of the work you do when you are not involved in the semantics and filibustering that is going on here but you are actually reading the legislation and working out what is wrong with it and getting it fixed—because that is what we do in the National Party. We actually read the legislation, and it is very important to read the legislation because in this chamber you are supposed to check the veracity of the legislation. All the theatrics here have amounted to nothing. Your theatrics have amounted to nothing because nobody is listening to you.

It is good to see that the National Party have extracted this deal. We acknowledge that the deal that initially went to the lower house delivered nothing for regional and rural Australia. It delivered nothing, and it is the position of leverage that the National Party has that has put so much into this legislation that it can actually deliver the services. The final question has to be this: will the people of regional and rural Australia and the people of Queensland be better off or worse off after the passage of this legislation? All the problems that are currently happening are happening under the current ownership guise. The National Party has used this position of leverage to get both the money on the table and the legislation on the table to fix the problems. That is what the National Party does. We are few in number but we managed to extract a deal and I sit here today with my colleagues proud of what we have achieved.

I know that when we were talking on the John Laws show this morning, they were proud of what we have achieved. They know that the National Party has gone into bat. They know that the National Party is a safety valve in conservative politics. They know that the National Party allows open debate and, if you are so irrelevant that the Australian people do not want to vote for you, that is not our problem. You must make yourselves relevant. You must become engaged in the debate, you must come up with rational solutions and you must become part of the solution and not just a commentator on the problems. It has become apparent that you have not even read the legislation yourselves. You had the same amount of time that we did. The National Party had to find the problems that you should have found. Why is that? Why is it that we found the problem with the $2 billion slush fund? Why is it that the National Party—

Honourable senators interjecting—

Senator Hill—Mr President, on a point of order: screaming abuse at the speaker is totally out of order. Labor speakers receive the courtesy of being listened to. The Labor
Party should cop it now and listen to Senator Joyce.

The President—There is too much noise in the chamber. I ask all senators to come to order.

Senator Joyce—So the National Party had to do the Labor Party’s job on this. It had to become an effective mechanism to bring some veracity to the legislation and to make sure that we deliver what we intended to deliver. We worked very hard at that. I also thank Minister Coonan for the assistance she has given me.

Opposition senators interjecting—

Senator Joyce—She has. Honourable senators, last night we in the National Party delivered 10 proposed amendments to the legislation to the minister, and all 10 have been agreed to. We are looking forward to such things as an independent assessor on the COT cases. We look forward to a greater connection. I can see some of the amendments here on the table this morning. That is how it works on this side. We achieve things, we find the problems and we fix them.

I want to put on the record that the National Party has extracted this deal. The National Party has gone into bat. The National Party has delivered. I will conclude with this: there is strong sentimentality towards the ownership of Telstra; I acknowledge that, and you hear about it everywhere you go. But when there is a choice between—

Honourable senators interjecting—

Senator Joyce—If you will let me finish, someone else will get a chance to speak. If there is a choice between the sentimentality—

Senator Bob Brown interjecting—

Senator Joyce—You did not get a Senate seat in Queensland, Senator Brown. There is a choice between the sentimentality of owning Telstra as it is now or having the legislation and the money in place to fix problems and to bring parity of service and prices into the future. If we have the legislation and the money in place to deliver that—which were never there when the bill was initially put through the lower house—then the National Party has delivered. It is the only party in this house that has managed to stand up for rural and regional Australia in such a way that it actually delivers.

Senator Fielding (Victoria) (11.25 am)—I seek leave to incorporate my speech.

Leave granted.

The speech read as follows—

Mr President, at the outset may I say that for the record one of my brothers is an executive in Telstra—though, as I have learned in the last few weeks, that doesn’t mean that I am not as much in the dark as everybody else when it comes to knowing what goes on in Telstra.

Family First is disappointed that the Government, which claims to be a champion of the family, is refusing to tell families how selling the rest of Telstra will affect them.

When the Prime Minister announced during the election campaign that he would take up Family First’s proposal to prepare Family Impact Statements, the public thought the idea was to benefit them.

So did Family First.

Had Mr Howard explained to Australian families that Family Impact Statements were solely for the benefit of the Cabinet, people might have thought they were not worth much at all.

Family First feels the same.

It is all very well for the Government to say ‘trust us, we are looking after families’. But Australian families would prefer to get the information and judge for themselves.

There is no point waiting around 30 years for a Cabinet document to find out whether a Government really was looking after families.

If ever there was an issue where families needed to know how they would be affected, it is the sale of the rest of Telstra.
There are certain essential things that all Australians ought to be confident they can access regardless of where they live—including quality and affordable telecommunications.

This is especially so, given the Government’s record on this issue.

I note that, last week, in defending the Government’s decision to rush legislation through the Senate, even though there is no apparent reason to do so, a number of Senators said the full sale of Telstra had been government policy for nine years.

Since then the Communications Minister has echoed this interpretation of history.

She may be right, but if she is, Australian families might think they have been misled.

Back in 1996, when the then Communications Minister Senator Alston said the full privatisation of Telstra was ‘inevitable and desirable’, the Prime Minister was quick to deny the Cabinet had any plans for a full sale.

He told the ABC’s AM program: “We have a commitment to sell a third...Self-evidently if some people support the sale of a third of Telstra, they can vote for legislation to sell a third of it and vote against any legislation that might be submitted in 10 years time to sell any more.”

Back then, owning two-thirds of Telstra did not present a conflict of interest between being both owner and regulator, but less than 10 years later, we are told that owning 51 per cent of Telstra presents huge conflict of interest problems.

The question is whether the Government is misleading us now or was misleading us then.

A couple of years after the Prime Minister assured Australians that supporting the sale of a third of Telstra was not giving a green light to selling it all, he said his goal was to “make Australia the greatest share-owning democracy in the world.’

A year later many Australians heeded Mr. Howard’s call and bought shares in Telstra, at $7.40 each.

Many were keen to be part of this ‘greatest share-owning democracy’ and kept their shares in Telstra. And they are now paying the price.

Two billion dollars of their money ended up in a black-hole in Hong-Kong—money which would not have been lost had Telstra stuck to its knitting instead of bowing to market pressure to diversify into growing businesses and other sectors.

This sorry tale highlights a fundamental issue—whether the role of government is to run businesses or provide essential services.

Australians expect the government to provide essential services, including telecommunications, efficiently.

They do not expect them to provide those services as though they were businesses driven by the bottom line.

In the last couple of weeks we have become aware of the price we shall pay because of this.

In order to appease ‘the market’, Telstra borrowed $500 million this year, and will borrow $2 billion next year, to pay inflated dividends, presumably to prop up the share price.

Meanwhile there has been under-investment in infrastructure;

* More than 14 per cent of all lines are faulty;
* Obsolete equipment has not been replaced;
* New workers have not been properly trained;
* IT systems are not capable of handling the volumes and new services offered; and
* an additional $2 to $3 billion should have been spent over the last few years.

Telstra management predicts a growing technological divide between rural and urban Australia and even less investment in new networks and technologies.

All this while the Government has been assuring us that services are up to scratch!

If this reflects how far Telstra has deteriorated while the Government has control and people can pressure politicians to maintain standards, it does not require much imagination to work out what will happen if Telstra is completely sold off.

The Government’s response is that ownership is irrelevant and regulation provides the necessary level of protection.

The Government points to the Universal Service Obligation, as an example, but the USO does not
even deal with broadband, let alone future technology.

As for regulation, who is going to trust a government, which nine years ago said a decision to sell a third of Telstra did not mean it would all be sold, to maintain its proposed level of regulation more than five minutes after it has sold its shares?

We know what Telstra wants. Its management has spelled it out in detail.

And we know the general view of the Finance Minister is that the Government should be “light-handed in their regulation”.

We know also the power of the market.

The chief executive of another former national icon, Qantas, recently made clear that, despite a record profit, more sackings were necessary, adding that he made no apologies for looking after shareholders.

Telstra management has told us who will be the biggest losers from a completely privatised company driven by market forces

It will not be people living in inner metropolitan suburbs where Telstra’s market share in some cases is less than 20 per cent.

Rather it will be people in regional, rural and remote Australia where there is little, if any, competition and where Telstra’s market share is more than 90 per cent.

Mr President, like Sir Robert Menzies I support free enterprise, not the free market. This sorry tale is a stark example of the difference between the two.

In my first speech I said that “the major parties struggle to reconcile their professed ‘family values’ with their ‘free market’ mantra.”

This incurred the wrath of some in this place, and some outside, as reflected by editorial in The Australian on August 12.

However, the views of a member in the other place proves this point.

He has said he does not think the Telstra legislation is “really a family-related bill”.

He thinks the legislation is “an economic bill”.

I disagree, and I am sure most Australian families disagree as well.

That is why in May I asked the Communications Minister for a Family Impact Statement.

I said: “I need to be shown how (selling the rest of Telstra) will benefit Australian families.”

I added that I did not want “to see this only about how it will benefit us economically. I want to be convinced that it’s a good idea.”

Mr President, nothing has changed. And I believe most Australians think the same as I do.

Australians believe the Government should use some of Telstra’s dividends to fix up its problems, keep directing some of that money into defence, pensions, health and education and still retain ownership of Telstra.

After all, it seems that what the Government’s $3.1 billion package translates to is just $275 million per year, for four years, assuming the proceeds of Connect Australia are spent over that period and $100 million a year thereafter—which is not very much when you look at all of the problems Telstra’s management has exposed.

Senators opposed might be interested to know that the Coalition did promote selling the rest of Telstra during the 1998 election.

That was the election where the Coalition lost 16 seats—hardly a ringing endorsement of its Telstra sell off.

Despite the Government’s best efforts since then, the fact is today 70 per cent of Australians have not been convinced selling the rest of Telstra is in our best interests.

The Government has failed to convince me.

Consequently I oppose the bills.

Senator STOTT DESPOJA (South Australia) (11.25 am)—In the short time remaining, I will also seek leave in a moment to incorporate my speech, but I want to put a couple of things on the record. First of all: that is how it is done. Today Senator McEwen showed how it is done, Senator Fielding showed how it is done—and they have only been here for a short period of time.

Some of us have been here for almost a decade. Sixty-three of you have come in since I came to this place, and this is the most shameful day and the most shameful display
I have ever seen. A guillotine is not unprece-
dented, but a gag on a guillotine almost is.

Senator Hill—It has been done before.

Senator STOTT DESPOJA—Yes, I
know it has been done before. Through you,
Mr President, they are as bad as each other at
times when they want to get their legislation
through. But this is shameful. The irony of
someone voting for a gag and then jumping
up a speakers list that they were not even on!
I hope they understand as they get more
blooded in this place that there are certain
conventions, that there are procedures and
standing orders in this place that some of us
have learnt to observe over the last decade or
so. So for those new senators: it was not al-
ways thus, I can assure you. Senator McE-
wren is outraged by the treatment of people in
this chamber today and by the guillotine, and
you have the right to be, Senator McEwen,
through you, Mr President. But it was not
always this bad.

I put on the record that the Democrats
have incorporated one speech, from our
leader. We have given two speeches, and I
have waited patiently on this speakers list. I
have never sought to disrupt the speakers
list. I have never sought for us to betray or
defy the conventions by which we operate in
this place. And I am appalled that some sena-
tors who should know better have sought to
do this. We have absolutely quashed and
gagged the debate that is before us today.
This is a shameful day on two grounds. The
first ground is the process—that is, a lack of
substantive opportunity for debate and insuf-
cient scrutiny of the bills. And I love people
lecturing us on the bills when half the people
in this place who do so probably have not
read a piece of legislation, let alone a pack-
age of it, for a long time.

The second ground is the debate on the
amendments. We are being told that the gov-
ernment has put forward amendments and
that they have really done the hard work. I
have forgotten what Senator Joyce said about
doing the work that Labor should have done.
The Democrats have amendments to put too,
Senator Joyce, through you, Mr President,
but we have 15 minutes to debate them in the
latter stages today, if you do not count that
generous hour and a half for the committee
stage. So not only have we today defied
every rule in the book with regard to conven-
tion, process, standing orders, tradition, the
gentlemanly nature that is supposed to rule
and govern this chamber, but we have left no
time for the debate on this policy.

Do not, senators, come in here and try to
compare this with other debates—and I have
a quote of 7 September from Minister
Campbell, which I do not have time to read
out, trying to compare this with other de-
bates—because this debate has not had com-
parable time, not in relation to speeches on
the second reading debate and certainly not
in relation to the committee stage. The De-
mocrats have participated in the committee
report. We have done a minority report. We
have been present for all votes. We have
been engaged in the debate process. We have
incorporated a speech and had two speakers.
Yet you still managed to gag us and to
change the speaking order today. It is a
shameful day. Today I am really embarrassed
and upset to be a legislator in this place. But
I know the tide will turn, because the Aus-
tralian people are going to want a check on ex-
ecutive power after they see the way the
mandate, so-called, has been abused and
used in this place today. It is shocking. To
those new senators who are culpable: I really
hope that you will hang your heads in shame,
because this place is supposed to be where
we cherish and nurture democracy, not where
we abuse it, erode it and undermine it. I seek
leave to incorporate my speech.

Leave granted.
The speech read as follows—

There is no rush to get this important legislation through so quickly—the Government’s majority will still be there in a year’s time.

This is one of the first clear signals from the government that it will use and abuse its majority in this place without due process and analysis.

Is this perhaps some indication of what the next two years, or longer, are going to be like—a government intent only on its own ideological agenda rather than genuine inquiry and debate.

There has been no case made that the sale of Telstra is justified—whether it be on competition, services, legal or financial grounds.

The sale of Telstra remains opposed by the overwhelming majority of Australians. Despite its claims, this Government does not have a mandate to sell Telstra—it may have a mandate to ensure interest rates don’t rise—but it does not have a mandate to sell Telstra.

Telstra provides a range of services that are absolutely vital to the national security, economic and social development of Australia.

Australians are increasingly reliant on e-commerce and banking and for many small businesses, efficient and effective communications are critical. And high speed internet and broadband connections are indispensable for successful engagement with the modern economy.

More importantly, an affordable, reliable and efficient communication system is an essential service for our regional and remote communities—bringing together families, neighbours and communities.

Telecommunications is a service which is too important to be left to the vagaries of the market place.

Government has a necessary role in the provision of telecommunication services—the Democrats do not see Government ownership and regulation of industry as incompatible.

In fact, based on the Government’s own “Charter for the National Interest”, the Government has failed their own test.

In 1996 the Liberal and National Party policy aptly titled “Privatisation: In the Public Interest and the Public Benefit” stated that “the Liberal and National Parties believe privatisation should only occur where it is demonstrably in the public interest … Indeed there are many government functions which public interest and accountability considerations demand remain in public ownership and control.”

This Government has completely failed to make the case that the sale of Telstra is in the public interest. Instead it is intent on selling away the interests of consumers, regional and rural Australian’s and mum and dad shareholders.

If the government was acting in the public interest, it would have released the secret document Telstra handed to them in August about the true extent of its networks failures.

Instead the Government covered up the report as it would have compromised the deal done between the Liberals and the Nationals for the full sale of Telstra.

The report revealed that 14 per cent of Telstra lines have faults and that there is a gap in investment of approximately 3 billion dollars. This means there is a 3 billion dollar gap between what is occurring and what is necessary to ensure that Telstra’s network is adequate and up to scratch.

How can the Government, having known the state of Telstra service and network problems, justify the full sale of Telstra as being in the interests of consumers and shareholders?

It is also deeply concerning to all Australians, as it should be to all in this place, that Telstra has dramatically reduced its focus on research and development. Staff numbers at the Telstra Research Laboratories have been cut by almost half since the early 1990s. Without continued majority ownership, without public scrutiny, Telstra will continue to reduce its overall research and development activities and re-direct what remains to propping up stock market prices.

According to comments made by Telstra Research Laboratories worker Mr Kerry Hinton: “Since partial privatisation in 1996, Telstra Research Laboratories management has reflected Telstra’s move toward Vendor Management and commodity technologies by re-focusing Telstra Research Laboratories’ research effort away from hardware to software. If Telstra is fully privatised, with its focus on short-term profit and share price,
research will be further focused on “value adding” to commodity technologies because this is where the quickest and easiest profits reside.” Mr Hinton further noted that the equipment Telstra currently purchases is principally designed for North American and European markets, markets vastly different from our own. Without local expertise to ensure such equipment is either compatible or can be made compatible, to conditions in rural and remote Australia, the most affordable technologies will not be suitable for deployment outside the highly populated and profitable eastern seaboard.

Surely this should be alarming to anyone really concerned about rural and regional Australia. Privatisation will not solve these problems, it will only make them worse as the company focuses even more on profits and less on services, investments and research and development.

At the recent Senate inquiry Telstra indicated that it would be reluctant to increase its investment in infrastructure under the conditions imposed in the Telstra sale package.

It is deeply disturbing that once privatised there will no recourse to public scrutiny about serious failures in Australians largest telecommunications company.

Currently the Telstra Corporations Act provides reporting requirements to the Parliament that private companies do not have. This includes the requirement for Telstra to submit to scrutiny by Senate Estimates committees and to “requests for information” under the Freedom of Information Act. More importantly the Act provides the ability for the Minister to give certain directions to Telstra in the public interest.

Once Telstra is privatised these public accountability measures will be gone forever.

The reality is that once Telstra is fully privatised it will be a giant private monopoly—there will be no recourse to ensure it acts in the interests of all, and there will be no adequate mechanism for regulation or control.

Regional and rural Australians know full well that once Telstra is privatised, services and jobs will go just as quickly as those of the banks did when Labor privatised them—and there will be no-one to stop the decline.

Telstra remaining in majority public ownership is the only way to protect services and jobs for all Australians, particularly in regional and remote communities.

As it is, many thousands of Australians in these communities are subject to substandard services. This represents a dire threat to people’s health, safety and financial security. This is not an exaggeration—this is simply how important telecommunications are to rural Australians—to all Australians. Does anyone honestly think that privatisation will improve this situation?

As recently as July 2005 the NSW Farmers’ Association released a survey into the state of telecommunication services in the bush, with more than half of respondents reporting major problems including unreliable landline and mobile services.

The Democrats do not believe the sale of Telstra guarantees affordable and effective telecommunication services for all Australians.

This is not about deals and secret handshakes made behind closed doors—this is about the farmers in the field, the teachers in the regional schools, the doctors in our remote hospitals and families from all over Australia.

Telecommunications brings together mums and dads, brothers and sisters, families and friends. It’s our link to doctors, police, hospitals, churches, schools and businesses.

In 2001 as part of the Democrats’ election pledge—signed by those of us who faced the electorate at that time—which we signed so that the public knew exactly what they were getting, we opposed the sale of Telstra.

I am only three years through my 6 year term and I have no intention of breaking that pledge to the people who elected me. If anyone in this Chamber has any doubts that the final sale of Telstra is not in the interests of ordinary Australians—don’t let this pass. This is our last chance—one it’s gone it’s gone forever.

Senator McEWEN (South Australia) (11.29 am)—I am not sure of the process, but I seek leave to incorporate my second reading speech.

Leave granted.

The speech read as follows:
Mr President I wish to speak against this bill and the related bills, which if passed will allow for the Full Private Ownership of Telstra. I wish to start the day’s debate by saying Labor opposes the sale of Telstra...just in case that was in doubt. We’ve voted against the sale of Telstra five times before.

What we are debating is just another example of the Government’s headlong pursuit of its extreme agenda. And in the debate so far on these bills we have had yet more evidence that this Government is out of touch with the people it claims to represent.

Mr President, on Wednesday 7 September 2005, Senator Nash said in this place that she believes “Labor do not care about the bush”. On the same day we heard Senator Mason accuse Labor of being “inner city swingers”—whatever that is. I don’t know what an “inner city swinger” is, Senator Mason obviously does—but according to Senator Mason the salient characteristic of one is, apparently, someone who never go to the bush.

It’s not a bad line, from Senators Nash and Mason. A bit hackneyed and a bit tired like the government, and completely untrue but what else would we expect. Labor takes exception to the lack of truth, just like we take exception to Senator Abetz and others on that side pretending to know anything about the plight of working people and to their pathetic insistence on using myths to justify the Government’s blind adherence to some ancient, worn out, view of the world of work.

I also take exception to being portrayed as ignorant of the concerns of rural and regional Australians when clearly it is the Government that is out of touch with the bush on the matter of Telstra.

It’s true I am not a member of the doormat faction of the Government and while the doormats might have the monopoly on being stood over by the Government, they don’t have a monopoly on going bush or speaking for the bush.

I have spent quite a bit of time in rural and regional Australia.

I know people who live less than 200kms from Adelaide who don’t have broadband or mobile phone coverage. I know that 20kms from Port Augusta—a South Australian rural city of 15000 people—your mobile phone doesn’t work. I know that in areas in the mallee region of South Australia like Geranium and on the way to Loxton in the Riverland and on the way to Port Pirie in the Spencer Gulf that you mobile phone won’t work. I’ve driven from Adelaide to Darwin several times and I can tell you there are long, long stretches of that road where your mobile phone won’t work and where it’s a really long, long way between public phone boxes.

I occasionally spend time holidaying Yorke Peninsula—a few hours drive from Adelaide. To use the mobile phone I have to go outside and buck up and down the sand dunes until I can find a spot where it will work. I don’t mind not being in mobile phone contact when I’m at the beach but the many small businesses, and farmers and permanent residents down there would probably like more certainty of access—certainty of access that this Government has had 9 long years to deliver to the regions but has failed to provide.

I think I can reliably relay the frustrations of people in the bush who are deprived of the services that are available to some, but not all, other Australians.

It’s no secret that Australians don’t believe the Government’s plans to flog off Australia’s communications future will mean any more or better services for them.

Rural and regional Australians do not support the sale of Telstra because they know that once Telstra is fully privately owned they have got Buckley’s chance of getting those 4265 rural exchanges upgraded, of getting reliable landline, mobile and broadband coverage, and—so importantly—of getting the private companies to invest in future communication needs for regional Australia because…it won’t be profitable for those companies to do so and no amount of government regulation will make private companies stay in a business that isn’t profitable...just look at what has happened in the privatised energy industry in South Australia and elsewhere.

Regional and rural Australians have got Buckley’s chance of getting what they need now, with Telstra under the majority ownership of this neglectful, incompetent Government.

However what people in the bush know is that by keeping Telstra in public hands they will at least have some chance in the future of having a Gov-
ernment that will invest in telecommunications for them.

What are the facts of this debate?

- Australians don’t want Telstra sold. Polls tell us consistently that 70% of Australians don’t want Telstra sold.
- Australians still don’t want Telstra sold despite 9 long years of this Government trying to justify selling it.
- Labor opposes the sale of Telstra.
- The Government will sell Telstra.

Who is best representing the wishes of Australians and who is best representing the interests of Australians in rural, regional and remote communities?

Well, not Senator Nash and Senator Mason and their Government colleagues, certainly not Senator Joyce who promised he would look after the bush—well, at least that bit of it that is in Queensland—and now apparently has shown by his actions this morning show that it is OK to sell out the bush for a very small bag of silver, and who wimped it when he had the opportunity to support the motion to delay finalisation of these bills so that a proper consideration of them could be made.

To get back to this ancient, hackneyed myth being perpetrated by some Government Senators in the Vaile/Howard/Howard/Vaile/Costello Government—I’m not sure which it is—that Labor doesn’t care about the bush.

In the week before this legislation was put into Parliament I was approached by the Local Government Association of South Australia to for advice about what their members, and the members of the Provincial Cities Association of South Australia could do to get the Government to change its mind on the sale of Telstra.

The LGA—which represents all 68 local governments in South Australia, and the Provincial Cities Association, which represents the major regional city councils are totally unconvinced by the Government’s arguments for the sale of Telstra.

They wanted to talk to Labor politicians because despite all the Government’s assurances and bags of sweets for the Queensland doormats, South Australian rural communities aren’t convinced at all with the rhetoric emanating from the Minister for Communications, the Minister for Finance and everyone else on the other side who is hell-bent on flogging Telstra.

You might be interested to know, Mr President, that I have not always been flavour of the month with the Local Government Association and the member councils of the South Australian Provincial Cities Association. I was Secretary of the Union that represented workers in those councils and, occasionally, Mr President, I was in a situation of conflict with the management and elected members of South Australia’s rural and regional councils. I am sure I wouldn’t have been their first choice of someone to contact about Telstra.

But those regional communities are trying to get someone in this Parliament to listen to their concerns. Both the LGA and the Provincial Cities Association have motions on their books opposing the sale of Telstra …..in the case of the LGA the motion has been on the books for nearly 12 months and NOTHING the Government has said in that time has convinced the members of the LGA to rescind their motion opposing the sale of Telstra. I understand that the motion is likely to be reaffirmed at the LGA Annual General Meeting next month.

I am advised, Mr President, that the South Australian Provincial Cities Association has written expressing its opposition to the sale of Telstra to Senators and South Australian federal members of Parliament.

Some members of this Parliament have responded to the Association. When I last spoke to the CEO of the Association, he told me that Mr Wakelin, the Member for Grey, a Member of this Parliament in the other place whose electorate covers 92% of the State of South Australia, hadn’t responded to the Provincial Cities Association letter about the sale of Telstra.

Senator Helen Coonan responded, she even visited some rural and regional areas of South Australia a couple of months ago I believe. Despite her visit the LGA and Provincial Cities Association of South Australia still remain unconvinced that Telstra should be privatised.
I would like to quote from the letter that the Provincial Cities Association sent to members of this Parliament on 11 August 2005.

Before I go to the letter, Mr President, I should note that the Provincial Cities Association represents the Cities of Port Augusta, Mount Gambier, Port Lincoln, Whyalla, Victor Harbour, Port Pirie, Murray Bridge and the Riverland. All up representing about 120,000 electors and the majority of rural, regional and remote electors in South Australia.

That’s Rural and regional and remote electors who deserve the same telecommunications services as everyone else in Australia.

These provincial cities areas aren’t all Labor strongholds, I will be the first to admit. I would say, and the CEO of the Provincial Cities Association, Mr Ian McSporran, said it to me himself, the elected members of those Councils represent the whole gamut of the political spectrum from ultra conservative to Labor supporters. There are probably more of them at the conservative end of the spectrum than the Labor end of the spectrum.

However they have put aside political and ideological differences—something this government can’t do—and have a thoughtful, considered and long standing opposition to the sale of Telstra.

I would like to cite some comments from that letter that the Provincial Cities Association sent to, Senators in this House in August 2005.

Insert comments from letter).

“As you are well aware, Telstra Senior Executives have already publicly indicated that they cannot meet the needs and requirements of regional and rural Australia, in having their telecommunication systems upgraded to meet what may be termed as acceptable standards.

“Despite these admissions the Government apparently continues with its ideological “sale of the farm”.

“As an example of this intransigence to acknowledge that all is not right with telecommunications outside of the major capital cities of Australia, we submit the following examples on behalf of the Provincial Cities Association:

Example 1
The January 2005 bushfire on Eyre Peninsula caused major problems with telephone services, because significant lengths of cable were strung between trees and not buried as is the norm. The disastrous size of the bushfire, and the sub standard level of Telstra services necessitated the urgent provision of mobile telephones to be provided to those affected by the bushfire, to enable a semblance of communication to be established.

When these issues were raised directly with Senator Coonan during a visit to the region (a number of weeks ago), they were generally ignored, with the Minister talking about an upgrade of Broadband, when residents just want a more reliable telephone system.”

Another example from the letter, Mr President,

“The community of Cleve (also on Eyre Peninsula) with a population of approximately 1900 and a rate revenue of $1.4 million, has been endeavouring to get Telstra to provide a mobile telephone tower in its area at Darke Peak. Telstra has recently advised Council that no mobile phone tower will be installed unless the Council enters into a funding agreement”

What an insult to rural and regional Australians—no mobile phone service unless your Council coughs up some money. And I understand, Mr President, that Senator Coonan on her visit to Eyre Peninsula suggested that Darke Peak residents could buy themselves satellite phones! Satellite phones indeed.

No wonder the letter concludes Mr President

“As a vocal opponent of the sale of Telstra, the Provincial Cities Association of South Australia calls upon you to oppose the legislation to fully privatise Telstra, and keep on icon of our country in majority Australian Government ownership.”

And it’s not just the Provincial Cities Association that are writing their concerns in letters. Here’s another South Australian example of the scepticism about privatisation of Telstra—a letter to the editor of The Murray Valley Standard, one of South Australia’s regional newspapers, dated 30 August 2005 from a Mr Tod Cusack of Murray Bridge. Murray Bridge is a rural city of 17000 people located just 80kms kilometres east of Adelaide I know Murray Bridge quite well but I don’t
know Mr Cusack, I was just interested in his letter which is a very succinct summary of this whole debate.

He says

“I am opposed to the sale of Telstra for two reasons. Firstly I live on the eastside of Murray Bridge where we have unacceptable mobile coverage; in fact it is almost non existent.

If service is bad in a major rural city, I would hate to think what it would be like in central Australia.

Secondly, the government seems hell bent on selling its assets; what happens when there is nothing left to sell?

Look at the mess power and water are in since privatisation, need I say more”.

Sadly, it looks like it is too late for rural and regional Australia. Time’s up for rural and regional Australia and its probably pointless for them to try and influence this Government because, whammo, the Bill was in the Parliament, the Senate Committee meeting to consider the Bill was set for 9 September and the reporting date was set for the 12 October and the Government is going to use its Senate majority to get the Bills passed by the end of this sitting period.

The Government has already used its majority this morning to once again subvert the proper processes of the Senate.

Unless Senator Joyce or someone else over there finds the courage to oppose these Bills, rural and regional South Australians will see their last opportunity to preserve telecommunications in Government ownership gone.

Gone, along with any semblance of Government respect for the proper processes of Parliament.

Now there’s a thing I’ve learnt here in these past few weeks, Mr President, ….the contempt this Government has for the processes of Parliament.

When I was elected a Senator one of the things people would say to me is “the Senate Committee system is really good”—it is a system that holds the Government accountable, that allows for close investigation of bills that the Senate has to vote on, it gives people the chance to contemplate the impact of proposed legislation.

Well, that’s the theory. That’s the theory but when it comes to the Government’s mad rush to flog off Telstra it’s not the fact.

I am amazed at the arrogance of this Government.

Scrutiny of legislation reduced to a committee hearing of one day and a day and a bit to get a submission in. One day! Referred on Thursday, at the Committee for one day and a report due on the Monday.

Labor put up a perfectly reasonable alternative to the Government’s fast and furious path to privatisation. We said, refer it to the committee for a proper inquiry and delay the reporting date for a month.

But no, that’s too long. The Government says let’s forget due process and let’s get this legislation through, legislation that 70% of Australians oppose, let’s get it through with a token nod to the appropriate Senate Committee.

The Prime Minister allegedly, recently, made comments about the “disgraceful” behaviour of Telstra management.

Telstra management was only telling it like it is.

This abuse of power in the Senate by this Government is what I call really disgraceful behaviour.

Of course we know why the Government wants to use its Senate majority to ram this legislation through …it’s because they got Senator Joyce to commit to the deal that he thought looked after his chums and the Government are worried that the more he looks at the detail of that deal, the more times he will come back with his hand out asking for more crumbs to throw to the people he says he represents in rural Queensland. And what other reports are out there about the appalling state of Telstra and the plans that Telstra has to slash up to 14000 more staff. Who will provide services to the bush then?

Senators opposite say competition will provide.

Well, good luck. Most of Australia thinks you are wrong and with good reason. I wish the National Party good luck in the next election, you are going to need it.

My thanks to all the Australians who have told us in this House that they want us to vote against the sale of Telstra.
Labor is listening to you however I am sure we will watch in dismay together as the arrogant, out of touch, inept Howard Government destroys Australia’s telecommunication future both in the bush and for those inner-city slickers as well.

Senator WORTLEY (South Australia) (11.30 am)—I seek leave to incorporate my second reading speech.

Leave granted.

The speech read as follows:

There are many Senators who have been in this chamber for many more hours than I. And some who have no doubt become slightly jaded with what at times takes place here. The process by which the inquiry into the Telstra legislation was established, is testament to that.

However, I’m sure it’s not just because I have recently come to this Chamber that I find the haste with which this legislation is being treated as astonishing.

And I’m equally sure that there are members on the opposite side of this Chamber who are principled enough, who care enough, to feel uncomfortable about the way the government is attempting to rush the Telstra Bills through.

I quote from one such colleague who recently stated in this chamber:

"...it would be nice to see debate unencumbered in this Chamber, not in the caucus room or in the joint party room. Neither of these is mentioned in the Constitution and it is a convenient appendix designed by political parties that was specifically not entertained in the Constitution".

I ask of this Senator and others on the opposite side of the chamber—why is it—that on such an import issue—the sale of Telstra—a request for reasonable time for debate and for a real inquiry, to enable proper examination of the bills, so that interested parties and individuals have the opportunity to properly analyse the documents, form an opinion and comment on them—is not supported.

If you go to the Senate web site you will find a section titled The Role of The Senate. It says that:

The Senate’s large and active committee system serves the purpose of enabling Senators to inquire into policy issues in depth and to scrutinise the way laws and policies are administered by ministers and public servants. The Senate performs the role of the house of review and is a powerful check on the government of the day.

Well, that’s the way it’s supposed to be, but that’s not the way it’s going to be played out, if the actions of this Government during this sitting of Parliament are any indication....

Consider the facts—eight hours on one day only, is allocated for an inquiry into five pieces of legislation, which the Senate members on the Telstra Inquiry Committee only had access to on the afternoon of the day before the hearing.

Further, the witnesses that were able to attend, had only 24 hours notice of the Inquiry.

So the witnesses all of whom were busy in their daily working life, receive a telephone call from the secretariat on Wednesday afternoon advising them of the Inquiry to take place at 8am on Friday morning. They didn’t have access to the five Bills, until after Thursday lunchtime or sometime after that, at which they could only access them on the web.

So in effect, they had less than 24 hours to prepare their submissions, and make their way to Canberra to attend the Inquiry—many of them having to fly in from other states (including Sydney, Melbourne and from as far out as Goondiwindi in Queensland...)

What an incredible impost to place on people you invite to have input into such an important process.

On arrival, the witnesses found they had only limited time for the hearing of evidence—and for committee members to inquire into the issues permitted under the terms of reference. And then, some were faced with the terms of reference prohibiting them from speaking about the issues they wished to comment on—the privatisation of Telstra.

Australian Competition and Consumer Commission representatives had about 12 minutes to have real questions asked of them about these complex pieces of legislation.

So the Telstra Inquiry Committee was required to receive and read submissions from witnesses, prepare for and hold public hearings, consider
evidence, decide on recommendations and write a report all in one working day.

Witnesses before the Inquiry raised this very concern, about not having had time to properly consider the content of the bills ...

At the one day Claytons Inquiry—the Inquiry you have, when you don’t want a real inquiry—The Australian Telecommunications Users Group had this to say and I quote:

“As part of the statement, we note the bills were released yesterday... Given the time, we will not provide an exhaustive review from our perspective...”

From Vodafone I quote:

“In the short time that has been available, we have confined our analysis of the bills to a specific area...”

And from the Consumers Telecommunications Network I quote:

“I note that we are the only consumer organisation represented here today. That is a huge concern...so there is definitely a need to have more time. Generally, the rule is at least four weeks for consultation when you get a new bill or discussion paper ...and generally we hear cries from industry and consumer organisations that this is inadequate. So a bare minimum at this stage would be to follow previous practice.”

And we heard—quote:

“Optus is pleased to offer these comments based upon the review of the legislation we have been able to conduct in the brief time available”.  

And finally a quote from The National Farmers Federation:

“We are not taking a position on the sale until we see evidence that those problems are going to be addressed. We now have the opportunity to view the legislation, but we do not have a lot of time to do it.”

And now we know that subsequent rapid decision making by the National Farmers Federation, show they have been the latest victim to be seduced by the Howard government’s promises on the provision of telecommunications services now and into the future.

The money proposed by the government is significantly short of the amount needed to fix Telstra’s problems.

According to Telstra itself, an additional $5.7 billion will be needed to provide adequate access to broadband, including at least $2.6 billion for rural and remote Australia—and now on top everything else we’ve heard in the past few days—Telstra admits they have 4265 exchanges which are unserviceable or in need of work.

AAPT summed up an aspect of the hearing procedure in their supplementary submission saying that it was somewhat surprising how an issue of such fundamental economic significance as telecommunications services and the regulation of telecommunication services, is conducted in an environment totally free of economic discussion. Another area missing in the analyses of this legislation.

And at the inquiry, the Australian Competition and Consumer Commission also raised concerns saying that some process issues may merit further examination by the government so as to ensure that the model—referring to the process of a draft operational separation plan—reflects the governments intentions to have a robust set of equivalence obligations.

So even they are saying that there’s more work to be done on the legislation.

On the basis of past practice and program administration there are significant questions to be raised about the government’s capacity to ensure services are delivered where they are needed.

While we recognise that there have been some worthwhile projects funded under Regional Partnerships—there has been considerable money wasted on projects that provide little sustainable outcome for local communities, and many deserving regions, have been missed out altogether because they do not fall within the Governments radar screen.

And so there are also questions regarding the future fund, given this governments history on the Regional Partnerships debacle.

So we have opposition Senators saying there wasn’t time to scrutinise the bills prior to the one day inquiry—we have witnesses who appeared at
the one day inquiry saying they didn’t have enough time to make a substantial and thorough assessment and contribution and we have correspondence from potential witnesses, with similar claims.

This is not what the people of Australia expect from their Parliament—
This is not the Australian way—The witnesses and potential witnesses were not given a fair go!...The Committee was not given a fair go! The people of Australia have not been given a fair go!

In attempting to defend the government’s actions in relation to Telstra this week John Howard said and I quote:
“This is an issue that has been debated inside the Government parties, it has been debated in the community, it has been reported into, it’s been trawled over and analysed now for, 9 to 10 years and the time has come for the Parliament to make a decision”.

The Prime Minister can’t be serious—the Telstra Bills have only been available since Thursday afternoon. Only available to the senators in this chamber, only available to the witnesses presenting submissions to the one day inquiry, only available to the public and only available to the media since Thursday afternoon.

Does the Government really believe the media would be filling air time on radio and television and dedicating columns in newspapers to this very issue, if it was old news.

The lack of available detail, the lack of opportunity for real scrutiny, the undue haste in dealing with the passing of the legislation, all combine to produce a lack of accountability to the Australian people by this government.

A privatised Telstra is all about profits, not people...and even then it doesn’t appear to be about honesty to its shareholders, as illustrated by it not being upfront about where the dividend comes from.

What is missing? What other consequences, gaps, deliberate omissions or deceptions are lurking in the legislation that the Inquiry was given only hours to consider.

The people of Australia, overwhelmingly, do not want the sale of the remaining government interest in Telstra, to go ahead.

Thousands of Australians who have taken the time to contact their parliamentarians—government and opposition—are saying categorically—they don’t want Telstra sold! Fix Telstra, don’t sell it—is the message coming across loud and clear.

But this government is not listening—it doesn’t think it needs to—it disregards the views of more that 70% of Australians that are saying, they don’t want Telstra sold!

And, according to a recent poll by the Canberra Times newspaper, they’re not listening to the 97% of Queenslanders that are opposed to the sale.

There is no urgency to rush these bills through.

What Australian’s want is affordable and accessible telecommunications across all of Australia.

Out in the community, many people think the controversy involving the availability and quality of telecommunication services is restricted to regional, remote and rural areas.

But it’s not only our remote, rural and regional areas who want this and are suffering—major cities in Australia have black spots in telecommunications—metropolitan consumers too, have issues regarding levels and provision of services.

Last year, Telstra was the subject of more than 26,000 complaints made to the telecommunications Industry Ombudsman.

And now we find out that currently 1.4 million Australians have a faulty telephone line, because Telstra has under-invested in its network.

The real life experience of many Australians is one of growing frustration with declining service quality and inability to get modern services like affordable broadband.

In my home State of South Australia, coming number eight in the Australian Communication and Media Authority’s list of worst performing exchanges is Blackwood. Blackwood is a suburb of Adelaide, just 13 kilometres from the Adelaide GPO.

And there are many people who live within 15 minutes of the city of Adelaide who do not have access to ADSL broadband.
One state member has had people come into the Electorate office saying “I may as well live in the outback. Because we don’t have any better facilities”.

One constituent, who runs a tour business, with most of his business coming from overseas was told by Telstra that he will not have ADSL broadband for at least another year.

It is likely that if the issue cannot be otherwise resolved, he will need to move from the relatively new area he is living in, to an older area which is a couple of minutes away.

Constituents in the same state electorate of Torrens attended a meeting in May this year and were told by Telstra that it would be up to 3 months before ADSL broadband would be available... and now these same people are being told do not bother to apply for at least another year.

At the same meeting constituents in the suburb of Oakden 10 Kilometres from the city were told that the current demand for broadband services didn’t warrant a fixed upgrade for their suburb at this stage.

Since the government commenced its privatisation agenda, services have plummeted and prices have increased...

How can the people of Australia trust a fully privatised Telstra to look after services? We are already suffering from Telstra slashing investment as this Government moves towards its full privatisation agenda.

The services to remote, rural, regional and some metropolitan areas of Australia are inadequate. Even if the billions of dollars which lured the Nationals to the sale do eventuate, what guarantees do we have that future technological advancements will be embraced?

Under a fully privatised Telstra, what would happen if tele-medicine, remote education and other forms of e-health and e-education, beyond what we can imagine today didn’t generate the desired profit? Will Telstra be there, prepared to deliver?

Labor regards telecommunications services as essential services that should be accessible and affordable to all Australians, and has voted against the sale of Telstra on every occasion the Howard government have tried to force through the legislation.

While this Government has focused on its extreme agenda of rushing through this parliament, the legislation for the privatisation of Telstra, it has neglected real issues in the telecommunications sector.

Issue like why prices for services in Australia are among the highest in the world, and why the appropriate infrastructure has not been put in place in metropolitan as well as rural, regional and remote areas.

The PRESIDENT—The time allotted for the consideration of the second reading stage of these bills has expired. The question is that the second reading amendment moved by Senator Bob Brown be agreed to.

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

The Senate divided. [11.30 am]

(The President—Senator the Hon. Paul Calvert)

Ayes………… 33
Noes………… 36
Majority…….. 3

AYES

Bartlett, A.J.J. Brown, B.J.  Bishop, T.M.
Brown, B.J.  Brown, C.L.
Campbell, G. * Carr, K.J.  Crossin, P.M.
Conroy, S.M.  Crossin, P.M.
Faulkner, J.P. Forshaw, M.G.
Hogg, J.J.  Hurley, A.
Hutchins, S.P.  Kirk, L.
Ludwig, J.W.  Lundy, K.A.
Marshall, G.  McEwen, A.
McLucas, J.E. Milne, C.
Moore, C.  Murray, A.J.M.
Nettle, K.  O’Brien, K.W.K.
Polley, H.  Sherry, N.J.
Siewert, R.  Stephens, U.
Sterle, G.  Stott Despoja, N.
Webber, R.  Wong, P.
Wortley, D.  

CHAMBER
Question negatived.

In division—

Senator Bob Brown—On a point of order, Mr President. I again draw senators’ attention to the pecuniary interest clauses in the standing orders, which make it clear that any senators who have not declared on that list that they have an interest in Telstra should do so now. That is current standing orders.

The PRESIDENT—That is up to senators themselves, and they would be well aware of the rules.

Senator Heffernan—Mr President, on a point of order: I would like to declare an interest on behalf of everyone in the chamber. I have got a phone.

The PRESIDENT—The question now is that the second reading amendment circulated by Senator Milne be agreed to.

Senator Milne’s amendment read as follows—

Omit all words after “That”, substitute “further consideration of the bills be postponed and made an order of the day for the next day of sitting after the Minister for Communications, Information Technology and the Arts tables in the Senate the family impact statement on the sale of Telstra, specifying the likely impact on Australian families including costs and service availability resulting from the sale of Telstra”.

A division having been called and the bells being rung—

Senator Bob Brown—Mr President, I ask that you request the Clerk to read out the motion for the benefit of the chamber.

The PRESIDENT—The amendment has been circulated in printed form and there is no need for it to be read.

The Senate divided. [11.39 am]

(The President—Senator the Hon. Paul Calvert)

Ayes............ 33
Noes............ 36
Majority........ 3

AYES

Bartlett, A.J.J.  Bishop, T.M.
Brown, B.J.  Brown, C.L.
Campbell, G. *  Carr, K.J.
Conroy, S.M.  Crossin, P.M.
Faulkner, J.P.  Forshaw, M.G.
Senator Bob Brown—On a point of order, Mr President: this is a motion that a family impact statement be presented by the government. Was Senator Fielding notified that this motion was now being voted on in the Senate?

Question negatived.

In division—

Senator Bob Brown—On a point of order, Mr President: this is a motion that a family impact statement be presented by the government. Was Senator Fielding notified that this motion was now being voted on in the Senate?

The PRESIDENT—There is no point of order, Senator; you know that.

Question negatived.
to second rate telecommunications services in the future”.

The Senate divided. [11.43 am]
(The President—Senator the Hon. Paul Calvert)

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Question negatived.

Original question put:
That the bills be now read a second time.

The Senate divided. [11.50 am]
(The President—Senator the Hon. Paul Calvert)

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CHAMBER
Two technical aspects of these telecommunications bills to which I should draw attention, as they relate to the processes of the Senate under section 53 of the Constitution.

In the Telstra (Transition to Full Private Ownership) Bill 2005 there are provisions which are described in the explanatory memorandum as ‘switching off’ appropriation provisions in the Telecommunications Corporation Act 1991. In effect, they cease the operation of special or standing appropriation provisions in the act after the commencement of the provisions in the bill. In the Telecommunications Legislation Amendment (Competition and Consumer Issues) Bill 2005 there are provisions which are described as ‘switching on’ the same appropriation provisions in the principal act. The reason for these seemingly strange provisions appears to be that the bill will have the effect of extending the appropriations to a new purpose, namely the new sale of Telstra shares. Because this bill was initiated in the Senate, it could have been interpreted as initiating an appropriation in the Senate contrary to section 53 of the Constitution. This arrangement in the bills does not derogate from the normal process of the Senate.

The second point relates to the Appropriation (Regional Telecommunications Services) Bill 2005-2006. This bill is expressed as a bill for the ordinary annual services of the government under section 53 of the Constitution. The bill appears to appropriate money for the administration of two functions which appear to be continuing functions for which appropriations have been made in the past, although one of the functions seems to be created by the amalgamation and renaming of existing functions. Appropriations having been made for these functions in the past, the classification of the bill as an ordinary annual services bill would appear to be in accordance with the Compact of 1965 between the Senate and the government relating to ordinary annual services, as interpreted since that time by the Appropriations and Staffing Committee and the Senate. There remains a question of whether the original appropriations for these functions should have been in the ordinary annual services bill, but that cannot affect consideration of these bills.

These points should be recorded in the interest of clarity of Senate precedents.

The first bill for consideration is the Telstra (Transition to Full Private Ownership) Bill 2005.

TELSTRA (TRANSITION TO FULL PRIVATE OWNERSHIP) BILL 2005

Bill—by leave—taken as a whole.

Senator BOB BROWN (Tasmania) (11.58 am)—My first question, now that we have gone through that extraordinary process of truncating the debate so that the Prime Minister can come home and find this tawdry process has been completed in his absence, is to the minister about the $2 billion fund for maintaining services. I ask the minister if she can tell the committee what, in real terms on an annual basis, the contribution to ensuring services from that $2 billion fund will be now, 10 years from now and 50 years from now.

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (11.59 am)—I will
get some advice with the appropriate calculations. Obviously the fund will be constituted as soon as there is assent, if these bills are passed, and will start to accrue interest and that will be invested in the fund. But I will actually do your math for you; I will have it done for you and get the calculation done.

Senator BOB BROWN (Tasmania) (11.59 am)—What an extraordinary thing! The minister has not done her ‘math’, as she calls it in the Americanised version, which I guess is appropriate seeing as we are dealing with this legislation. Therefore, senators on my left—the National Party senators—cannot know what the amount is either. The minister has not told them, because she does not know. I gather from what the minister said that it will be the interest from this $2 billion that will flow to the upkeep of the Telstra system, which is in such a shambles that, according to Telstra itself, $2 billion to $3 billion was required just to bring it up to scratch. My math is that the principal—Senator Faulkner—You sound like a Yank yourself.

Senator BOB BROWN—I thank you, Senator, because I want to be Australian here. My maths says—

Senator Coonan—I said ‘maths’, Bob. Don’t be ridiculous!

Senator BOB BROWN—That has cleared that matter. The question here relates to the amount of money that is going to flow to Telstra when we know that $2 billion to $3 billion was required in the last few years to upkeep Telstra. The minister should know that. That Senator Joyce did not get that from the minister shows how short of the mark any assurance from this government about the upkeep of Telstra is, especially when we know that 14 per cent of lines are not working adequately. I think it is important and urgent that the minister gives the committee this information as soon as possible. Frankly, I am shocked that she does not know it. The government have been touting this $2 billion. Senator Joyce caught them out saying, ‘Up to.’ The minister rectified that. She says it is cash. I am shocked that the government do not know what the expected interest flow-on from that for the next year, let alone for the next 50 years, is going to be. Let us hear it from the minister. It is crucial to the debate. It is appalling and it is a sign of the unpreparedness of the government for this sale, which is going through for doctrinaire reasons without the homework that should be done and without the committee that should have investigated this central point that won Senator Joyce over. The minister does not know what the amount of money is going to be per year; Senator Joyce does not know and nor does anybody else in this committee.

It is extraordinary that the minister is unable to get to her feet on this. She is stuck in her seat and does not have an answer. Let us go on to the next question—that is, the matter of 10,000 jobs. Can the minister give an assurance to the committee that jobs will not be shed under the new privatised arrangement in which the government will effectively retain control down to the instant when its shareholding falls below 15 per cent? It will retain control even though it will have a minority shareholding once it sells off 1.8 per cent of the shares. Will the minister give an assurance that 10,000, 2,000, 1,000 or 200 jobs will not be shed from Telstra? We all know that the job-shedding business is going to hit those who are in the bush and those supplying services. It is not going to be the millionaires at the top of this who are going to lose out; it is going to be the ordinary folk. What that says is that Telstra, in the name of becoming lean—that is, making more profits for those who hold the shares—is going to oversee a mass exit of Telstra workers. Can the minister give an assurance that there will be no move towards mass sackings or mass
Exiting of workers in the wake of this legislation becoming law?

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (12.04 pm)—I can in fact tell Senator Brown that yesterday there was a story being peddled by Senator Conroy and obviously taken up with alacrity by Senator Brown that Telstra was about to sack 10,000 people. Senator Conroy stated that 10,000 jobs were on the line, or 14,000 jobs, as reported in the media. Yesterday, Telstra issued a statement correcting that peddling of misinformation. The statement is dated 13 September. Telstra has announced to the Stock Exchange that it has introduced a number of immediate measures to address the deterioration in the company’s earnings outlook and that it will introduce further measures to drive earnings growth and reduce costs as the CEO completes his strategic review of the company’s operations. The statement explicitly said:

Telstra has not taken any decision to cut 10,000 jobs as stated by Senator Conroy, or 14,000 jobs as reported in the media.

Senator BOB BROWN (Tasmania) (12.05 pm)—The minister ducked that answer. Will the minister give this committee the family impact statement that the Prime Minister said had been done on the sale of Telstra? Will she present it and give it to the committee while this debate is taking place?

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (12.05 pm)—The answer is that the family impact statement was prepared for the consideration of cabinet in connection with its deliberations on the Telstra package. I am certainly not going to be producing a cabinet document.

Senator FAULKNER (New South Wales) (12.06 pm)—I would also like to address a question to the minister in this committee stage, and I will do so in a moment. Before I do that, I want to say that I think we have seen this morning an extraordinary situation in which a government and a minister, who cannot win an argument in the chamber, decided upon a tactic of not having the argument at all. They are not having the debate, because they cannot win it. We have the miserable and almost unprecedented situation in which a government have combined a guillotine and a gag. They were not even willing to have a debate about whether we should have a debate. The government were not even willing to go to that extent. It is obvious that the government are desperate to have this vote through today before the whole show unravels.

We know the National Party have got a conference coming up on the weekend. Who knows what the outcome of the National Party’s federal conference might be? We know that the Liberal Party completely dominates the National Party in this parliament. We know that particularly in the Senate the Liberal Party completely dominates the National Party. We have the extraordinary situation where in 9½ years of the Howard government not one National Party senator in this place has been considered by Mr Howard and his government of sufficient merit to be able to sit in a Howard cabinet or outer ministry. Not one of those clowns has been of sufficient merit to become a minister—not one. None of them has been appointable.

Senator Ronaldson—Mr Chairman, on a point of order: with the greatest respect to Senator Faulkner, I fail to see how this could possibly be relevant to this debate. I ask you to bring him back to the matters before the chamber.

Senator Conroy—Mr Chairman, on the point of order: I am glad that newly elected Senator Ronaldson sees fit to bring us his
wisdom from the House of Representatives, where he used to serve. This is a debate about the objectives. It is free and far ranging. You can cover anything you want, Senator Ronaldson. So, while I appreciate that you are the government’s hit man from the Reps, the former whip, get yourself across Senate standing orders and understand how the committee process works in the Senate before you seek to get on your feet and make a fool of yourself.

Senator Ronaldson—Mr Chairman, on a further point of order: I would be grateful if the—

The CHAIRMAN—Is this a further point of order?

Senator Ronaldson—Wisdom came from the chair, not from Senator Conroy.

The CHAIRMAN—Senator Ronaldson, there is no point of order.

Senator Faulkner—I am sorry that members of the Liberal Party do not want to hear this but I can understand that. They are always doing the dirty work for the National Party. That is the way it works in the Howard government and it is the way it works in this chamber. The whole principle is that the Liberal Party will save their coalition partners from themselves. The Liberal Party will take all the heat and the National Party will not front up to debate the issues, will not ensure that we have a proper examination of the legislation before the chamber and is going to ensure that the 70 per cent of the Australian community who do not want to see the full privatisation of Telstra are going to be sold out. That is what the National Party is going to deliver and they are going to deliver it without debate in this chamber and without a thorough examination of the legislation that we have before us.

Not only are the National Party senators incapable of serving in the Howard ministry—in 9½ years—they are such a poor lot, they are such a pathetic group of representatives that they have at least made a world record in that regard: for the first time in the history of coalition government in Australia not one of them has been able to serve in a ministry. Apart from that, of course, not one of them is capable of putting a case in this chamber. Not one of them is capable of defending their own position. They have got to let their coalition partners do their dirty work for them.

What a terrible situation it is for the National Party. Black Jack McEwen would be rolling in his grave if he saw the level of representation that the former Country Party, the now National Party, has in this chamber. He would be rolling in his grave to see the way that the National Party has sold out its constituency and sold out its core beliefs in this debate. He would be rolling in his grave because the National Party senators are not even willing to put up an argument in their own defence.

My question in this committee stage debate is a follow-on from one that Senator Brown asked about the parlous situation we now know about in relation to the impact of the sale of Telstra on the jobs of Telstra workers. Given that we now know, given the admissions of Telstra today, that they have created a redundancy fund, we need the minister to confirm for the committee that Telstra have established a redundancy fund. That is the first question I would like the minister to address.

The second question I would like the minister to address is to indicate to the committee when that fund was established, if she can. But most importantly—more importantly than those two questions, even though they are of crucial significance to the committee—I would like the minister to indicate to the committee how much money is in the
redundancy fund. What comprises the redundancy fund? I would like her to provide a dollar figure to the committee in relation to that fund.

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (12.13 pm)—I can confirm that Telstra did mention that they had created a redundancy fund at the time of their annual results. I do not have any figure with me, if indeed the figure was mentioned, but that is something that obviously can be asked. In relation to Senator Faulkner’s broader point, I think it is fair to say that there was a scare campaign started yesterday by the Labor Party or by the union—I am not sure where it came from—about an alleged document that obviously does not exist according to Telstra. Telstra has in fact put out a statement refuting the fact that there is a document. Its statement says:

Senator Conroy has referred to a 104-page document. Telstra is not aware of the specific document referred to.

Senator Conroy, I am sure that people are sneaking around trying to give you information, but Telstra says that it is not aware of the specific document and it specifically refutes both of the figures that have been peddled—the figure of 10,000 jobs, as stated by Senator Conroy yesterday, and the figure of 14,000 jobs, as reported in the media. So we have to assume, for the sake of this committee stage and for the sake of my answer, that Telstra has refuted both of the figures and that neither of the figures, the one mentioned by Senator Conroy and the one in the media more broadly, are correct.

There has been, and there is, a strategic review under way at Telstra. I do not know whether or not that review has in contemplation any rationalisation of jobs. But, if it has, that is a matter for Telstra management, and I would expect Telstra to act responsibly in the way in which it manages redundancies—if, indeed, there are any. That is certainly something that the government would expect, and we have no reason to think that Telstra would act otherwise than responsibly and according to law.

I want to place on the record my personal view. I have a great deal of sympathy for anyone, quite frankly, whose job may be under threat. I do not know whether that is the case, but in a corporate situation, where organisations have to make commercial decisions and where some people’s jobs are the casualty of those restructurings or reviews, we would expect the corporation to act responsibly and according to law, and I have no reason to think that it would do anything other than act legally.

Senator FAULKNER (New South Wales) (12.16 pm)—I am not impressed by those crocodile tears from the minister in relation to the thousands of Telstra employees who are going to lose their jobs. Minister, I do not think that many people will worry too much about the difference between 10,000 and up to 14,000 employees. Most people will come to the conclusion that that is a monstrous situation. You have now confirmed in this Committee of the Whole that a redundancy fund has been established. So at least we have that confirmation from you.

Senator Coonan—I have not.

Senator FAULKNER—You have confirmed in this committee stage that a redundancy fund has been established—a redundancy fund has been created. Minister, what this committee wants to know is what that redundancy fund comprises. What is the quantum in that redundancy fund? You have said you might try and find that out. That is
not good enough. I would have expected a communications minister to be well aware of this detail before she came along today to take part in the committee stage debate on these bills. I would have expected a halfway competent communications minister to have established that when she first became aware of the existence of the redundancy fund. So I say to you again: as you have confirmed for us that a redundancy fund has been established, so we know there are going to be Telstra job losses, the issue is the amount of jobs that will be lost—the number of workers who will become redundant. That is the first issue, Minister.

If you are unable to indicate to this committee whether the figure is 10,000 or up to 14,000—those appalling figures—let us have an accurate figure from you about the number of Telstra workers who will lose their jobs, so that we know the number of Australian families that are going to be affected by this. And while you are at it, so that we can make our own assessments, tell the truth to this committee about the quantum amount that is contained within the redundancy fund. That is a perfectly reasonable question. It is proper information for you to provide to this committee, and we expect you to provide it now.

Senator RONALDSON (Victoria) (12.20 pm)—I vividly remember being in an international telephony room in Ballarat a substantial number of years ago. It was probably in about 1992. I was invited there by the predominantly female employees of Telstra in the international telephony section. They said to me at that time, ‘Thank you most sincerely for coming here as our local member; we are predominantly union members.’

Senator Bob Brown—What do they say now?

Senator RONALDSON—Senator Brown, I am afraid that your participation in this debate died at eight o’clock last Friday morning, when you refused to come to the committee hearing. You wandered around this building with your mobile phone to your ear and you abrogated any sense of responsibility on behalf of the Greens.

The TEMPORARY CHAIRMAN (Senator Barnett)—Order! Senator Ronaldson, I would ask you to ignore the interjections.

Senator RONALDSON—Mr Temporary Chairman, it was such an appalling act by Senator Brown that every time it is even mentioned, I am afraid that I get in a heightened state of anxiety on behalf of the people who voted for the Australian Greens—

Senator Conroy—They don’t want to know about your heightened state of anxiety. Too much information!

The TEMPORARY CHAIRMAN—Order! I ask Senator Ronaldson to address the committee.

Senator RONALDSON—Indeed, they said to me: ‘Why is it that you’re the only person who has bothered to come to see us about our loss of international telephony jobs? We invited Labor Party senators in government to come to Ballarat to speak to us. Why haven’t they come and why have you come?’ Quite rightly, the question of jobs in any industry and in any company in this country is discussed in this chamber. What has to be realised is that we have an organisation at the moment that is borrowing from its own funds to pay—

Senator Lundy—I raise a point of order, Mr Temporary Chair. I am concerned that the senator is misleading the Senate. In fact, Labor senators would have gone to Ballarat if we had been permitted to have a full and substantive inquiry into this matter, and we were not.
The TEMPORARY CHAIRMAN—There is no point of order.

Senator RONALDSON—What an extraordinary interjection: that Labor senators would have gone if there had been an inquiry into the international telephony service job losses. Why didn’t they pick up the phone after they were approached by the union members, some of whom had been there for 35 or 40 years? They were conspicuous by their absence. How dare you preach to me about having an inquiry in Ballarat to talk about international telephony job losses. What a lot of utter rot! If that is the only contribution you can make, then you should not say another word in this chamber.

The realities are that the single greatest contribution this chamber can make to future jobs for Telstra employees is to pass this legislation. Then and only then would this organisation be free to start accessing the capital markets it needs to to grow and strengthen. If you are serious about protecting jobs, you will pass this legislation so this organisation, which has its hands tied behind its back and is incapable of investing in modern technology and employing Australian men and women, can get on and do the job. I am sick and tired of the crocodile tears coming from the other side of this chamber. I am sick and tired of the platitudes I have heard over the last 24 hours. How dare you deny Senator Fielding and Senator Stott Despoja the opportunity to speak. I thought it was quite disgraceful.

Senator Lundy—I raise a point of order, Mr Temporary Chair. The Senator is telling this chamber a lie.

Senator Coonan—Mr Temporary Chair, on the point of order: I do not really think that is parliamentary language.

The TEMPORARY CHAIRMAN—It is not parliamentary language. Senator Lundy, I would ask you to withdraw.

Senator Lundy—I withdraw, but I still make the point that he is not telling the truth.

Senator Conroy—Mr Temporary Chair, on the point of order: once again Senator Ronaldson is misleading the chamber. He is actually telling an untruth and it is not competent within standing orders to blatantly mislead the chamber like that, and you should call him to order.

The TEMPORARY CHAIRMAN—I have listened to the point of order and I would draw Senator Ronaldson’s attention to the question that we are debating in committee.

Senator RONALDSON—I am appalled at those attacks on me and accusing me of lying to the Senate. I am absolutely appalled because—

Senator Lundy interjecting—

Senator RONALDSON—I ask Senator Lundy to withdraw that; that reflection is totally unacceptable.

The TEMPORARY CHAIRMAN—I could not hear the interjection.
Senator RONALDSON—She knows what she said.

The TEMPORARY CHAIRMAN—I ask you, Senator Ronaldson, to ignore the interjections.

Senator RONALDSON—This is an appalling attack on me today. I have been bringing the Senate’s attention to the fact that a large number of Labor Party senators—if not all of them—who have spoken on this bill have taken up a large amount of time doing so and have denied Senator Fielding and Senator Stott Despoja the opportunity to speak. They made a number of comments relating to their opposition to the sale of Telstra and indeed their opposition to the ownership question. They have wasted the Senate’s time because their own shadow minister has made it quite clear that the Labor Party is not concerned about the ownership structure—and I will quote him in a minute. The senators on the other side who jumped up and spoke time after time in relation to this matter were actually not following Labor Party line. By not following Labor Party line, they denied Senator Fielding and Senator Stott Despoja the opportunity to speak. I will quote—

Senator Lundy—What are you talking about, you goose? We have serious questions to ask the minister. Why don’t you let us?

Senator RONALDSON—If you hang on a tick, you will find out. On 16 August on the Jon Faine show—

Senator Lundy interjecting—

Senator RONALDSON—Do you want to hear it or not?

Senator Bob Brown—I raise a point of order, Mr Temporary Chair. The government is guillotining debate here. We have just a couple of hours to get information from the minister, and we now have a government backbencher engaged in a filibuster. This is the reverse filibuster to block time to protect the minister and truncate debate. Mr Temporary Chair, I ask you to bring the member into line with the committee’s deliberations. He is not doing that at the moment. I know that it is very likely you will rule that out of order, but I am appealing for a decent process here.

The TEMPORARY CHAIRMAN—There is no point of order, but I would ask Senator Ronaldson to address the question before the chair.

Senator RONALDSON—In fact, if filibustering is talking about jobs and investment and untying the hands of Telstra, then there will be a lot of filibustering in this chamber today, as there has been already.

Senator Bob Brown—At least you have admitted it.

Senator RONALDSON—Senator Brown, why don’t you just sit down. You abrogated any right of response that you had last Friday, so you are not relevant to this debate.

The TEMPORARY CHAIRMAN—Order! Senator Ronaldson, I would ask you to ignore the interjections.

Senator RONALDSON—I quote what the shadow minister said on the Jon Faine show:

> It makes no difference to the majority of Australians one way or the other about the ownership structure. What they care about is what’s the best way to get cheaper prices and better services. What is the best way to get cheaper prices and better services? The best way to get cheaper prices and better services is for there to be more competition. So in Labor Party’s own words there is an acknowledgment that the ownership structure is not an issue. I thank Senator Conroy for that, because he is absolutely right, and the majority of Australians believe what Senator Conroy said. The best way to get better services is to have bet-
ter competition, to untie the arm from behind Telstra and let them get on with it, to access those capital markets and to invest in the future of telecommunications in this country. That is the best way to maintain jobs. That is the best way to get services. That is the best way to get cheaper prices.

Senator CONROY (Victoria) (12.31 pm)—I enjoy Senator Ronaldson’s contributions, not least because he has brought with him the art form that he helped develop in the House of Representatives, which is to verbal someone and selectively quote. Senator Ronaldson has been on his feet and he has talked all the way through the committee process. He is like the donkey in *Shrek* jumping up and down shouting, ‘Pick me!’ He just wants to be noticed and to impress everybody with what an effective politician and parliamentary spokesman he is. He is just like the donkey in *Shrek*: ‘Pick me! Pick me! Pick me! I want to be on the front bench, please,’ he says.

Senator Carr interjecting—

Senator CONROY—I know he is.

Senator Carr interjecting—

Senator CONROY—that is true. He is Peter Costello’s numbers man. That is true, Senator Carr. He is the hit-man. Do you know that I saw the entire Costello faction having coffee yesterday around one table at Aussie’s?

Senator Carr—Is that right?

Senator CONROY—They filled up one table—six of them.

Senator Carr—Who paid the bill?

The TEMPORARY CHAIRMAN (Senator Hutchins)—Senator Carr, I do not know if Senator Conroy can answer that.

Senator CONROY—But let us be clear: there are some serious issues that I now want to take up. Senator Joyce made some comments this morning in his garbled attempt to explain his ratting on his own promise, in his garbled attempt to justify how he promised the Queensland public that he would vote against the sale of Telstra but ratified. He campaigned on that in the election.

Senator Ronaldson—You are verballing him.

Senator CONROY—No, I am not. To be fair to Senator Ronaldson, he has at least said, ‘I will sell Telstra.’ To be fair to Senator Coonan, she said—and campaigned on it—‘I will vote for the sale of Telstra.’ So you have got to give Senator Ronaldson and Senator Coonan credit: they are at least keeping their word; they are keeping their party’s policy commitment, which was to sell Telstra. But Senator Joyce promised not to. He said, ‘I agree with the Prime Minister on a lot of things but I won’t be voting to sell Telstra.’ The Queensland party president said that too, and Senator Joyce campaigned right throughout the election campaign last year on the basis that the Queensland National Party ‘are opposed to the sale of Telstra’—pure and simple; no ifs, no buts, no ‘make me an offer’; they were opposed to the sale. So Senator Joyce gave a pathetically garbled explanation of what he is trying to do and how he has extracted things from the government.

Let us be sure on this. Senator Joyce’s favourite number is $3 billion—‘I got $3 billion. I extracted $3 billion from the government.’ I do not know how you feel having that much money extracted from you, Senator Coonan, but I am going to defend you. In actual fact you played Barnaby for a mug, an absolute mug, because what Senator Joyce was able to extract was a commitment to spend $1.1 billion over four years. That is $250 million a year. To be fair to Senator Joyce, that does buy a lot of photo opportunities for National Party members in marginal and safe seats, because they are losing out
every day to independents and, more importantly, to Liberals. Senator Joyce is actually voting to give the Liberal Party more regional and rural seats, because what is the point in voting for National Party senators when in the end all they do is agree with John Howard and do what he wants? That is why there has been a collapse. People in country and regional Australia say: ‘Why bother voting for the monkey? I’ll vote for the organ grinder’—and that is what has actually been happening. They are happy to vote for the Liberal Party because there is no point in wasting their vote on a National Party member or senator.

That is why The Nationals are in terminal decline; that is why they are actually going out backwards. That is why Bob Katter survives so strongly in a former National Party seat and that is why Tony Windsor survives so strongly in a former National Party seat; they have actually been prepared to vote the way they say. But Barnaby Joyce has stood up today and made a number of references to how he knows more about this bill than anybody else in the building and how he has done what the Labor Party should have done, which is read the bill.

There is only one problem: Senator Barnaby Joyce voted to gag the committee process—he did vote on this—when he sat on the other side of the chamber and said, ‘I am going to limit the committee hearing to one day and I will limit Senator Conroy in the committee to 12 minutes’—that is, four questions. That was the entire opposition time available to question such an important witness as Graeme Samuel, the chair of the Australian Competition and Consumer Commission, so that Senator Ronaldson and the government could engage in a filibuster even in the committee stage.

Senator Conroy—Senator Ronaldson, so you are aware of the forms of the chamber: committees are actually there for the opposition to ask questions in, and not for the government to come along and take half the time. The tradition has been that the committees allow the opposition and the minor parties to question. It is not for you to come along and take half the time and waste it. You can; you are entitled to it.

Senator Conroy—But you agreed to the limit. You agreed to it.

Senator Conroy—Let us be clear: you moved a gag on the committee stage.

Senator Ronaldson—On a point of order: it is totally inappropriate for Senator Conroy to misrepresent me. The committee had a meeting before the hearing started and there was an agreement as to time limit.

The Temporary Chairman—There is no point of order, Senator Ronaldson.

Senator Conroy—There is certainly no point of order. It is also a serious misrepresentation. In this chamber, Senator Ronaldson and every other government senator voted to gag the committee to one day. I arrived at the committee a few minutes early to find Senator Ronaldson outside with a piece of paper summoning Senator Eggleston and Senator Santoro to a quick caucus and saying, ‘This is what we will agree to.’

Senator Eggleston—On a point of order: that is simply not true. Senator Santoro was not there. He was in Sydney, so how could he be in Canberra on Friday?

The Temporary Chairman—There is no point of order. Sit down please, Senator Eggleston.

Senator Ferris—Stick to the truth.

Senator Conroy—The truth is that at the committee—

Senator Eggleston interjecting—
The TEMPORARY CHAIRMAN—Sit down, please, Senator Eggleston.

Senator CONROY—Sit down and let me finish before you jump to your feet, Senator Eggleston. It was not on the morning of the committee that this little caucus took place; it was the day before, after the Senate had passed its—

Senator Ferris—How do you know what they were even talking about?

Senator CONROY—I walked up to them as it was happening, Senator Ferris. It was happening upstairs, outside 1S6. Senator Ronaldson called—

Senator Ferris interjecting—

Senator CONROY—Santo walked up to the meeting with me. He called Santo over. He was standing there with you and he said, ‘This is what we’re going to do.’ So do not stand in the chamber—

Senator Ronaldson—On a point of order: Senator Adams was on this committee; Senator Santoro was nowhere near it.

The TEMPORARY CHAIRMAN—There is no point of order.

Senator CONROY—This was on the Thursday; not Friday, you idiot. It was at a Thursday meeting. It was at that Thursday meeting where you told them what they were going to agree to.

The TEMPORARY CHAIRMAN—Senator Conroy, please withdraw that word.

Senator CONROY—I withdraw that Senator Ronaldson is an idiot.

The TEMPORARY CHAIRMAN—You should not repeat it.

Senator Eggleston—On a point of order: that statement of Senator Conroy’s is a total misrepresentation.

The TEMPORARY CHAIRMAN—There is no point of order.

Senator Eggleston—Senator Ronaldson did not wave to people outside the committee—

The TEMPORARY CHAIRMAN—Sit down, Senator Eggleston. There is no point of order.

Senator CONROY—To be fair to Senator Joyce, he attended the hearing. He did attempt on a number of occasions to ask some questions. He was not allowed to because the government was still terrified of what he would ask or say. I did enjoy having Senator Boswell—

Senator Lundy—Bozzie came and sat next to him.

Senator CONROY—Thank you, Senator Lundy. Senator Boswell, not a noted attender of committees, turned up. He turned up for almost the entire day and sat next to Senator Joyce just to make sure he was under control. There was not a lot of space. It was a very cosy little day.

Senator Joyce keeps pretending he did all the work. Given that Senator Joyce wants to allege that I have done no work and have not read the bill and that the Labor Party has failed in its obligations, I want to make two points. On Wednesday or Thursday night, I cannot remember which, Senator Joyce and I had a debate on Lateline. After the Lateline interview finished, I said to Senator Joyce, ‘Have you read the legislation yet?’ to which he said no, which was fair enough—the legislation had barely been tabled, if at all. I said: ‘You should have a look at the section about the slush fund because they’ve stitched you up. It actually allows for up to $2 billion and shares.’ The reason I knew this was because that day Lindsay Tanner, the shadow minister for finance, who had examined the bill on Wednesday, had stood up in parliament and explained it. Lindsay Tanner stood up in the chamber and explained how they had conned Barnaby Joyce.
Senator Coonan interjecting—

Senator CONROY—Go to the Hansard. That is what happened. Lindsay Tanner stood up and said, ‘This is how they are dudding Barnaby.’ So I told Barnaby and he said, ‘Thanks’. Senator Ronaldson knows it is true. When Senator Barnaby Joyce stands up and accuses the Labor Party of not having read the legislation, he is actually committing a gross misrepresentation. Let me turn to the Hansard of the committee hearing, which Senator Ronaldson, Senator Adams, Senator Eggleston and Senator Joyce were at. The Labor Party asked nearly 10 pages of questions on this very issue.

Senator Coonan—Ten pages!

Senator CONROY—You can read the Hansard. Here it is.

Senator Coonan—Did you ask any relevant questions?

The TEMPORARY CHAIRMAN—Minister, stop interjecting. Most ministers do not do that.

Senator CONROY—The government did allow us an hour and a half to talk to the department. So these are questions to the department.

Senator Coonan interjecting—

Senator CONROY—No, that was to the ACCC. Stop trying to weasel your way out of what you have done. You have committed an atrocity—just accept it, take the hit and move on. I asked a string of questions to Mrs Holthuyzen, who is over in the gallery. I apologise for the pronunciation. Senator Joyce then says:

Unfortunately—of course, it is in the media—I also have questions about the trust fund. Senator Conroy was speaking about 158ZJ, where it refers to ‘up to $2 billion’. I might be naive, but does that mean you could put in less than $2 billion and still be within the scope of the act? It actually refers to ‘up to $2 billion’, not to ‘no less than $2 billion’.

There we have it, in Senator Joyce’s own words. He sat next to me for 20 minutes while I asked a string of questions on this issue and he finally twigged that they had duded him. I am doing this simply to defend the Labor Party’s honour from the outrageous assertion by Senator Joyce that we had not read the legislation. We asked the questions that finally made Senator Joyce understand how you had duded him.

Senator Coonan—How is your blood pressure, Stephen?

Senator CONROY—Mine is fine. I simply wanted to make that point. Senator Joyce wants to pretend he found it and discovered all these problems. Senator Joyce should just come clean. He sat next to me for 10 minutes while I asked all the questions that got what had happened out in public. That is a slightly more accurate representation, but if anyone doubts it it is in the Senate committee Hansard from last Friday. Let us be clear: Senator Joyce is trying to find every possible excuse to explain his backdown, capitulation and ratting on his own word. That is what he has done. He promised the Queensland public that he would vote against—

Senator Webber interjecting—

Senator CONROY—That is right, Senator Webber. If you voted for Barnaby Joyce, he would vote against the sale of Telstra. That is what his promise was, and he is trying to find every weasel word, trying to pretend he is the only one who has done any work. Well, Minister, he got to spend all day with your advisers and your department and your legal people yesterday—not something afforded to the opposition or the minor parties. We cannot get an answer from the minister.

Progress reported.
MATTERS OF PUBLIC INTEREST

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

Women in the Work Force

Senator FERRIS (South Australia) (12.45 pm)—I want to speak today to correct some of the false assertions that have been made in relation to women in the work force under the Howard government and outline some of the benefits the proposed work force reforms will have for Australian working women. Fifty-three per cent of the total number of jobs in Australia since 1996 have been created for women. This is a total of 911,500 jobs, compared with 768,600 jobs which were filled by men. The government’s proposed reforms will generate higher levels of job growth and work force participation, which will continue to benefit women. It has been claimed, both in this chamber and in the wider community, that the Howard government’s reforms to industrial relations have encouraged the casualisation of Australia’s work force, particularly for women. Nothing could be further from the truth. In fact, none of the employment figures which have been released by the Australian Bureau of Statistics reflect or substantiate this claim.

The ABS social trends survey of July 2005 shows that there has been only a marginal increase in overall casual employment since the Howard government’s election in 1996. At that time, 26.1 per cent of all employees worked on a casual basis, compared with 27.7 per cent of employees today. This is a rise of less than two per cent over nine years. The substantial shift towards casual employment occurred before the government set out on its reform agenda, during the years of the accord and under the former ALP government. One example of this was the 2.4 per cent increase in casual work in the two years to 1996. Since that time, the rate of casualisation has stabilised. As well, growth in casual employment for women has been much lower than for men. The growth in casual employment for men has been 6.6 per cent since the Howard government came to office. The rise among women in the same time has been 0.4 per cent—a substantial difference.

AWAs can include a long list of quite innovative measures for women, particularly those with children or caring responsibilities, and this has emerged through agreement making. AWAs can include flexible start and finish times, time off in lieu of overtime, taking annual leave on half pay or on single days, purchased leave, innovations in caring and personal leave, paid parental leave, job share arrangements, home based work, family rooms and breastfeeding rooms, special leave, career break schemes and child-care subsidies.

I would like to take the time today to outline two South Australian examples of the benefits of AWAs to working mothers and to working women in general. People’s names have been changed, but I assure this chamber that the circumstances are genuine. The first example is a woman I will name Karen. She works for a small business in the disability services sector in suburban Adelaide which employs 22 people. Her work is demanding but fulfilling, as she provides vocational and life skills training to intellectually disabled people. Karen is 37 years old and negotiated an AWA four months ago. The agreement allows her to work flexible hours in order to attend to family matters, including care for an elderly friend who lives with the family. The flexible hours have enabled Karen to take time off work to care for her friend and to take her on hospital visits. While undertaking these tasks, Karen has been able to maintain, on average, a four-day working week on differing days according to her personal and family needs. Using this arrange-
ment, Karen considers herself to be more likely to remain in the work force for longer, even if family circumstances become more demanding.

The second example is a person I will call Ann. She works as a full-time employee in a small South Australian business which employs 32 people. She works in a clerical capacity in the business and is one of only three female employees in the company. Ann is married but has no children and is actively involved in training and coaching sport within her local community. This requires her to organise sporting schedules and to be absent from work on at least two afternoons a week. Ann has maintained her full-time job by negotiating flexible working arrangements with the husband-and-wife partnership who own the business.

These flexible arrangements mean earlier starts some mornings or working through breaks in order to be able to leave work by three in the afternoon. Twelve months ago Ann incorporated these new flexibilities into an AWA, which has given her the confidence to use the flexibility that she had earlier negotiated on an informal basis. Ann regards her AWA arrangement as a two-way agreement that makes her more committed to the business in return for the flexibility that the business has given her and the opportunity to take part as a volunteer in sporting activities in her community. These are just two examples of the AWAs benefiting Australian women, and there are many, many more examples that are available in the community.

Despite vocal predictions to the contrary by some unions and by the opposition, allowing women to make flexible AWAs with their employers has not disadvantaged women. In fact, all of the evidence so far suggests that exactly the opposite is the case. Over 70 per cent of AWAs contained at least one family-friendly provision, or family-friendly work arrangements. Of these agreements, more than half had three or more family-friendly provisions. Female average weekly earnings in 2002 were $554. Under registered collective agreements, average total weekly earnings were $600.40. However, under AWAs average total weekly earnings were $889.20. So earnings were $600.40 under collective agreements and $889.20 under AWAs—a dramatic difference. Female employees on AWAs earned, on average, 89 per cent of the male AWA employee hourly rate of pay, far better pay equity than the 2002 gender pay disparity of 77 per cent for the work force as a whole. AWAs applying to women are also more likely to include flexible working and family-friendly provisions.

On Monday afternoon I had the privilege of meeting with a group of working women, together with the President of the ACTU, Sharan Burrow. It was the second opportunity I have had to meet with Sharan, and we had a productive and useful conversation. I look forward to meeting with her again. I took the time to listen to the concerns of some of those working women who came to see me in my office and to highlight my thoughts on the benefits to working women of wage flexibility. I also understand some of the issues that they raised in their capacity as workers in occupations which are in community service—very valuable occupations in women’s refuges, drug rehab centres and job skills centres—and it was a privilege to meet with them. While we disagreed on some issues, we are all as women working towards giving women the flexibility in the work force that they deserve, and I look forward to promoting the rights of working women through the changes to the workplace relations system in Australia as they come through this chamber.
Urban Policy

Senator CARR (Victoria) (12.54 pm)—I raise today a matter of crucial importance to Australia’s future: the future of our cities. On Monday, there was a report presented in the House of Representatives by the House of Representatives Standing Committee on Environment and Heritage entitled Sustainable cities. The report dealt with matters of extreme importance to the future of Australia’s urban dwellers. It detailed the serious environmental challenges that face our cities. However, being a bipartisan report, it fell far short of what is required to address the Howard government’s failure to engage in the future of Australian cities—not only in relation to environmental issues but, more broadly, in terms of the liveability of our suburbs and the manner in which our society is organised to ensure that everyone gets a fair go.

About 80 per cent of Australians now live in 41 cities. Sydney and Melbourne alone are home to almost eight million people. Our cities are growing fast and there is a great deal for us to do to ensure that they remain places in which people want to live. Unfortunately, under the nine long years of the Howard government, there has been a lack of coherent national policy on urban planning and development. The development, security and amenity of our cities must become a national priority for the government of Australia.

Nothing illustrates more starkly the need for national leadership in urban policy than the tragic events that have unfolded in the American city of New Orleans in the wake of Hurricane Katrina. I want to add my voice to those expressing their sympathy and sorrow over those events, particularly the human costs, which have been so terrible. The last thing the opposition wants to do in these circumstances is try to score cheap political points from such terrible human suffering. But I do want to draw attention to some of the lessons that might be drawn from this natural and humanitarian tragedy. There are many, and they are very pertinent.

The fundamental issue that arises from the film footage shown since the hurricane struck is the gross inequality that emerges in American society. Who is it who are left behind, who face death, disease and the appalling living conditions? It is the black people, the poor people and the working people of the United States. That is an example of how the market has gone mad—a situation whereby fundamental human rights are denied to so many people in a market driven society such as that of the United States.

There is a basic issue of public infrastructure. We saw in the United States that the Bush administration, despite the clear warnings from experts, including many within the government, cut spending on vital flood containment measures in and around New Orleans. For instance, federal spending on flood control in south-east Louisiana has been cut by almost half since 2001. The levées had been maintained by the United States Army Corps of Engineers. They were not able to do their job properly. They asked for $US27 million for this year for hurricane control work. They were granted $US6 million. An amount of $US14 billion for a longer term project to restore the marshes surrounding the city was slashed to $US570 million.

The Bush government’s priorities were about diverting moneys and support away from protecting American cities through infrastructure maintenance and development and towards the war in Iraq and their so-called war on terror. If you were a black, poor person in New Orleans who was left behind, you would know what the war on terror means. There could surely be nothing
more terrifying than being stuck in an attic as the water continues to rise and there is no one there to help, the public sector having completely broken down and the private sector having abandoned people to their fate. The United States government's negligence in terms of its responsibilities to fund public infrastructure has seen hundreds of thousands of mostly poor, black working people in the United States being forced to confront that dreadful price.

We have seen in Australia that the federal government has no commitment to infrastructure development and renewal in our cities. The Howard government has made sure that it is as far away as possible from the action when it comes to infrastructure development in our urban areas. Labor, through its Better Cities policy and before that—going right back to the Whitlam period—with the Department of Urban and Regional Development, has a longstanding commitment to ensuring that the Commonwealth government faces up to its responsibilities when it comes to the development of Australian cities.

New Orleans dramatically shows us why it is so important that there be a restoration of national policy on urban development. What we have seen in New Orleans is that cities can be the site of appalling poverty. They can be incubators for social inequality. We have seen that a huge disparity exists between those who are wealthy and those who are poor. We see an enormous rift developing in American society. There are people who are desperately impoverished: those who are unemployed, those who are black and those who do not have access to the power of money, which brings access to the marketplace. We saw all of those fault lines exposed through the recent events in New Orleans.

The issues of unemployment and the scourge of poverty in our cities have to be faced up to squarely in this country as well. Moves have to be made to eliminate them. The Commonwealth government has a leading role to play in ensuring that those challenges are faced. Educational opportunities have to be improved so that everybody, no matter where they live, no matter what their postcode, has a genuine chance for a meaningful life and has an opportunity to share in the prosperity that a few people have in this country. There has to be an integrated approach to urban policy on the part of the national government, and it has to be able to work with the states and with local government to ensure that we do not have a situation where ghettos develop in this country and where we have poor people condemned by governments to poor services.

I am not suggesting that at this time Australian society is as bad as the United States in terms of social gulfs. But we are in grave danger if we do not take action to ensure that the social and economic divisions in the fabric of our society are not repaired. We should not provide opportunities for those inequalities to develop as they have in the United States. I am concerned that in some areas of Australia all the signs are there. There is evidence of social disintegration occurring. There is evidence of the social tensions that occur after such neglect. There are, for instance, areas within Sydney where that is all too apparent.

In terms of urban policy, there is a need to ensure that there is social cohesion and that there are genuine opportunities for education, for training and for jobs. There needs to be transport and decent and affordable housing for every single citizen in this country. We have to make sure that those who are privileged and those who enjoy the capacity to live in expensive suburbs are not the only ones who get a fair go. There have to be
means by which we can ensure that there is a genuine commitment by the Australian government to give everyone a fair go.

Recent reports suggest that Australian cities are exposed to the threat of natural disaster. I would hate to think what would happen in this country if such an event occurred. I trust that we would not see a repeat of what has occurred in the United States. Cities are large and complex entities and environments. Huge numbers can be affected when an urban disaster such as a flood, a cyclone or a bushfire occurs or when a terrorist attack is visited upon them. Urban planning has a part to play. Cities have to be built so that disaster plans are integrated into the management of our cities. Disaster plans need to be integrated not just at a vertical level but horizontally and at all levels of government. That means that the Commonwealth government has a national responsibility to fill. It has a leadership role to perform.

What really troubles me here is that our cities and urban areas around Australia are growing at a phenomenal rate, particularly along our coastal fringes. It is likely that a quarter of the nation’s population growth will occur in south-east Queensland over the next few years. There is a similar situation in south Perth, where there has been massive growth in the numbers of people moving there. It strikes me that under those circumstances the Commonwealth has a direct responsibility to assist the states in ensuring that people have proper access to services and facilities to ensure that the opportunities for a reasonable standard of living can be maintained.

In this country we have a serious underinvestment in our infrastructure, and that is a serious underinvestment in the future of this country. What we have, on the other hand, is a government that sees infrastructure spending as essentially an opportunity for pork-barrelling. Regional Partnerships, for instance, is an example of that. We have no minister for housing and we have no minister for urban development in this government. We have seen no major coordinated infrastructure program for our urban areas.

Cities are the engine room of Australia’s economic development and growth. But we have had nothing but neglect from this government. This government does not see this as an important issue and believes that the market will be able to resolve whatever problems emerge. The evidence on that matter is clear: there is no doubt whatsoever that one of the pressing problems facing Australian cities is the fact that we do not have the sort of support from the public sector that is required. By that I mean that the Commonwealth government is failing in its obligations.

You only have to look at the issue of housing affordability. Ordinary Australians are deeply worried that their kids will not be able to afford to buy a house in the cities and suburbs in which they live and in which they grew up. They have a growing sense that people are losing out in the race to ensure that they are able to maintain their living standards. Reserve Bank figures show that the average house in Sydney now costs some 10 years wages, compared to seven years in Melbourne and five or six in other cities. That is in marked contrast to what we saw in Sydney a decade ago. The amount of time it takes to buy a house in Sydney and Melbourne and most of the other big cities in this country has doubled over the last 10 years.

We now have affordability rates that are becoming quite shameful. This affects how people live, where they live; it affects their life opportunities. We have a situation here where whole groups of people—not just those who are concerned about the weakest members of our community but also those
with private sector interests, building industry professionals, welfare organisations and various others—are all saying now that the Commonwealth government has an obligation which is currently not being met. The Howard government is alone in turning its back on these issues.

As our cities expand, the sustainable use of water, energy and land is a growing challenge. Cities, and city households, are responsible for a large proportion of our national energy and water consumption. The Howard government shows no interest in these issues. For nine long years the Howard government has neglected our major infrastructure needs, and it is completely ignoring the urban infrastructure which could improve our cities and ensure that we are able to enjoy our current standard of living into the future. The Howard government does not even have a minister responsible for those issues. If you want to talk to the government about those issues, you have to go to a plethora of departments to try to get your message across. (Time expired)

Disability Services

Senator SIEWERT (Western Australia) (1.09 pm)—The matter of public interest I rise to speak on today is the specific issue of accommodation and support services for people with disabilities. In doing so, I also want to highlight issues surrounding the philosophy and approach taken by the coalition to the wider issues of social services, to highlight its hypocrisy and to point out why this approach will not deliver on the goals it purports to be pursuing.

Let me start with a very general point. The Prime Minister, John Howard, is very keen on the idea that everyone should stand on their own two feet. The essence of this philosophy is one of encouraging independence, and the ultimate goal is to have more Australians working and fewer Australians receiving welfare of some sort. However, when it comes to the issue of support services for Australians with disabilities and their carers, this philosophy of self-reliance seems to fall down. I am prepared to be generous here and suggest that this problem is more a case of disinterest and neglect than deliberate marginalisation. I cannot be so generous on the wider issues of Welfare to Work and the so-called industrial relations reforms.

The people we are talking about here, the carers of Australia and people with disabilities, epitomise this philosophy of self-reliance. They take on huge workloads and tackle massive impediments in their efforts to be independent and to look after their families and themselves. Where is the support for these people who are taking on what would otherwise be taken on by and be a burden on the community? Where are their incentives? What is there in place for people with disabilities who actively want to hold down a job, to have their own home and to live as independently as they can? This is the hypocrisy of the government’s approach.

They are not offering help to people who wish to be self-reliant. They are not offering enough incentives to people who want to get off welfare and into work, to gain meaningful employment, to improve their standard of living and ultimately fund their own retirement. They are offering perverse disincentives and creating further barriers. They are making the whole process of looking for work or seeking to be independent complicated, stressful, disempowering, frustrating, confusing and depressing. In 2002, the Australian Institute of Health and Welfare estimated that, for every one person with a disability who was able to access support from the existing service system, another six to 24 people were being turned away.

I particularly wish to draw the attention of the Senate to the accommodation support
crisis for people with disabilities and their families. I must say that I am wary of using the word ‘crisis’ in this context, as we in the chamber have come to learn that everything can and will be called a crisis, and we quickly develop crisis fatigue. However, I put to you that, in the area of accommodation support for people with disabilities, there is a very dire situation that is worthy of the term ‘crisis’.

I would just like to point out a few of the horrifying statistics. In New South Wales, there are an estimated 8,000 people with unmet needs for accommodation support. In Victoria, approximately 4,478 people are listed as in need of accommodation support. In Queensland, 5,117 people are listed as requiring accommodation support—an unmet need. In Western Australia, I am pleased to report, the situation is slightly better; however, it is still extremely distressing, as 225 people had an unmet need in 2001. In 2002-03, 330 people applied for accommodation support. Only 92 of them—28 per cent—were successful. That means the rest were not successful. It is almost a race to the bottom—in other words, who has the biggest crisis? The carers have to tell their stories so intensely, as in this race to the bottom the person who has the worst case wins, which is not a satisfactory situation to put carers in.

We are facing a critical shortfall in supported accommodation services for people with disabilities all across Australia. This is having a devastating impact on people with disabilities and their families. People born with a disability are being denied the opportunity to leave the family home and live independent lives with the support that they need. Parents and family carers are expected to care till they drop, sacrificing their physical and mental health, their marriages, their other children’s welfare, their employment and their retirement. Young adults who acquire a disability through injury or illness and who can no longer manage to live independently are being forced to live in nursing homes for elderly people. The human rights of people with disabilities and their families are being ignored. This crisis is demeaning to our whole community. We believe that our community expects real opportunities for all its members. We believe that our community expects that people with disabilities will receive the assistance they need to live a decent life, to have a fair go and to have a chance.

The original CSDA, or Commonwealth-state disability agreement, clearly stated that funding for accommodation was to be a shared responsibility between the Commonwealth and the states, while the administration of accommodation support was to be a state responsibility. This provision has been watered down in the subsequent CSTDA, or Commonwealth State Territory Disability Agreement, as it is now called, which has led to a critical shortfall in supported accommodation services. However, even within the provisions of the existing CSTDA there is a range of important responsibilities placed on the Commonwealth to ensure that the needs of people with disabilities are being met. Subsequently, there is scope for the minister to show leadership in resolving this crisis.

Let me draw your attention to some of the specific provisions within the agreement. Under the policy provisions of the agreement it states:

In working towards this objective the Commonwealth and the States/Territories recognise—amongst other things, the need to work together to—

a) strengthen access to generic services for people with disabilities by:

• fostering a whole-of-government approach to maximise the opportunity for people with disabilities to participate so-
cially and economically in the community ...

It goes on to say:

b) strengthen across government linkages by—

- positively influencing the service system within and external to the Agreement to ensure that access to appropriate services is supported and strengthened ...

Under the heading ‘Shared Commonwealth and State/Territory Roles,’ it goes on to list shared responsibilities as:

(c) encouraging reform of the existing service system and supporting innovation and quality in service provision;

(f) working towards the achievement of the objective and policy priorities which underpin the national framework ...

In other words, there is scope for both Commonwealth and state involvement. The states and territories cannot resolve this issue on their own. We need to see real leadership from the Commonwealth on this issue. We need to see real leadership from the Minister for Family and Community Services. We need to see a commitment to tackling this issue head-on, not to passing the buck back and forth between the Commonwealth and the states. We need to see a real commitment to resolving the accommodation support crisis now faced by people with disabilities and their families. We need a real response to this crisis, beginning with an immediate injection of funding to get assistance to these people in crisis. Real leadership is needed for the Commonwealth to work cooperatively with the states and territories to ensure that the crisis is addressed and that the policy, planning and funding infrastructure is put in place to prevent it happening again.

There is a fantastic opportunity here for the minister to demonstrate to people with disabilities and their families, to the carers of Australia—some of whom are in the gallery today—and to those who travelled from around this nation to take part in the ‘Walk a Mile in Our Shoes’ event whom the minister met on the lawns of Parliament House yesterday, her passion, commitment and leadership on this issue, to put her mark on social services and leave a legacy of a just, compassionate and sustainable system. We urge that the CSTDA be revised and altered to ensure that it works to deliver the support services that people with disabilities and their families urgently need. We urge that the indexation provided on Commonwealth grants be increased to match the cost increases experienced by disability service organisations to ensure that the quality of disability support services they provide can be maintained sustainably into the future.

This is what the carers of Australia want: a policy that respects the human rights of people with disabilities and their families; a policy that ensures the availability of appropriate accommodation support to people with disabilities when they need it; a policy that enables families caring for people with disabilities to have the same opportunities as other families to lead a ‘normal’ life; a policy that enables young people with disabilities to live independently with dignity, respect and the support they need to contribute to, and participate in, the life of their community; a policy that lets young adults with disabilities leave the family home, as do other young adults; a policy that gets young people out of institutions and nursing homes; and a policy that lets families survive, parents work and old people retire. This is a national problem that requires a national solution.

Mr David Hicks

Senator KIRK (South Australia) (1.19 pm)—I rise this afternoon to speak about one of my constituents, South Australian Guantanamo Bay detainee David Hicks, and to
draw attention to the recently announced changes to the military tribunal process. These changes, which were announced by US Secretary of Defense Donald Rumsfeld last week, were aimed at deflecting criticism of the military commission process. But these changes are inadequate, and in no way do they address the widespread criticisms by Australian and international legal experts. David Hicks’s military lawyer, Major Michael Mori, with whom I have had frequent contact over the past few years, has called these changes ‘cosmetic’ and a ‘media stunt’.

David Hicks is due to stand trial in a few months time, but the military tribunal process as it currently stands remains fatally flawed. Whilst neither I nor the Labor Party will ever condone terrorist activity—and I want to make this clear—regardless of what David Hicks is alleged to have done it is incumbent on the Australian government to make representations to the United States demanding that he be given a fair trial.

The military tribunal process, which our government supports, will not afford David Hicks a standard of justice to which Australians are normally entitled. By way of example, the trial will not be conducted before independent judges or magistrates; there are unwarranted restrictions on the capacity of the accused to conduct his defence; a guilty verdict can be reached by a two-thirds majority, as opposed to unanimity; miscarriages of justice cannot be rectified by an independent appeals court; evidence obtained by torture is still permissible, as is hearsay; and an acquittal does not necessarily guarantee the release of the accused.

Let me spend a few minutes talking about some of the announced changes and why, as the Law Council of Australia has recognised, they amount to nothing more than a rearranging of the deckchairs. One of the trumpeted changes is that the process will be more like a judge and jury model than a military court where a panel of military officers with no legal training decide on points of law and sentencing. Under the new rules, a presiding officer will act more like a judge, deciding on legal arguments, and two other military officers will decide on the verdict. To quote the President of the Law Council of Australia, Mr John North:

To describe the commission as proceeding on a judge-jury basis is laughable—a jury would normally be randomly and impartially chosen from the general community rather than be appointed by the state.

Let me give another example of one of the changes. The old rule said, ‘Defendants may be present to the extent consistent with the need to protect classified information.’ The new rule says, ‘Defendants shall be present to the extent necessary to protect classified information.’ This is just meaningless word play. It is pure farce. Another change is that the so-called judge will have power to exclude classified information—proposed to be heard in the absence of the defendant—if, in his opinion, its reception would deny an accused person a fair trial. Again, this is farcical. How can anyone claim that a trial which prevents defendants from hearing all of the evidence against them is fair?

Prime Minister Howard and Attorney-General Mr Ruddock, despite protests from many legal experts, have repeatedly said that the military trial process is fair. Mr Ruddock described the new changes as ‘useful’, saying:

I think these improvements make it more comparable to what people here would understand.

Mr Ruddock’s expertise in using weasel words is second perhaps only to the Prime Minister’s. It is interesting that the Attorney-General was careful not to say that he thought the new changes would result in a fairer trial. How could he? He had already
claimed that he was completely satisfied with the previously existing process.

Last week I met with David Hicks’s Adelaide based lawyer, Mr David McLeod, who is on the public record as saying that Saddam Hussein will get a fairer trial than David Hicks. Mr Hicks has not been accused of killing anyone. His three military commission charges are: first, conspiracy to commit war crimes; second, attempted murder by an unprivileged belligerent; and, third, aiding the enemy. The Australian government should be ashamed that Saddam Hussein is going to a tribunal where all the rules of evidence are applied in a society that complies with the rule of law, but it will not stand up to the United States to ensure that David Hicks has the same rights. And it is not just Saddam Hussein who is getting better treatment. Professor Tim McCormack, an Australian adviser to the judges in the case against alleged Serbian war criminal Slobodan Milosevic, claims that Hicks is being treated worse than Milosevic.

Australian Law Council president John North did not mince his words recently when describing the Australian government’s readiness to accept the military commission process. Mr North said:

These changes expose how spineless the Australian Government has been in endorsing the military commission model of justice. At every turn the Government has given the military commission a tick, even in the face of mounting criticism from all corners.

David Hicks was arrested in November 2001. He has been imprisoned in Guantanamo Bay for nearly four years. On 25 August last year, charges against Mr Hicks were formally placed on the military commission record. This was nearly three years after his capture. The Australian government did nothing to help an Australian citizen held for nearly three years without charge, and they are now doing nothing to ensure that he gets a fair trial. No country in the world, except Australia, tolerates their citizens going before the commission process. Even the United States will not tolerate their citizens’ rights being compromised by this unfair process. Australia should follow the lead of the British, Spanish, German, French and Canadian governments, which refuse to let their citizens face trial by a military commission.

Mr Hicks is suffering from health problems. A member of his Australian legal team, Army Reserve lawyer Michael Griffin, who visited him in the first week of August, said that he was suffering blurred vision, headaches, back problems and depression, and that he had stopped eating on a number of occasions. David McLeod described him as having a ‘haunted look’, with a pallid complexion and dark rings around his eyes. I was recently refused permission to visit David Hicks, who, as a South Australian, is one of my constituents. I had intended to travel to Guantanamo Bay, along with Major Michael Mori, in August this year. I was very disappointed by the United States government’s response, which was relayed through the Australian Embassy in Washington, and I would like to put their words on the record. They said:

Visits by non-US nationals—
to Guantanamo Bay—
are with very few exceptions, restricted to those related to law enforcement and intelligence purposes. No Parliamentarians from third countries have been permitted to visit the facility.

I would like to know why there is one set of rules for US senators and another for Australian senators.

**Senator Ian Macdonald**—It is against US law.

**Senator KIRK**—It is not against US law. According to Donald Rumsfeld, who said on 21 June this year:
A great many members of the House and Senate have been down there—
that is, to Guantanamo Bay. He went on to say:
I think something like 77 members of the House and the Senate, something well in excess of 100 staff members. There have been any number of foreign diplomats who have gone down to meet and interview the nationals from their countries. There have been hundreds of people from the press that have gone down there ... It is a very transparent situation.

However, it seems that people from Australia—those who wish to visit their constituents, those who wish to attend the trial and those who are lawyers—are unable to attend the trial and visit the facility. Last week, together with Senator Natasha Stott Despoja and Senator Bob Brown, I introduced a motion demanding a fair trial for David Hicks. The motion said:

The motion said:

That the Senate—

(a) notes:

(i) the right of all Australians, regardless of their alleged crime, to a fair and transparent trial,

(ii) the number of serious doubts raised by legal and military experts—

and not just senators in this place—

including retired High Court of Australia Justices Mary Gaudron and Sir Ninian Stephen, the Presidents of the Law Council of Australia and the 14 Law Societies and Bar Associations of the states and territories of Australia, independent Law Council of Australia observer Lex Lasry QC, head of the Australian Military Bar Captain Paul Willee QC, Mr Geoffrey Robertson QC, the American Bar Association, three United States of America (US) military commission prosecutors and sitting High Court of Australia Justice Michael Kirby—

all those people, not just me—

who regard US military commissions as unjust,

(iii) that Spain, France and the United Kingdom have all refused to allow their citizens to be tried before US military commissions, and

(iv) the comments by the United Kingdom’s Attorney General, the Right Honourable Lord Goldsmith, that ‘the United Kingdom have been unable to accept the US military tribunals ... offer sufficient guarantees of a fair trial in accordance with international standards’; and

(b) calls on the Government to advocate for Mr David Hicks’ trial to be conducted in a properly constituted court with rules of procedure and evidence that meet Australian and international standards of fairness.

Leaking of Government Documents

Senator BRANDIS (Queensland) (1.30 pm)—This afternoon I want to address the case of the two journalists Michael Harvey and Gerard McManus. As honourable senators would be aware, Messrs Harvey and McManus have been called as prosecution witnesses in the trial in the Victorian County Court of Desmond Patrick Kelly, a former Commonwealth public servant charged with leaking confidential government information. They do not appear voluntarily but are under the compulsion of a subpoena. In pre-trial proceedings last month, Messrs Harvey and McManus declined, on the basis of the Australian Journalists Association’s code of ethics, to answer prosecution questions which might disclose the source of information which they used in writing an article, published in the Melbourne Herald Sun newspaper, relevant to the Kelly case, and have indicated that they would feel bound to maintain that position at the trial itself. As a result, they have exposed themselves to the risk of punishment, including potentially imprisonment, for contempt of court—a mat-
ter which the trial judge, Judge Rozenes, made clear to them in the course of last month’s hearing.

I know Mr McManus and Mr Harvey, although I do not know either of them well. Nothing I am about to say is influenced by any partiality in their favour. The case of Harvey and McManus raises squarely the issue of whether the law should be reformed to give some measure of privilege in legal proceedings to journalists to enable them to protect their sources. More broadly, it highlights the inconsistency in the treatment which the rules of evidence give to information imparted in confidence, and provides an occasion for the whole area of the treatment of professional confidences to be reformed. By coincidence, it comes at a time when the Australian Law Reform Commission is undertaking a major inquiry on the reform of the law of evidence, and I commend to honourable senators the ALRC’s very thorough discussion paper No. 69 on this topic. This follows a reference by the Commonwealth Attorney-General to the ALRC on 12 July 2004, and a cognate reference by the Attorney-General of New South Wales to that state’s Law Reform Commission.

The New South Wales Evidence Act 1995 is based on the Commonwealth Evidence Act 1995 and is substantially uniform with it, although, as I will point out later, not in relation to the treatment of professional confidences. Unfortunately, that uniformity does not, at present, extend to the other states and territories, although all of them have expressed in general terms their support for a common set of rules of evidence applying in all jurisdictions. It is one of the objectives of the ALRC’s current inquiry to encourage that process.

The law relating to the privilege of communications does not, however, merely suffer from the problem of inconsistent treatment between Australian jurisdictions. I have for a long time been of the view that the law in this area is riddled with irrationality and inconsistency, and has long stood in need of comprehensive reform which gives equivalent status to a range of professional relationships. At common law, there were only two relationships which were privileged from disclosure in courts: marital relationships and relationships between lawyer and client. There were other forms of privilege as well, in particular the privilege against self-incrimination, the privilege now called public interest immunity, and the privilege of without prejudice negotiations. But those privileges were not based on, and did not depend upon, the existence of a particular category of relationship.

The doctrinal basis of the privilege in those two categories was quite different. Spousal privilege was based on the ancient legal fiction, ultimately derived from Christian theology, of the unity of husband and wife. The doctrinal basis of legal professional privilege, or lawyer-client privilege, as it is today more commonly called, is more controversial, but most scholars agree that it ultimately derives from the principle that a lawyer is his client’s alter ego in court, and therefore there must be absolute freedom of communication between the two. The justification is a functional one.

The traditional justifications for the extension of relationship based privilege to only those two types of relationship have never been satisfactory. The basis of spousal privilege was a legal fiction, while the basis of legal professional privilege cannot explain why it extends to non-curial lawyer-client relationships. But more importantly, it entirely ignored other professional or intimate personal relationships which merit protection. Most famously, the common law gave no protection to the relationship between priest and penitent, so that a Catholic priest,
administering the sacrament of confession, could be required by the law to reveal the secrets of the confessional, on pain of imprisonment for an indefinite period, notwithstanding that to do so was a fundamental breach of his priestly vows and a mortal sin. There has traditionally been nothing to excuse a doctor from refusing to reveal the medical secrets of his patients, even though they are imparted in the privacy of his surgery, and notwithstanding that to do so would be a serious breach of the doctor’s professional ethics for which he would be exposed to professional sanction. And, as the Harvey and McManus case has reminded us, there is nothing to protect journalists who, in conformity with their own professional code of conduct, are bound to protect confidential sources.

There has, in recent years, been some statutory amelioration of the common-law rules, as their irrationality, inconsistency and potentially oppressive application have been recognised. Today, for instance, the Commonwealth, New South Wales, Victoria and Tasmania give protection to confessions made to a priest in his professional character—but, as yet, other jurisdictions do not. In general, Australian law has not protected the confidentiality of the relationship between doctor and patient, although recently two jurisdictions, Victoria and the Northern Territory, have made express provision for it. And no Australian jurisdiction has extended protection to journalists.

There are several strong reasons why the law of professional confidences should be reformed. In the first place, the law—and in particular courts of equity—have traditionally offered very strong protection to the confidentiality of relationships—not merely professional relationships, but all relationships which might be classified as ones of trust and confidence. The jurisprudence governing the protection of such relationships is vast. Yet in one specific area, the application of the rules of evidence, that protection ceases altogether. The philosophical and policy reasons which impel courts to protect confidential relationships should not stop at the door of the court; they are just as relevant to the courts’ own processes.

Secondly, with the notable exception of the legal profession, the current law gives no respect to the ethical standards of some of society’s most respected professions, such as the medical profession. And, as a consequence of doing so, it potentially places members of respected professions in the morally hazardous position of having to choose between obeying the law, which any decent citizen would wish to do, and abiding by the ethics of their own profession, which any respectable professional person would feel morally obliged, and professionally compelled, to do. That is the very position in which Messrs Harvey and McManus have been placed. As a result, honourable people face the risk of being punished in circumstances not of their own making by resolving a genuine dilemma in an ethical fashion. The law should not have so oppressive an operation.

Thirdly, because of its operation, the law also places judges and counsel in an invidious position, for no doubt they would not wish to inflict punishment upon people caught in such a position merely for seeking to act honourably.

Fourthly, as I have already observed, there is a ludicrous inconsistency of treatment as between the professions. While one can readily understand—and I would not seek for a moment to dispute—the essentiality of maintaining absolute protection of communications between lawyer and client in court proceedings, the same rationale for protection does not apply to all forms of legal advice. At the moment, and subject to certain excep-
tions, advice given by a lawyer to a client which does not concern court proceedings—say, for instance, advice in relation to the client’s business affairs—is privileged. It is a little difficult to see why that should be so, and yet advice of a similar kind, provided by an accountant to a client, enjoys no privilege whatever. Nor is it obvious to me that the secrecy of confidential communications between lawyer and client is, whether for reasons of principle or social utility, to be regarded as any more fundamental than communications between, say, doctor and patient or priest and penitent. Arguably—and I appreciate that there are important differences; in particular the fact that there is not an adviser-client relationship between a journalist and a source—the same could be said of the confidences imparted to journalists.

In saying this I do not for a moment ignore the very powerful reasons why courts, whether trying crimes or adjudicating civil disputes, must not be unduly constrained from having available to them all of the relevant evidence. The whole law of evidence is, in a sense, a series of exceptions to one basic rule: that which is probative of a relevant fact should be admitted. But the law does create extensive exceptions to that general rule for a variety of reasons. Some of those reasons are intrinsic to the logic of the forensic process itself, for some facts, which might seem superficially to be of probative significance, might on closer examination be so hazardous as to create a serious risk of the court adjudicating the case on a false or unreliable premise. The rules governing hearsay are an example.

In the case of other rules, though, relevant facts are excluded from evidence for reasons anterior to the forensic process—not because they are not probative but because there is an overwhelming public policy justification for withdrawing otherwise relevant facts from the court, notwithstanding the risk of injustice of a court deciding a case on the basis of incomplete information. The law of privilege is an example of that. For the various reasons I have argued, that part of the law of privilege which deals with professional relationships is inconsistent and in many respects simply wrong.

I believe that the Commonwealth government, in its submission to the ALRC’s review of the rules of evidence, should recommend comprehensive reform to the law of relationship privilege to address the issues which I have raised in this speech. While not wishing to be prescriptive, a good place to start might be to consider the inclusion in Commonwealth law of a provision resembling part 3.10, divisions IA and IB of the New South Wales Evidence Act, which does, for the first time in Australian law, give recognition to a generic category called ‘professional confidential relationship privilege’, and affords some measure of protection to such relationships.

Of course, such protection should not be absolute. Even the very comprehensive rules of legal professional privilege are subject to exceptions. The most obvious is that the relationship will lose its privileged status if the communication is for the purpose of facilitating a crime or fraud. I can imagine other exceptions as well but I do not intend to pursue that matter in the time available to me today. The point remains that the law does need to be reformed to reflect consistency of treatment between professions and between jurisdictions which gives effect to the strong philosophical and policy reasons to respect confidences imparted in the course of professional relationships.

And, finally, as to Mr Harvey and Mr McManus, who today find themselves the victims of the law in its unreformed state, I hope that the wise exercise of prosecutorial discretion will avail to remove them from the
invidious position in which, through no fault of their own, they now find themselves.

**Leaking of Government Documents**

**Senate Procedures**

Senator BARTLETT (Queensland) (1.44 pm)—That was a measured and thoughtful contribution from Senator Brandis. That does not apply to everything he says but it is not totally unprecedented. I concur with a lot of what he has said. It is my personal view, and an argument I have put on the record in this chamber and through comments on my web site, that there is a good argument for some degree of professional privilege for journalists and their sources. As Senator Brandis has said, that certainly could not be absolute or unqualified in every way. I do not support absolute privilege for the notion of journalists being able to protect, or not reveal, their sources under all circumstances. Nor do I support that for priests in a confessional, doctors with their patients or anybody else. As Senator Brandis has said, even the legal profession has exceptions to its own professional privilege in not revealing conversations with clients and other aspects to do with its work.

The big, and always difficult, issue is not so much to do with having a general agreement about the acceptance of some sort of principle, but rather where you draw the line and how far that principle goes before it has to cede to a stronger principle with regard to the rule of law in ensuring that justice is done, and indeed the argument about whether codifying that line, wherever you might choose to draw it, is the best way to go. I do not propose or suggest that I have the perfect answer to that, but I do believe the current circumstance that the two journalists in question are facing is a strong reminder that there is the need for reform in some shape or form as soon as possible.

It should be emphasised that being guilty of contempt of court does not automatically mean that someone is immediately dragged away to jail to be locked up indefinitely. We reserve that sort of treatment for asylum seekers and other absolutely appalling people, not journalists that just refuse to reveal their sources! It is open to the court to do that, but it is also open to the court to determine that it is contempt but not to record a conviction and perhaps just put forward a nominal fine or something like that. It certainly appears to me, at least from the evidence I have seen, that that would be most appropriate in regard to the current circumstance of Mr Harvey and Mr McManus. Obviously, the judge will make up his own mind and I am not in any way seeking to improperly influence his views with regard to that, but I think the issue of whether or not something is contempt is one matter, but whether or not it constitutes a serious contempt is a different matter.

We have that same issue here in the parliament. It is not often acknowledged—certainly not as much as it should be—that contempt of parliament is in many ways analogous in a legal sense to contempt of court. We do, from time to time in this chamber, find that a contempt has been committed but choose not to take any action or to take a token action. It is certainly very rare—I think there was only one occasion, and I think it was not in the Senate but in the other place—where a stronger action in regard to denying someone their liberty was undertaken as a consequence of a finding of contempt. So there is a range of different issues, but the general reality is that there needs to be some recognition of the appropriateness of journalists protecting their sources or not being required to reveal their sources. The issue is how far that should go and what the framework is around it.
Another question I would raise is: what actually constitutes a journalist? That is a matter that has been debated ad nauseam but I think it is more relevant at the moment with the growing diversity of comments and web sites popping up online, not all of which, but certainly some of which, provide quite high-quality analysis and information from a wide variety of sources. Like lots of other things, many things that appear on the internet are of zero value and quality, but there are some people who write as amateurs, in the sense of being unpaid, who certainly provide high-quality information. One might hint at the possibility that every now and then they might produce some information and analysis that might even be of a higher standard than some of the material that comes out of the august press gallery that inhabits this parliamentary building with us. That is another matter that does need be considered if we are looking at codifying these matters.

The point that has to be emphasised, though, in raising these questions, is the clear fact that this situation would not have arisen and be current, and these two journalists would not be put in this position, were it not for this government’s absolute obsession with targeting any person that is seen to be acting, or is alleged to have acted, in a way that the government does not like. The simple fact is that in this case a person is alleged to have provided information to journalists which simply revealed the truth, which was that the government was dudding veterans in a very big way. The fact that that was revealed proved to be a big public service because it has certainly helped generate the political momentum for the government to change its approach and go a lot further towards providing the sort of assistance to veterans that is appropriate and had been recommended in a relevant report.

That leads me to the other point that has to be emphasised in this debate. Whatever your view is about the approach to whether or not journalists should be required to reveal their sources and in what circumstances, the simple fact is that the continual obstruction and winding back of the reasonable operation of freedom of information laws is at the core of this. If there is a genuine belief from people within the government—the Prime Minister himself has made sympathetic noises in this case—that there needs to be reform, they should know the reason why journalists, or the rest of us who are interested in policy issues, sometimes have to rely so much on leaks is because proper appropriate flows of information are being constrained and blocked off at every opportunity by this government. I might say this government is not unique with regard to that. The Labor government in my own state of Queensland has a pretty poor record in winding back freedom of information laws and has administered those laws in a way which has led many people to suggest they should be renamed ‘freedom from information’ laws. That is a core aspect of this debate which should not be ignored. It is when the legitimate flow of information is blocked that people, whether it is journalists or others, are required to rely on leaks much more. I am sure all of us, journalists or anybody else, would much prefer to be able to access information legitimately and in an appropriate fashion rather than having to rely on things falling off the backs of trucks. It puts everybody in a position that is less than ideal.

But this government has a record, not just in hampering freedom of information but also in not providing information, of committing what I have argued is contempt of the Senate in refusing to comply with orders of the Senate to provide information. This government does that time and time again. You cannot have it both ways. You cannot espouse the noble notion of journalists having some great right of not being required to re-
veal their sources of information as some sort of doffing of the cap to the better operation of the democratic process while at the same time doing everything possible to stop that information flowing through every other source. The need for reform in the freedom of information laws and improvement in the way the current laws are administered should go hand in hand with the debate about whether or not there should be some reform to the laws regarding journalists and some sort of privilege over their sources of information.

I would also like to briefly make a point—because I do not want to take up the curtailed time we have for debate on the Telstra bills—about that process and I will do it very quickly. There has been a lot of comment made by government senators that guillotining this debate on Telstra bills is not unprecedented at all, that it is totally normal, that it happens all the time and that we have had guillotines in the past. That is just part of the dishonesty and subterfuge that we have seen from this government on so many areas.

Senator Ian Macdonald—You used to do it in Labor’s day. You used to support Labor in guillotines. Be honest.

Senator BARTLETT—Like any bully, like any thug, like all arrogant people, they just want to whack everything through and as soon as we stand up to them for a second they have this giant raw nerve and they start yelling out across the chamber. They just want to shout us down before we even have a chance to put the facts on the table. I will take that interjection to ‘be honest’, Senator Macdonald. That is all I ask. Let us be honest in this debate. As I said before, the issue is not whether we have a guillotine motion. Every party in this place has supported guillotine motions at various times including the Democrats, the Greens, Labor, Liberals and The Nationals. What is important is not whether there is a guillotine. What is important is the whole process from start to finish, from when the legislation first sees the light of day to when the guillotine is brought down, and whether or not there has been an appropriate opportunity for scrutiny and whether or not there is a compelling case for urgency. There is no compelling case for urgency in this.

The second matter is that, if you look at the entire process from when the legislation saw the light of day to when the guillotine came down to force the vote, we have had six days. On Thursday the legislation was introduced. On Wednesday the following week the guillotine came down on five pieces of legislation. For all the comments by other government speakers about what has been done in the past with other privatisation bills and how there was no committee inquiry into a bunch of those, that is true in a lot of cases, but there are also significant differences from the false analogies the government wishes to draw.

Firstly, those privatisation bills, which were also opposed by the Democrats, were supported by the Liberals. Both major parties supported them and wanted to pass them and both major parties did not believe that committee inquiries were necessary. So to complain now and say, ‘We did not have an inquiry back then so why should we have one now,’ completely ignores the reality that on this occasion that circumstance does not apply.

The other thing that should be emphasised is the total amount of time. Beyond anything else, even if you do not have a committee inquiry, the total amount of time made available to scrutinise the legislation is an issue. If we look at all of the privatisation bills going back to 1990, the first tranche of the Commonwealth Banks Restructuring Bill—and I should emphasise that this and all the other
bills were opposed by the Democrats—was first introduced into parliament on 8 November, the committee report was 10 December and the bill was passed on 13 December—well over one month. The Aussat Bill was first introduced into parliament on 8 November and was passed on 20 December—a month and a half later. The first tranche of the Qantas Sale Bill was introduced into parliament on 4 November and was passed on 7 December—over one month afterwards. The Commonwealth Banks Amendment Bill in 1993—the second tranche of that sale—was first introduced on 18 August and was passed on 7 October. That was nearly two months later. The CSL Sale Bill was first introduced on 9 September and was passed on 23 November—well over two months later. Another Qantas Sale Amendment Bill was first introduced on 10 May and was passed on 8 June—just under a month afterwards. The ANL Sale Bill was first introduced on 20 September in 1995 and was passed on 16 November—just under two months. The Commonwealth Bank Sale Bill, third tranche, was first introduced on 19 October and was passed on 27 November—over one month later. In 2005, five Telstra sale bills including not just the sale bill but major changes to the regulatory regime, were first introduced on Thursday of one sitting week and guillotined through the chamber the following Wednesday. This was less than one week—totally unprecedented, totally contemptible.

Politician Adoption Scheme

Senator WEBBER (Western Australia) (1.57 pm)—In the brief amount of time I have available to me today I would like to place on record my thanks to the carers from Western Australia who have been visiting this place. Most of the carers that are here are part of a special program we have in Western Australia called the Politician Adoption Scheme, a scheme whereby each and every state and federal politician that agrees to join the scheme is adopted by a family that is caring for a severely developmentally disabled child. In some cases their child is now an adult, as you would appreciate, and these people have been caring for them for quite some time.

If it had not been for some of the quite heated debates we were having in this place this morning, I was going to be at a morning tea, hosted by the member for Canning, Mr Don Randall and me, to join with the carers to promote the scheme to politicians who are not part of it and try to encourage other states to adopt the scheme—for want of a better word—and try to build a national structure that would allow each and every one of us to become a bit more personally familiar with the important role that carers play. I would therefore like to briefly place on record my thanks to Mr Randall for hosting the morning tea in my absence. My thanks to Senator Ellison for facilitating the arrangement of that morning tea and for his encouragement and suggestions to try to develop this very important and supportive Western Australian initiative and working together with some of us on this side to look at making it a national approach. I would also like to thank those of my colleagues—perhaps more in the other place than in this place—that were able to join the carers from Western Australia today to learn a bit more about their experiences.

QUESTIONS WITHOUT NOTICE

Mr and Mrs Kola

Senator KIRK (2.00 pm)—My question is to Senator Vanstone, the Minister for Immigration and Multicultural and Indigenous Affairs. Given that the minister now asserts that Venona Vata and Paulin Pali are the true identities of Mr and Mrs Kola, why were these identities recalled and cancelled by the Department of Foreign Affairs and Trade? Are the birth certificates identifying this
couple as Mr and Mrs Kola false? Why was Mrs Kola released from Baxter detention centre under that identity and not as Venona Vata? Why has the department written to Mr and Mrs Kola using those identities when it apparently considered these were not their real identities? If the minister is so confident that the true identity of Mrs Kola is in fact Venona Vata, why did she write to her as Mrs Kola, as recently as 29 August 2005, in order to exercise her ministerial discretion to release Mrs Kola from detention and into the community?

Senator VANSTONE—I thank the senator for the question. What has happened yesterday and over the earlier part of today is a very tawdry exercise in politics, where the shadow spokesperson for immigration has made very strong allegations that officers of my department have knowingly and fraudulently sought false identity documents on behalf of a couple known generally as the Kolas. I reject those allegations and have invited Mr Burke to prove his case. I understand he has tabled some documents. I have not had the opportunity to go through them, but, if they are the documents that I have seen, they do not prove the case at all.

I think it is fair to explain what actually happened. This couple arrived in Australia in 1999 on documents they subsequently claimed to be false. I am advised that they came in as Paulin Pali and Venona Vata and then said: ‘That’s not who we are; we’re someone else. We are actually Ergi and Valbona Kola, and we are ethnic Albanians, citizens of Serbia.’ So it is the couple who actually presented with two identities—the one they came in on and the one they then said was the real one. They pursued the opportunities to stay in Australia, they were denied by the Department of Immigration and Multicultural and Indigenous Affairs, they were rejected at the Refugee Review Tribunal, and they were rejected at the Federal Court.

Then it came to the question of their leaving Australia, because unlawful noncitizens are required to do that. Travel documents were sought from the Department of Foreign Affairs and Trade in the name of Kola—the name the couple alleged was in fact their name. Bridging visas were granted to the couple so that they could make their own arrangements to leave. They signed the applications for these certificates of identity, which were lodged with the Department of Foreign Affairs and Trade by DIMIA to assist them to leave voluntarily. The department did not specify a destination. The Refugee Review Tribunal accepted the statement that they could return to Albania and found them to have effective protection in Albania. Return to Albania was therefore an option for them, but it was a matter for them. The department did not seek to enforce their return to Serbia. The immigration department subsequently became aware of new information indicating that the new identity claims—that is, Kola—were, in fact, called into question and further inquiries were made.

The great weight of evidence is that Kola is not their true identity. Information from the Ministry of the Interior of the Republic of Serbia states that the Kolas are not recorded in the register of citizens in Preshevo, where they claim to have been born. Information from the Albanian authorities states that they are in fact Albanian citizens and that their true names are Pali and Vata—the names they entered Australia on. There is also corroborating evidence from Interpol that documents provided by the couple to verify their identity as Kola are false. For example, the driver’s licence that the couple produced carries a number that has more digits than those assigned to genuine licences. Further, in relation to the birth registration document the couple supplied, there is no matching record in the register of births.
Further, in relation to an identity card supplied by the couple, the registration number corresponds to an identity card number issued to another person. Given the evidence available at the time, new certificates of identity were sought in what was believed to be their true identities, because it was confirmed by the Albanian government that they were in fact Albanian. I take the opportunity to table two documents—one from Serbian authorities and one from Albanian authorities—which confirm much of what I have just said. (Time expired)

Senator KIRK—Mr President, I ask a supplementary question. Can the minister now indicate why her department was absolutely positive that this couple were Mr and Mrs Kola for nearly six years?

Senator Ian Macdonald—Didn’t you listen to the answer?

Senator KIRK—Is it the case that the Department of Immigration and Multicultural and Indigenous Affairs only changed that view after they failed to deport them?

Senator VANSTONE—I acknowledge an interjection on my side: ‘Didn’t you listen to the answer?’ The answer that I gave made it very clear that we did not try to deport them. That did not happen. They were given bridging visas so that they could make their own arrangements to depart—that is the good faith this government expresses to most people who are found to be unlawful noncitizens—and they did not do so. The identity documents were sought in the new names because the information became available. They were referred to as the Kolas—and, in fact, still are referred to as the Kolas—because that is who they indicated they were, and we took them on good faith. That is what is written in all the files, but that does not mean that is who they are. As you well know, Senator, I could send you a letter under another name. I might say that letter is to me, but it would not be your name. We all know, unfortunately, that people who want to stay in Australia sometimes do not tell the truth.

Economy

Senator MASON (2.06 pm)—My question is to the Minister for Finance and Administration, Senator Minchin, representing the Treasurer. Will the minister inform the Senate of the views expressed yesterday by the International Monetary Fund in relation to the Australian economy? What are the implications of these views for future policy directions?

Senator MINCHIN—I thank Senator Mason for an excellent question, which was very timely because the IMF released a report on Australia yesterday. I have to say I think it is probably the most glowing report on Australia ever produced by that independent organisation. The IMF did commend the Australian government for:

... the sustained strength of Australia’s economic performance, which they attributed to an exemplary setting of economic policies and institutions...

The IMF found that recent economic reforms had helped to reverse what has been a fairly long-term decline in our relative living standards, with improvements since the early 1990s lifting per-capita incomes now to around 10 per cent above the average of all OECD countries. The IMF stated that the resilience of the Australian economy reflected the increased flexibility brought about by these very important reforms. The report praised Australia’s prudent and flexible management of monetary and fiscal policy within transparent medium-term frameworks. They went on to welcome the modest cooling in the Australian housing market and they remain up-beat about our growth prospects. The IMF predict that we will have a
return to 3½ per cent growth per annum in the medium term.

What I thought was particularly interesting about this report was the extent to which, on the evidence available to us, it really does contradict much of what the Labor Party has been saying about the economy and economic policy settings by us. The Labor Party has been desperately trying to get foreign debt up as an issue. At least they are talking about the economy. But the IMF found in relation to foreign debt:

... it is not clear that it significantly raises vulnerability to external shocks because private sector balance sheets are strong and currency and liquidity risks are well managed ...

It also said:

Medium-term prospects for stronger growth in exports supported by high investment in the resource sector, together with moderate growth in domestic demand, will tend to narrow the large external current account deficit.

It also states:

Experience during the Asian crisis underscores the resilience of the Australian economy to external shocks ...

The IMF particularly noted that our debt-servicing ratio has declined in recent years and is considerably lower than the extraordinary levels reached during the early 1990s. In a number of other areas the Labor Party finds itself at odds with the International Monetary Fund. The IMF actually praised the tax cuts we produced in the 2005-06 budget—tax cuts which the Labor Party opposed. It was Labor Party policy not to deliver any tax cuts in 2005. The IMF praised our fiscal policy, with surpluses worth one per cent of GDP over the medium term. Of course, the Labor Party has opposed every single measure we have tried to bring the budget into surplus.

The IMF praised the Future Fund and its role in offsetting unfunded superannuation liabilities. Of course, Labor opposes that linkage and wants to fritter away the earnings of this fund on its pet projects. The IMF welcomed recent reforms to the PBS to make it more sustainable. But Labor again opposed our efforts to increase the copayments to make it sustainable. The IMF praised our welfare reforms—but of course Labor is opposing those. Labor is on record as opposing just about every single reform that we have put up which has produced one of the best economies in the Western world, as testified to by the IMF in its latest report.

Australian Customs Service

Senator LUDWIG (2.10 pm)—My question is to Senator Ellison, Minister for Justice and Customs. Can the minister confirm that, a year after the exports side of the integrated cargo system was turned on, industry is still experiencing major problems with the operation of this program? Can the minister confirm that the exports side of the ICS experienced outages on more than 20 per cent of days between April and September this year? Is it the case that the cost of the cargo management re-engineering project, of which this is a part, has now blown out almost tenfold from some $25 million when first projected to more than $220 million today? How is it that the minister can spend $220 million on a computer program that does not work properly? Can the minister now provide a guarantee that, when the imports side of ICS is eventually turned on, there will be no similar outages?

Senator ELLISON—I can confirm that things are going well in relation to the CMR program. They are going very well indeed. In fact, I can say that we can expect the business readiness simulations which are under way at the moment to continue right through to the proposed cut-over date on 12 October. The latest brief I had is that that cut-over date will occur. I have had a series of round-
table meetings with industry over the last 18 months to two years and I can say that we have absolute support from the private sector for these reforms.

These will be the greatest reforms to occur to the Australian Customs Service since Federation. What we are doing is streamlining the export and import of goods into this country. In fact, when this is in place, we will have world’s best practice in relation to the handling of goods coming into and leaving Australia. We already have border control which is without rival. What we are seeing is the Customs Service moving into the modern age with a—

Senator Ludwig interjecting—

Senator Mark Bishop interjecting—

Senator Ellison—The opposition do not want to hear this, because obviously it is good news and it is something that we are seeing occur under this government. Customs is placing itself at the forefront of customs practice in the world with the CMR program. My latest briefing demonstrates that things are progressing well. We have no reason to expect that the 12 October cut-over date will not be achieved. I can only say that the communication to me personally from the private sector has been nothing but support for something which will make it much easier for business and individual Australians to deal with the export and import of goods, which is so important to the economy of this country. We want to see the streamlining of the handling of goods coming into and leaving this country.

But it will also enhance border protection. That is also in this country’s interest. So what we will see with the CMR program is not only an increase in efficiency of the handling of exports and imports but also an increase in border control and scrutiny of those imports and exports.

Senator Ludwig—Mr President, I ask a supplementary question. Can the minister confirm that the program to cover the imports side of ICS is due on 12 October? Can he give a guarantee that it will turn on on 12 October? Can the minister give a further guarantee that this system will be up and fully operational at that time? Can the minister confirm that Customs and software developers have been hiving off functionality of the ICS in a desperate effort to meet the 12 October deadline? Can the minister explain to business users of the system what functions have been lost in the headlong panic to get the system going, right in the middle of the Christmas rush?

Senator Ellison—The very thing I discussed with industry was that we had the cut-over on 12 October to avoid the Christmas rush. Of course, there is a marked increase in imports around October-November for Christmas, and what we are achieving with this cut-over is accommodating the wishes of business. This ICS has been available since 19 July this year and it has been progressing well. As I say, I stand by my previous comment: we have no reason to believe that the 12 October cut-over date will not be achieved and this will deliver one of the greatest reforms to Australian business in the private sector, and for Australian individuals involved in import and export, since Federation.

Industrial Relations

Senator Santoro (2.15 pm)—My question is to the Special Minister of State, Senator Abetz, representing the Minister for Employment and Workplace Relations. Is the minister aware of any significant and independent assessments of the Australian economy which confirm the need for further industrial relations reforms in this country? Furthermore, is the minister aware of any alternative policies?
Senator ABETZ—I thank Senator Santoro for his question—a man who, as minister for industrial relations in Queensland, got a very enviable record—

Opposition senators interjecting—

The PRESIDENT—Order!

Senator ABETZ—and we are now trying to emulate that which he did in Queensland.

Opposition senators interjecting—

The PRESIDENT—Order! Senators on my left will come to order and allow the minister to answer the question.

Senator ABETZ—I did not realise that Senator Santoro was so popular! The Brisbane Courier-Mail said that ‘Mr Santoro adopted a sensible, incremental approach to reform in Queensland’s industrial relations system,’ and that is exactly what we are trying to do on the national scale.

Opposition senators interjecting—

Senator ABETZ—Mr President, I am aware of an independent and very significant assessment that was released yesterday, and that of course was by the International Monetary Fund or IMF. This is what the IMF said in its report in relation to the government’s proposed industrial relations reforms:

They supported the proposed reforms of the industrial relations system aimed at further improvements in labor market flexibility—

Senator Carr—The Australian government writes those reports!

Senator ABETZ—And listen to this, Senator Carr—that would facilitate additional gains in productivity and employment.

And the IMF is spot on. The government is proposing further incremental reform of the industrial relations system in this country for one reason and one reason only: to create more and better-paid jobs for Australian workers and their families.

Mr President, can I note one other very important comment by the IMF about our industrial relations reforms. They said:

… strong social protections would remain in place for employees.

Can I repeat that: strong social protections would remain in place for employees.

Senator Carr—The government writes that!

Senator ABETZ—So workers’ rights will be protected.

The PRESIDENT—Order! Shouting across the chamber is disorderly.

Senator ABETZ—Unfortunately, those on the other side do not share the views of the IMF, and that is because they are beholden to their union masters. In fact, Senator Marshall has been squeezing them into his office today, trying to shore up his position given the withdrawal of support by Mr Shorten. But, talking of unionists, let us have another ‘who said it?’

Opposition senators interjecting—

Senator ABETZ—Who said this:

I’m not opposed to unionism per se, just the idea of six union secretaries sitting around a Chinese restaurant table planning the future for everyone else.

Opposition senators interjecting—

Senator ABETZ—who said this:

I’m not opposed to unionism per se, just the idea of six union secretaries sitting around a Chinese restaurant table planning the future for everyone else.

Opposition senators interjecting—

Senator ABETZ—It is very easy. No takers? It is a pity that Senator Frank—I mean Senator Faulkner—is not here, because he would know. It is also a pity that Brother Brown of the exclusive Greens is not here today, because he would have a fairly good idea as well. And the rooster should not be listening to the House of Representatives, because he knows as well. And Senator Hutchins, I think, has got a bit of stage fright today, because he knows who said it as well. It was of course the former Labor leader, Mark Latham. But the problem in this place is not—
Government senators interjecting—

Senator ABETZ—that we have got six trade union officials—

The PRESIDENT—Order! Senators on my right will come to order.

Senator ABETZ—but that we have 28 former trade union officials reincarnated as senators trying to not develop a plan for the future but take us down the path back to the past. We as a government do not suffer from the reform fatigue of those opposite. We as a government are still full of ideas, full-throttle, on trying to get more jobs, higher paid jobs for the Australian work force, whilst maintaining those important protections that all workers deserve.

Telstra

Senator WONG (2.19 pm)—My question is to Senator Minchin, the Minister representing the Treasurer. Is the minister aware that last night ASIC Chairman Jeff Lucy was asked questions regarding the scope of the corporate regulator’s investigation into Telstra? Is the minister further aware that Mr Lucy was specifically asked whether the Prime Minister’s statement was a matter before ASIC in its investigation? Wasn’t it the case that Mr Lucy indicated that the Prime Minister’s statement was a matter before ASIC in its investigation? Why has ASIC now issued a statement utterly contradicting the evidence of the chairman? Can the Minister representing the Treasurer, who is responsible for ASIC, now advise whether any contact whatsoever was made by the Prime Minister’s office or the Treasurer’s office with ASIC to engineer this retraction?

Senator MINCHIN—I gather that is an accusation that somehow ASIC was nobbled, which is a fairly extraordinary accusation and an extraordinary slur upon ASIC itself. To suggest that it would be subject to such nobbling really is pretty outrageous. It is extraordinary: the Labor Party has been trying to beat up everything it possibly can on Telstra. This is the party that went on record talking about a totally fictitious document and that got caught out when it was asked: where is this document that says ‘14,000 job losses’? ‘Oh, I haven’t seen the document,’ said Mr Beazley. ‘We don’t know where the document is.’

Senator Sherry—Have you seen Lucy’s transcript from last night?

Senator MINCHIN—They got found out; it was a complete beat-up. And this is a complete beat-up as well.

Senator Conroy—Why didn’t you stop the cover-up?

The PRESIDENT—Order!

Senator MINCHIN—The Labor Party has completely beaten up what Mr Lucy was reported as saying, and because of the Labor Party beat-up of his remarks—

Senator Conroy interjecting—

Senator MINCHIN—because of their abuse of process in this case, Mr Lucy has had to issue—

Senator Sherry interjecting—

The PRESIDENT—Order! Senator Sherry!

Senator MINCHIN—a statement making clear the position of ASIC in relation to ministerial and prime ministerial statements. The Labor Party is suggesting that—

Opposition senators interjecting—

Senator MINCHIN—The Labor Party went out and put the spin on this that somehow ASIC was saying the Prime Minister was being investigated. What absolute rot.

Senator Conroy interjecting—

The PRESIDENT—Order! Senator Conroy!
Senator MINCHIN—Their spin, their total cynical manipulation of this, has required ASIC itself to put out a statement clarifying its exact position.

Senator WONG—Mr President, I ask a supplementary question. Last night ASIC was asked:

Do I infer from that that the answer given by the Prime Minister is a matter that is before you?

And Mr Lucy replied:

Any matter that has been mentioned publicly in respect of this Telstra issue we will consider.

The question was then asked, ‘Including this matter?’ and Mr Lucy replied, ‘Yes, including this matter.’ Given that that has now been retracted by the Chairman of ASIC, will the minister now rule out that there has been any contact between the Prime Minister’s office, the Treasurer’s office and ASIC in order to engineer this retraction? He failed to answer that in the first question. Can he rule it out now?

Senator MINCHIN—The Labor Party totally misrepresented what was said by Mr Lucy, and Mr Lucy has put out this statement:

It has been suggested this morning that the Australian Securities and Investments Commission (ASIC) is investigating the Prime Minister in relation to Telstra’s continuous disclosure obligations ... This is not correct ... I can categorically state that ASIC is not undertaking any investigation of the Prime Minister, Mr Lucy said.

Immigration

Senator LIGHTFOOT (2.23 pm)—My question is directed to the Minister for Immigration and Multicultural and Indigenous Affairs, Senator Vanstone. How have allegations that her department issued false identity documents to a couple seeking asylum impacted on morale within her department?

Opposition senators interjecting—

Senator VANSTONE—I thank the senator for the question, and I acknowledge the interjections and laughter from the other side. The party on the other side, that allegedly represents the workers, laughs at a question about the morale in a department, a very large department, with a lot of people who are members of a union—

Opposition senators interjecting—

The PRESIDENT—Order!

Senator VANSTONE—and they do not seem to care—

Senator Chris Evans—You resign; then morale will improve.

The PRESIDENT—Order, Senator.

Senator VANSTONE—at all. They do not care at all. But the answer is that these sorts of allegations are particularly damaging. What Mr Burke did yesterday was not to ask a question. He did not simply raise an issue and ask for it to be looked at. He went much, much further than that. He made a direct allegation that officers in the department had knowingly and fraudulently sought false identity documents.

That is a very serious matter. It goes well beyond the charter of a shadow minister, which is to question, to probe, to get matters investigated. But Mr Burke went much further than that. When he was told in the House of Representatives chamber that the relevant minister did not have information but would come back to him, he ignored the opportunity for further information and went straight out and repeated the allegations against workers again. He did it again.

To the best of my knowledge, he has not raised this matter with the Federal Police. He certainly has not raised it with me, with the Ombudsman or with the new secretary. Where one thinks there has been knowing and fraudulent falsification of documents, they are the appropriate places to go. That
tells workers in the department that what Mr Burke wants to do is damage their reputation and not be concerned to get at the truth. So what about the workers? Well, we would like to know about that. It is a terrible, terrible slur to make against the department. People who work there have families, they have their own pride in their job—

Senator Conroy—Jeannie, you were supposed to pull this question.

Senator VANSTONE—and this is a very, very serious allegation to make. Of course—

Opposition senators interjecting—

The PRESIDENT—Order!

Senator VANSTONE—Of course, we should all bear in mind that when Mr Burke took on the job of being shadow immigration spokesperson, he got a pretty easy ride. It is common knowledge that the department has made a number of mistakes in relation to two matters. They are out in the open; one has been investigated; the investigation of the other has nearly concluded. Mr Burke was able to ride on a whole lot of free kicks in relation to work that he had not actually done himself.

But this matter is all his own work. There is no pressure for him to comment. This is all his own work. With no pressure, he chose to rush in and vilify unnamed bureaucrats and, in doing so, vilify a whole department. That is what the public service now understands about Mr Burke. My message to Mr Burke is perfectly simple: when the department makes a mistake, it admits it and it seeks to remedy the mistake, and that is what Mr Burke should now do.

Carers

Senator SIEWERT (2.26 pm)—My question is to the Minister for Family and Community Services. Given the unmet need for disability support services acknowledged by the Senate yesterday, and given the Commonwealth’s powers as recognised under the CSTDA—

Senator Abetz—What does that stand for?

The PRESIDENT—Order!

Senator SIEWERT—for example, section 4.2(b), which obliges the Commonwealth and states to: strengthen across government linkages to ensure access to appropriate services, and improve collaboration and coordination across programs and government, and section 4.2(d), which obliges governments to take a strategic approach to equitable funding to respond to unmet demand, and given the shared roles outlined in section 6(1)(b), (e) and (f), which encourage reform of existing services to achieve objective and policy priorities of the agreement and to fund R&D in the provision of services, does the minister acknowledge that the federal government has a clear mandate under the Commonwealth State/Territory Disability Agreement to address unmet need? Can the minister outline what actions she intends to take to meet these unmet needs? Is the Commonwealth prepared to put in more money to make this happen?

The PRESIDENT—Senator, that was a very long question.

Senator PATTERSON—I thank the honourable senator for her question. I also thank her for her cooperation yesterday, in discussing a formal motion, so that we could come to an agreement on it and actually pass it, unlike her Labor colleague who would not compromise on any part of it and therefore we had to oppose it.

Opposition senators interjecting—

Senator PATTERSON—But I do thank the honourable senator for her cooperation.

Opposition senators interjecting—

Senator PATTERSON—We were able to acknowledge the work of the people—
Opposition senators interjecting—

The PRESIDENT—Order! Order on my left!

Senator PATTERSON—We were able to acknowledge the people who came here in the program, ‘Walk a mile in my shoes’—people who have been caring for their sons and daughters, some of them for 30, 40 or 50 years. In the last three years, I think we have had more money going into carers of people with a disability than ever before; unprecedented levels of assistance, through the good economic management that we have been able to share with people by reducing income tax. But to those people who are on carers payment, for example, and cannot benefit from that, people who might otherwise be working, we were able to give, last year, a $1,000 bonus and a $600 payment for those on carers allowance, and we have been able to give them assistance again this year because we ran a surplus budget.

Under the Commonwealth State/Territory Disability Agreement, the states have responsibility for accommodation and respite; we have responsibility for employment services and supported employment. We have actually increased funding by $99 million to business services, once called ‘sheltered workshops’—those facilities and services that provide employment for people who are not capable of being in open employment.

We have worked assiduously, and I give credit to some Labor members of the House of Representatives who worked with Mr Pyne in addressing the issue of productivity based wages. We do get some cooperation sometimes from some people, and I acknowledge that some former presidents of the ACTU worked with Mr Pyne when he was my parliamentary secretary to ensure that we could have productivity based wages in business services. We are working with that $99 million to make sure those business services are viable.

On the other hand, the states have responsibility for accommodation and respite. I was very concerned about the fact that many older people were coming to me saying that they could not get respite, sometimes for ideological reasons. In Victoria, we have an old motel that was renovated to accommodate people from a nursing home while they were building the new nursing home. It is empty, like the facility in Bega Valley, because the state government said that, because it has 12 rooms, it is an institution and the state government will therefore not give any respite services there. People in the Warragul district are desperate for respite. Not only are the states not spending money, they are also driven by ideologues. When the parents say, ‘We’re prepared for our people to have respite in a place with 12 beds’, the Victorian government says, ‘We’re not going to do it.’

The states have responsibility for accommodation and respite. I was so concerned that I got $75 million in the budget before last to ensure that older parents caring for adult sons and daughters with a disability would get up to four weeks respite a year. It has taken months—in fact, over a year—for most of the states to sign up. New South Wales—I suppose because there are a few by-elections coming up—cynically said they would agree to it this week. Queensland has not signed. The money is still languishing, waiting for Queensland to match it and actually do what they should be doing and giving respite and accommodation to people with sons and daughters with a disability. The states need to step up to the plate and meet their responsibilities under the Commonwealth-State Disability Agreement. We have poured more money into carers of people with a disability in the last three years than ever before. The states need to do the same. It is an increasing problem. They should
have formulas to address the fact that we have more people with disabilities. They should do something about it and take their responsibilities seriously. (Time expired)

Senator SIEWERT—Mr President, I ask a supplementary question. Given that successive CSDAs, as they were known previously, have watered down the Commonwealth’s involvement in supported accommodation, are the government prepared to consider renegotiating the SDTA so that they can accept greater responsibility for supported accommodation?

Senator PATTERSON—It is actually the CSTDA, the Commonwealth-State Territory Disability Agreement. We have given the states assistance to carry out their responsibilities. In addition, they have had increased benefits from the GST, a growth tax, and some of that money should be going to people with a disability. They have had increased stamp duty, which should be going towards housing those people. They need to get rid of their ideological blockage. Those people are saying they want cluster housing; they want multiple facilities for people to live in maybe groups of 10, and we have places like New South Wales and Victoria saying, ‘We won’t do it because that’s an institution.’ As I said yesterday, we have a place in the Bega Valley, funded by the state government and supported by money raised by the community, empty and waiting for people who are in desperate need of respite. The states need to take their responsibilities seriously and do something about a group of people who deserve all of our assistance and deserve a reasonable response from the states. (Time expired)

DISTINGUISHED VISITORS

The PRESIDENT—Order! I draw the attention of honourable senators to the presence in the President’s gallery of a parliamentary delegation from the National Assemblies Commission for Economic Affairs of the Republic of France led by Monsieur Patrick Ollier MP. On behalf of senators, I welcome you to Australia and to the Senate, and I apologise for not having time to meet you this morning, but affairs in the chamber did delay me somewhat.

Honourable senators—Hear, hear!

QUESTIONS WITHOUT NOTICE

Internet Services

Senator BARNETT (2.34 pm)—My question is to the Minister for Communications, Information Technology and the Arts, Senator Helen Coonan. Is the minister aware of any recent announcements of new technology to deliver high-speed internet in Australia? What are the implications of such technological developments, and is the minister aware of any alternative policies for internet service delivery?

Senator COONAN—I thank Senator Barnett for the question and acknowledge his longstanding interest in ensuring quality telecommunications services for his state of Tasmania. As the Senate would be aware, the Howard government have consistently taken a technology-neutral and a pro-competitive approach to the delivery of broadband internet services—that is, we do not mandate any particular technology and we do not pick any particular providers. An announcement made yesterday by a Tasmanian consortium is a perfect example of why this approach is needed and why it is working. TasTel, Aurora Energy, Datafast Communications and Mitsubishi Electric have announced a commercial trial in Tasmania of broadband over powerline technology. This technology can deliver internet access over standard powerlines at theoretical speeds of up to 200 megabits per second. For the consumer, it provides the benefit of using existing electrical cabling so that every power point in a house suddenly becomes broadband enabled.
For people living in Hobart, this commercial trial means access to packages which currently go up to four megabits a second, in comparison to the commonly available ADSL packages, which range between 250 kilobits per second and 1.5 megabits per second. Access to this broadband service also allows residents to use voice over IP services, which can provide a more economical alternative to the traditional telephone. What was announced yesterday is a commercial trial, but it has the potential for a roll-out of broadband over powerlines, and the benefits are obvious. Using the existing network of powerlines as an alternative to the copper phone network is simply another way of providing competition and choice in this very important emerging market. We are already seeing a rapid growth in wireless broadband services throughout the country offering mobile as well as fixed broadband solutions. There are also satellite services available across Australia and fibre-optic and cable networks being used, particularly in greenfield sites. Most sensible observers agree that competition is the best way to ensure affordable services to all Australians irrespective of where they live.

I am asked about alternate policies and I can tell the Senate that I am aware of some. For example, I am aware of the recommendation from Labor senators just last year that $5 billion be spent to mandate obsolete dial-up internet access. So under Labor’s plan, while commercial operators were rolling out 4,000 kilobit per second services, the taxpayers would have been funding the roll-out of a 40 kilobit per second dial-up service a 100 times slower. While the Howard government is committed to targeting funding to provide broadband however it may be delivered and the roll-out of clever networks, Labor is still wedded in the past, wedded to copper wire. This government have an unparalleled track record for improving communication services for Australia and we will make sure that all Australians will continue to have access to affordable communication services irrespective of where they live.

Telstra

Senator SHERRY (2.38 pm)—My question is to Senator Minchin, the Minister representing the Treasurer. Minister, isn’t it correct that ASIC’s media release of this morning in respect of Telstra matters confirms that other members of parliament are being investigated? Can the minister explain why it is that ASIC believes it appropriate to rule out investigating the Prime Minister while it is still investigating statements by other members of parliament? Who is it that lent on ASIC to get them to state that it is only the Prime Minister’s comments that are not being investigated?

Senator MINCHIN—The Labor Party are continuing this pretty outrageous spin that they are putting on this whole matter. If they read the ASIC statement carefully they will be reminded that what is being investigated is the continuous disclosure obligations of Telstra. That is what is being investigated. There is no investigation of any statements made by anyone from the parliament, whether it is the Prime Minister, a minister or anybody else. As this statement says: ASIC commenced an investigation into—the investigation into?

what is the investigation into?—the continuous disclosure obligations of Telstra last week. As is usual in such investigations—that is, into Telstra’s obligations—we are reviewing a wide range of material including that provided by Telstra. We are also considering public comments attributed to Telstra executives and Members of Parliament that were made leading up to our investigation—the investigation into Telstra’s continuous disclosure obligations. It is outrageous for the Labor Party to be putting the spin on this that there is some sort of investigation into
comments made by ministers or the Prime Minister. That is a complete misrepresentation of what ASIC is doing and that is why ASIC put out this statement to refute the nonsensical claims, the quite outrageous claims, being made by the Labor Party in relation to this matter. It is perfectly appropriate for ASIC of its own volition to decide that it should investigate the question of the continuous disclosure obligations of Telstra and, obviously, in doing that it will review a whole lot of material, which is what it is making clear here. What ASIC has done in this statement is refute the nonsensical and outrageous misrepresentation made by the Labor Party that somehow there is an investigation into the Prime Minister. That is what it is rejecting in its statement. If you read the statement carefully it is obvious that it is not investigating anybody’s statements; it is investigating Telstra’s continuous disclosure obligations.

Senator Sherry—Mr President, I ask a supplementary question. Can the minister offer any explanation as to why the Prime Minister gets this special treatment from ASIC? How can Australians be expected to believe there has been no political interference in the corporate watchdog by the government? Further, I offer to table both the press release and the transcript of last night.

Senator Minchin—As I said before, this really is an outrageous slur upon ASIC. The Labor Party is asserting that ASIC can be nobbled, that this organisation can be told what to do in relation to public statements of this kind by ministers. That is outrageous. ASIC is responding to the misrepresentation of its statements by the Labor Party in suggesting that the Prime Minister’s statements are being investigated. As a result of their misrepresentations, ASIC felt compelled to put out this statement making it clear that it is not doing any such thing.

Senator Sherry—I seek leave to table the transcript and the press release in respect of this matter.

Leave granted.

Telstra

Senator Bartlett (2.42 pm)—My question is to the Minister for Communications, Information Technology and the Arts, Senator Coonan. Minister, at last Friday’s very brief Senate committee hearing into the Telstra bills the chairman of the Australian Competition and Consumer Commission, Mr Samuel, was asked if he was satisfied with the government’s operational separation model. He indicated that there were significant outstanding issues from his point of view, including matters such as compliance and investigatory powers. Could the minister indicate to the chamber whether the ACCC has since written to the minister or the government detailing its concerns, and could the minister outline to the chamber what concerns the ACCC has expressed about the operational separation model it is planning to apply to Telstra?

Senator Coonan—Thank you to Senator Bartlett for the question. My understanding of Mr Samuel’s reaction to the operational separation model is that he said he thought that it was a workable model. It is not the ACCC’s preferred model—there is no secret about that—but Mr Samuel has gone on record saying that in his view it is a workable model, and we will be making it a workable model as we develop the conditions that are to be attached to it that were referred to and worked through during the committee stage. Seeing this matter is on the Notice Paper I do not propose to comment on it further. I have absolutely no doubt that it is a workable model and that the ACCC will work very constructively with my department and with me as we develop the
parts of the model that are to become the subject of a licence condition on Telstra.

Senator BARTLETT—Mr President, I ask a supplementary question. The ACCC’s opinion is not on the Notice Paper. Could I ask again: has the ACCC written to the minister or the government detailing its concerns? Can the minister indicate whether that is the case and whether or not the government will be making public any such correspondence before any vote on the operational separation model actually occurs?

Senator COONAN—The answer to that is no.

Money Laundering

Senator LUDWIG (2.45 pm)—My question is directed to Senator Ellison, the Minister for Justice and Customs. I refer the minister to the answer he gave on Monday in respect of money laundering. In particular, I refer to his statement that—and I quote:
In approaching this, we realise that, if this is to succeed, we need the cooperation of the financial sector of Australia.

Can the minister indicate when it was that he realised that he would have to consult with industry? Isn’t it the case that the minister only began the roundtable discussions with industry after cabinet rejected his original embarrassing proposal in June? Given the minister’s promise in December 2003 to coordinate ‘an extensive consultation process which will involve the industry-specific issues papers and direct consultation with industry sectors’, why was the minister missing in action between 2003 and being rolled in cabinet in June 2005?

Senator ELLISON—Senator Ludwig would do well to look at the record and the facts because the situation is that I set up a ministerial council some time ago—in fact, meetings were held before the last election, in the form of roundtable meetings with industry. As well, a systems working group was set up to look at the systems in place in our banks and financial sector. We recognised that it would be inappropriate to devise legislation without looking at what systems were in place.

As I said, several roundtable meetings were held prior to the last election. Included in the group that met were lawyers, accountants, jewellers and real estate agents. Until now, they have not been greatly involved in the financial transactions reporting regime. We realised that, because these were very large sectors in Australia, we could not bring in a law overnight which said, ‘You’ve got to comply with the FATF 40 recommendations on money laundering.’ So we included those sectors in the roundtable meetings.

We realise that this is a very big reform. The financial sector were represented at the meetings, and they have much more expertise in this area, as they have been regulated under the FTR Act for some time now. The systems working group, in looking at the broad range of reforms that would have to be introduced, reported that it would be best to make the implementation changes in two phases: firstly, in the financial sector; and, secondly, in those other sectors which hitherto had not been covered by the financial transactions reporting regime. This is not out of keeping with what is occurring in other countries. We have seen it in countries like the United States, and we have been looking at what Canada, the United Kingdom and Europe have been doing. But one thing we will not do is to overburden the private sector with regulation, which would not only impair the private sector unduly but also would not achieve the aim of fighting money laundering.

Australia has a fine record in the fight against money laundering. We helped to found the Asia-Pacific Group on Money Laundering. We are one of the co-founders
of the Financial Action Task Force on Money Laundering, which is the key international group which fights money laundering. We have helped countries in our region to set up financial intelligence units. Only today, I was talking to our ambassador who is departing for Indonesia about the great work we had done with Indonesia, how Indonesia now is no longer on the FATF list, and how Australia has been working with that country internationally. We realise that this is going to be an ongoing effort and that other countries like the United States, the United Kingdom and Canada are going through the same process.

Senator Ludwig—What are you doing now?

The President—Order! Senator Ludwig, you can ask a supplementary question later.

Senator Ellison—One thing we will not do is foist legislation on the private sector which, firstly, does not work and, secondly, imposes an undue burden on the financial sector, as great costs will be passed on to individual Australians if we do not get it right. Today, the banks and financial sector have said just that. One of the points we have been talking to them about is the cost, having regard to the wide-ranging nature of the reform that we are committed to introducing.

In relation to financing of terrorism, we have said we will take this issue to the COAG meeting to be held on 27 September and we will further develop our anti financing of terrorism laws. That will be dealt with, as it should be, by COAG—the government leaders of Australia. We have a fine record in the fight against money laundering. We will continue our efforts in this regard, and we will continue our efforts to implement the FATF 40 recommendations and the nine special recommendations with regard to the financing of terrorism.

Senator Ludwig—Mr President, I ask a supplementary question. Does the minister recall making the statement in 2002 that—and I quote:

... criminals and terrorists ... will continue to take advantage of jurisdictions where the law enforcement and regulatory powers are the weakest.

Given the minister’s statement, can he now indicate why he has allowed criminals and terrorists to take advantage of our weak laws? When will he finally get his act together to meet Australia’s international commitments? Given that anti-money-laundering legislation is important in combating terrorist financing, why is the legislation two years overdue?

Senator Ellison—If Senator Ludwig looks at my record, he will find that I said that in 2001, 2002, 2003, 2004 and 2005, because what I have said is that money laundering is at the centre of criminal and terrorist activity and that, in AUSTRAC, we have one of the finest financial intelligence units in the world today. We have resourced AUSTRAC. Through our expanded efforts, AUSTRAC represents world’s best practice in the fight against money laundering. This is also the case with the Australian Crime Commission and the Australian Federal Police when it comes to tracking down money laundering. Many of our successful drug busts have come, firstly, from detecting the money trail. When you follow the money trail, you get to the Mr Bigs. What else have we done? We have brought in the proceeds of crime regime, which means we do not have to wait for a conviction before taking the money off the Mr Bigs. We have taken the profit out of crime and we have introduced the toughest laws that this country has ever seen in relation to the fight against organised crime. (Time expired)
Murray River Red Gums

Senator FIFIELD (2.51 pm)—My question is directed to the Minister for the Environment and Heritage, Senator Ian Campbell. Will the minister inform the Senate of the latest initiative by the Howard government to help restore Victoria’s Murray River red gums back to health? Is the minister aware of any alternative strategies?

Senator IAN CAMPBELL—Thank you to Senator Fifield for a very important question for Victorians and, I think, for all Australians who care deeply about the health of the Murray River. It has gone through a period of enormous stress throughout the drought over recent years. There are river red gums in serious stress along the whole length of the river, particularly in Victoria. We recently did a survey of 1,450 kilometres of river and found that roughly 50 per cent of the red gums were stressed back in 2002 and that at the end of last year 75 per cent were stressed. It is a crisis situation for river red gums and also for the black box. It is crucial that we put in place very good quality policy to make sure that the red gums are returned to health. Also important of course is the native wildlife that is found within the forests: planigales, bush thick-knee birds, barking owls, egrets, regent parrots and white-bellied sea eagles, not to mention the Murray cod that make themselves part of the river.

Yesterday I went to the river with John Thwaites, the Labor Minister for Environment from Victoria. Within a matter of hours on Friday, we reached an agreement to spend just under $1 million between the two governments to take advantage of about 14 billion litres of water that have become available because of the rains we have had. The agreement will ensure that that water gets to where it can do some good, not only to the icon sites of the Living Murray project, which is a half a billion dollar investment by the governments, but also to about 11 other sites: Lindsay Island, Maclay, Wallpolla Island, Belsa Island, Abbotsford Bend, Johnsons Bend—where John Thwaites and I turned on the pumps yesterday—and a range of sites along the river that will benefit from $1 million to pump it there.

Senator Fifield asks about alternative policies. I think people make jokes about Mark Latham and the diaries. Labor would try and have us believe that Mr Latham is something from the past, that he is history. The reality, as with so many areas with Labor, is that Labor’s policy on this, the alternative policy on this, is in fact a Latham policy. It was announced at that site on the Murray River that was made famous by former Prime Minister Bob Hawke and former Labor minister Graham Richardson when they went there a decade or more ago. During the last election, Mr Latham and Mr Peter Garrett went there. Mr Peter Garrett said, ‘What’s our policy going to be?’ This will all be in the diaries, I am told, in about chapter 14 where Mr Latham turns to Mr Garrett and says, ‘The policies? Two words: 1,500 gigs.’ Smaller than their Kyoto policy; that is a four-word policy. This is a two-word policy: 1,500 gigs. Peter Garrett says to Mr Latham, ‘They’re going to ask where the water is coming from, aren’t they?’ Latham says, ‘Don’t worry about that. Just tell them 1,500 gigs.’ Mr Garrett says, ‘Mr Latham, people are going to ask where the water is going to go, aren’t they?’ Mr Latham says, ‘Don’t worry. Just tell them it is going to the mighty Murray.’ Two words: the mighty Murray. Mr Garrett says, ‘But someone is going to ask how it is going to save the trees and where it is going to go.’ Latham just said, ‘It’s going to go to the mighty Murray. Just remember 1,500 gigs and the mighty Murray, and keep repeating it.’ Then Peter Garrett said, ‘Mr Latham, but what if they don’t believe you?’
He said, ‘Just get into our plane and we’ll fly down to Tasmania.’

Money Laundering

Senator GEORGE CAMPBELL (2.55 pm)—My question is to Senator Ellison, the Minister for Justice and Customs. I again refer the minister to his response on Monday about money laundering, in particular his announcement regarding the government’s long overdue exposure draft of new anti money-laundering legislation. Is this the same exposure draft the minister promised on 10 June 2004 in his press release entitled ‘New laws take shape to strengthen fight against money laundering’. Does the minister recall promising at that time:

This exposure Bill will form the basis of the second round of public consultation.

Can the minister now confirm that the second round of consultation never actually eventuated and that we are still awaiting the release of the exposure draft? Can the minister now explain how he has botched for so long and so badly a matter that is so vital to fighting crime and terrorism?

Senator ELLISON—I think what Senator George Campbell does not realise is that he ought to have a look at what was said and done before the election last year in relation to the proposed exposure draft which was going to be released. He might remember that we had an election late last year. Despite that election, I instructed the systems working group to try and carry on working as much as possible. He knows full well that the election period did not enable us to carry on further negotiations with the private sector. He would be the first to complain if we did under the caretaker provisions. What I said to the officials was that we should keep the work going on as much as possible within the caretaker provisions so that we do not lose time and opportunity. I also said in answer to the previous question on money laundering that we were looking at a whole-of-government approach to the whole spectrum of change and that lawyers, accountants, jewellers, real estate agents and the financial sector will be included. As I said, we looked at it and said it would be better to do it in two parts. We made that decision this year to approach it in two parts because industry said they wanted it done in that fashion. We had representations from accountants, lawyers, real estate agents and the private financial sector and we responded to those concerns. We will still have an exposure draft, but it will relate to the first tranche. That is what we experienced and saw in other countries. There is nothing unusual in this approach. And we will then have an exposure draft in relation to the second phasing.

Senator George Campbell might suggest that we just ride roughshod over the private sector and impose upon them a regulatory regime which is costly, which will tie their hands behind their backs and which will cost individual Australians who deal with the financial sector money, and perhaps accountants, lawyers, real estate agents and jewelers. We are not in the business of doing that. We are going to get the legislation right and we are going to get the level of regulation right. We are also going to be mindful of any potential costs that this might involve.

Senator GEORGE CAMPBELL—Mr President, I ask a supplementary question. Minister, will you now commit to a main date for this long-running farce? How much longer will industry and law enforcement have to wait before Australia meets the minimum international standards set out under the Financial Action Task Force recommendations? Minister, is it any wonder that the US State Department has us on its list as a major money-laundering country?
Senator ELLISON—Mr President, Senator George Campbell talks about the recommendations. One has to remind oneself of the fact that the nine special recommendations dealing with terrorism, the guidelines for implementation by FATF, were only released earlier this year. I say to you, Senator Campbell: how can we implement those recommendations when FATF itself has 40 recommendations, then a further nine and those nine deal with terrorism? What we are saying is this: the nine are being specially addressed—and we are dealing with terrorist financing at the COAG meeting on 27 September. We also have in place laws dealing with terrorist financing—some of the toughest in the world. We have addressed those issues of security threats first up, but the wider reform that is going to touch on lawyers, accountants, jewellers, real estate agents and the whole of the private financial sector is going to take more time, naturally, because it covers such a broad area. We are not just going to do it by way of a knee-jerk reaction, which the opposition would have us do.

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

QUESTIONS WITHOUT NOTICE:
ADDITIONAL ANSWERS

Telstra

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (3.01 pm)—Mr President, I would be grateful if I could add to an answer I gave in answer to Senator Bartlett’s question lest I have in any way provided misleading information in relation to the answer I gave on operational separation. I have in fact, I am now informed, received a letter from the Australian Competition and Consumer Commission relating to certain aspects of operational separation and providing certain information. The rest of my answer remains: that, so far as I am concerned, Mr Samuel has said that this is a workable model, and I certainly do not propose to release the letter.

QUESTIONS WITHOUT NOTICE:
TAKE NOTE OF ANSWERS

Telstra

Senator WONG (South Australia) (3.02 pm)—I move:

That the Senate take note of the answers given by the Minister for Finance and Administration (Senator Minchin) to questions without notice asked by Senators Wong and Sherry today relating to Telstra.

Today the opposition questioned the Minister representing the Treasurer about the extraordinary backdown that we have seen in less than 24 hours between questions which were asked and answered last night by the Australian Securities and Investments Commission and the release of a media statement today by ASIC. Senators will recall that the Prime Minister, at one point in question time in answer to a question, put the view that a Telstra executive should talk up the interests of the company.

Senator Brandis interjecting—

Senator WONG—Thank you, Senator Brandis; I am sure you will have your turn shortly. We have been here on previous occasions speaking about the inappropriateness of the Prime Minister exhorting Telstra executives to do something which fairly arguably was contrary to their legal obligations, which were to act in good faith in the best interests of the company. Then last night, at the Parliamentary Joint Committee on Corporations and Financial Services, ASIC was discussing its investigation in relation to Telstra issues. As senators will be aware, there is an investigation by ASIC into various matters associated with Telstra, including an alleged failure by some persons not to disclose issues in a
timely manner to the market. This is what was the subject of discussion at the joint committee. Senator Sherry asked:

Mr Lucy, have you checked to verify what the Prime Minister said in relation to this matter in question time?

Mr Lucy, the Chairman of ASIC, said:

All matters to do with this investigation are before us. We are looking at all areas, and at this stage we really cannot comment any further.

I then asked:

Do I infer from that that the answer given by the Prime Minister is a matter that is before you?

Mr Lucy then said:

Any matter that has been mentioned publicly in respect of this Telstra issue we will consider.

Senator Sherry asked:

Including this matter?

Mr Lucy confirmed that with:

Yes, including this matter.

It was absolutely clear, and it is clear if you look at the public record that the ASIC chairman confirmed that the Prime Minister’s statement was one of the issues before it in its investigation of the Telstra matters.

Senator Chapman—That is a gross misrepresentation—that is absolutely disgraceful, and you know that.

Senator Wong—Senator Chapman alleges I am not telling the truth. There is a tabled document which I am sure you can refer to, Senator Chapman.

Senator Chapman—I’ve got that document. I can read it too. It doesn’t read like that. Shame! You’re a disgrace!

Senator Wong—I will take that interjection. Do you know what is a disgrace, Senator Chapman? Senator Minchin representing the Treasurer in here refusing on two occasions to rule out that either the Prime Minister or his office, or the Treasurer or his office, made any contact with ASIC prior to this media statement going out—that is a disgrace, Senator Chapman. On two occasions he was asked. He could have ruled it out; he could have said: ‘We would not noble ASIC. This is not an issue we would have spoken to ASIC about.’ He could have ruled it out so Australians could know that there has been no political interference in the corporate watchdog. Did he do that?

Opposition senators—No.

Senator Wong—He was given two opportunities and another question from Senator Sherry. On any occasion did Senator Minchin, representing the Treasurer, rule out that there had been any political interference with ASIC prior to the statement being issued? No, he did not. What we do have is ASIC’s media release today which states as follows:

We are also considering public comments attributed to Telstra executives and Members of Parliament that were made leading up to our investigation.

However, ASIC then goes on to say:

I can categorically state that ASIC is not undertaking any investigation of the Prime Minister ...

Most reasonable observers would think there is a slight contradiction between those two statements. On the one hand we have ASIC saying, ‘We will look at public comments attributed to various people, including members of parliament, leading up to our investigation, but we’re not going to look at the Prime Minister; we won’t look at the Prime Minister,’ and on the other hand we have got ASIC saying categorically that there will be ‘no investigation of the Prime Minister’. The jury is out on this. On what basis can ASIC make that decision? There may be a reasonable basis.

Senator Brandis—Because there was nothing to investigate.

Senator Wong—if there is nothing to investigate, why is it that the Prime Minister
is ruled out but every other member of parliament is in? Why is that? Why is it that the Treasurer’s representative here in this chamber refused to rule out any interference, any contact or any discussion by the Prime Minister’s office and the Treasurer’s office prior to the ASIC statement being released today? Senator Minchin could have closed this down: he could have indicated quite clearly on the public record that no such contact had occurred. He chose not to do that. He chose not to do that at a time when it is clear that ASIC’s statement and its statements last night are quite clearly at odds. *(Time expired)*

**Senator CHAPMAN** (South Australia) (3.07 pm)—What we have heard from the Labor Party today in question time and this debate really compounds the disgraceful misrepresentation on this issue that began with this article in the *Australian* newspaper this morning. I will read from the front page article:

In an extraordinary development late last night, the chairman of the Australian Securities and Investments Commission, Jeff Lucy, said he was investigating all public comments in relation to Telstra, including those made by John Howard. It goes on to talk about ASIC already investigating whether Telstra executives had kept the market informed and so on. It has been inferred from this that ASIC is investigating the Prime Minister, which is absolute rubbish. That was never indicated last night nor has it been confirmed today in this debate. The article describes it as an ‘extraordinary development’. It certainly was not anything extraordinary. It is also presented as if it were an initiative taken by Mr Lucy, as if he made some public statement. In fact, it was a comment made by Mr Lucy in response to questions asked at the Joint Committee on Corporations and Financial Services hearing last night into its half yearly oversight of ASIC’s activities. It was not an initiative taken by ASIC in the way it was beaten up to suggest that in the article.

**Senator Wong**—We didn’t write the article.

**Senator CHAPMAN**—No, you are just compounding the felony, Senator Wong and Senator Sherry. In fact what happened in the meeting last night was that a question was asked by Senator Sherry. He asked:

... are you aware of the comments made by the Prime Minister in parliamentary question time about talking up the share price?

Mr Lucy said:

I read them.

My colleague Senator Brandis took a point of order and said:

... that is a false statement. The Prime Minister did not use the expression ‘talking up the share price’.

Senator Wong interjected and said:

It was: ‘talking up the interests of the company’.

Senator Brandis said:

He used the expression ‘talking up the interests of the company’, which is quite a different thing.

Then Senator Sherry asked:

Mr Lucy, have you checked to verify what the Prime Minister said in relation to this matter in question time?

Mr Lucy said:

All matters to do with this investigation are before us. We are looking at all areas, and at this stage we really cannot comment any further. He then confirmed that that matter was included. So in fact ASIC was looking to verify what the Prime Minister said—whether in fact it was, as Senator Wong herself said, merely to say that Telstra should be talking up the interests of the company rather than, as had been misrepresented, talking up the share price of the company. That is the only matter that was relevant to this issue regarding the Prime Minister.
There is absolutely no investigation of the Prime Minister whatsoever. That was confirmed by what was said last night and, of course, is reconfirmed by the press release put out by ASIC this morning, which simply reinforces the fact that it is those statements that are being looked at to confirm whether the Prime Minister said what we know he said or whether it is as the media has beaten it up. This is a complete beat-up and a complete misrepresentation of the situation regarding the Prime Minister.

It has also been raised as to whether the Treasurer made contact with ASIC this morning. Of course he has made contact. He has acknowledged that he made contact because he knows very well the way the Labor Party operate in this place, the way they beat things up and misrepresent things in an attempt to damage individuals and the government. He contacted ASIC to determine what had happened last night from their point of view. As has happened in this chamber and the other chamber, he expected the issue to be raised and he expected questions to be asked, so he needed to be briefed on exactly what had happened so that he could confirm the veracity of what happened, as I have today. There is absolutely nothing in what happened last night.

I am sure Senator Brandis, who was also present at the committee last night, will subsequently confirm that absolutely nothing that happened last night suggests in any way that the Prime Minister was being investigated with regard to these Telstra issues. The only thing that ASIC was looking at was to confirm that the Prime Minister had said that Telstra should be talking up the interests of the company. The issue raised by the Labor Party today is a complete beat-up. It shows the depths to which they will sink to try to do damage to the government and the individuals in the government. It has absolutely no substantiation and it simply does not stand—

Senator Brandis—It doesn’t stand scrutiny.

Senator CHAPMAN—Thank you, Senator Brandis. It is based on this dreadful beat-up in the media which completely misrepresents the circumstances of last night. It tries to create an impression that there has been some dramatic announcement by Mr Lucy on behalf of ASIC when all Mr Lucy was doing was responding to a question from the Labor Party in a committee. There is absolutely no reference to the committee hearing in this article whatsoever. It is a complete misrepresentation. (Time expired)

Senator SHERRY (Tasmania) (3.12 pm)—What I find most interesting about Senator Chapman’s contribution is that he has confirmed that the Treasurer’s office or the Treasurer himself—that point was not clear—has made contact with ASIC this morning. Firstly, it would be interesting to know where Senator Chapman got that information from, but I do take it that he is telling the truth and that he has confirmed with the Treasurer’s office as to whether they, or indeed the Treasurer himself, have spoken to ASIC—and presumably to Mr Lucy—this morning after last night’s hearing. It is interesting that Senator Chapman knows this. It begs the question why, when my colleague Senator Wong directly asked the Minister for Finance and Administration, Senator Minchin, representing the Treasurer, whether anyone from the Prime Minister’s office or the Treasurer’s office had contacted Mr Lucy this morning, Senator Minchin evaded the question. He did not answer the question at all. Yet Senator Chapman has owned up and said that, yes, the Treasurer’s office did contact Mr Lucy this morning.

It is not surprising, frankly, given the revelations at the committee hearing last night when Mr Lucy was being questioned by not just Labor senators, I might say, but
my colleagues opposite in respect of the investigation into Telstra. If you look at the transcript of last night, Mr Lucy made it clear that the Prime Minister was one of those being investigated in respect of this whole Telstra saga. The Prime Minister himself, Mr Howard—quite understandably, frankly, if we reflect a little bit on the history and background of what has been going on in respect of Telstra’s privatisation—is going to be checked out by ASIC, according to Mr Lucy last night.

Why is this occurring? Let us look at what has happened with respect to the Telstra share price and the government’s privatisation proposals for Telstra. This is a government in panic, in large part because the share price of Telstra has declined significantly. When T2 came onto the market the share price was around $7.40. The share price for privatisation in the budget is $5.25, and the government wants to raise some $30 billion dollars by privatising Telstra. Where is the share price today? It is around the low $4 mark. Why is it down there? In part because of the secret report that was released about the poor condition of Telstra; in part because of the comments by Telstra executives that the dividends cannot be maintained. There is a series of reasons why the Telstra share price has declined dramatically.

What does the government want to do? The government, because it wants to sell Telstra, wants to get that price back up again. It wants to get it back up at least to $5.25, because that is the figure in the budget that is needed to get that $30 billion. But the share price is significantly below $5.25. The government wants to get the share price back up because it wants to at least try and get it closer to the $7.40 that the T2 shareholders paid. The T2 shareholders, who paid around $7.40, are in a very difficult position. At this stage the share price has dropped to the low $4 mark and the future prospect for dividends is not good, as Telstra itself has said.

That is why the government has got itself into a mess with respect to the privatisation of Telstra. It is desperate to talk up the price in preparation for privatisation. It is desperate to get the $30 billion that it has put in the forward projections of the budget based on a price of $5.25. And it is desperate because of the calls—my office is getting them and I am sure the office of every other member of parliament is getting them—from T2 purchasers who are very worried about what the government has been doing and the activity around the privatisation of Telstra. That is why the Prime Minister got himself into trouble when he went into parliament and said that Telstra executives should talk up the interests of the company—in other words, talk up the price.

Senator Brandis—No, not in other words.

Senator SHERRY—That is what it is all about, Senator Brandis. You are in big trouble on Telstra because the price has declined dramatically. That is why Mr Lucy should be investigating not just Telstra executives but the Prime Minister. And who nobbyed Mr Lucy? That is what we want to know. It is a sure bet that the Prime Minister’s office and the Treasurer’s office got onto him this morning and nobbyed him. (Time expired)

Senator BRANDIS (Queensland) (3.17 pm)—Those sorts of foolish, spurious allegations could only come from the bosom of a political culture as dysfunctional, dishonest and disgusting as the Australian Labor Party. As Mr Mark Latham, their former leader, is desperate to tell us and will tell us in his memoirs to be published this weekend, it is a party unfit to govern and beyond repair. And what more would you expect when senior politicians, frontbench politicians, of the Australian Labor Party such as Senator
Wong and Senator Sherry, both of whom should know better, come into this chamber and make ridiculous, ludicrous, dishonest statements?

I was at the hearing last night and I will tell you precisely what happened. What Senator Wong and Senator Sherry have not told you is that Mr Lucy was asked and prompted again and again by the Labor senators present to say that there had been some political interference in relation to the Telstra matter, in relation to the Vizard matter and in relation to ASIC’s ongoing investigations. Notwithstanding the fact that time and again Senator Wong and Senator Sherry tried to get Mr Lucy to concede that there had been some measure of political interference, Mr Lucy could not have been more emphatic and unambiguous and categorical—

Senator Chapman—And honest.

Senator BRANDIS—And honest, Senator Chapman; quite right—in saying there has not been any political intervention by or on behalf of any politician in these investigations whatsoever. That was Mr Lucy’s emphatic, unambiguous evidence, which has been misrepresented in a disgraceful fashion this afternoon. And Mr Lucy agreed with me when I said to him: ‘Would any suggestion, Mr Lucy, that there has been intervention by or on behalf of any politician in relation to these matters be either ignorant or dishonest?’ Mr Lucy said yes. Any suggestion that there has been political intervention in this investigation, according to the Chairman of ASIC, is either ignorant or dishonest. That is what Mr Lucy said. When the full transcript is available—because we have had selective quotation so far—it will be there for all to see.

What happened last night in the relevant piece of the evidence? It started with Senator Sherry misquoting what the Prime Minister had said in the House of Representatives on Tuesday last week. Senator Sherry put it to Mr Lucy that the Prime Minister had said that executives of Telstra should talk up the share price. I took a point of order and, referring to the Hansard, which was open on the laptop internet of the secretary of the committee, read what the Prime Minister in fact said, which was that executives of the company should talk up the interests of the company, not talk them down. Any honest person who read what the Prime Minister said in the House of Representatives on Tuesday of last week—that the senior executives of the company should talk up the interests of the company, not talk them down—would have found that remark utterly unexceptionable and indeed merely a layman’s rendering of the statutory duty of senior officers of corporations under the provisions of the Corporations Act.

Senator Sherry, having relented from misquoting the Prime Minister and given Mr Lucy the accurate quote, then said:

Senator SHERRY—Mr Lucy, have you checked to verify what the Prime Minister said in relation to this matter in question time?

Mr Lucy—All matters to do with this investigation are before us. We are looking at all areas, and at this stage we really cannot comment any further.

Senator WONG—Do I infer from that that the answer given by the Prime Minister is a matter that is before you?

Mr Lucy—Any matter that has been mentioned publicly in respect of this Telstra issue we will consider.

Senator SHERRY—Including this matter?

Mr Lucy—Yes, including this matter.

It is a long stretch from saying that a matter, any matter, that has been put on the public record is before ASIC in an investigation to saying ASIC has announced an investigation into the Prime Minister. But that is the lie that was bruited about by the Australian Labor Party last night. (Time expired)
Senator WEBBER (Western Australia) (3.22 pm)—This is a fine mess that we seem to have got ourselves into. Whilst it would seem that Senator Brandis accepts the transcript that was alluded to by Senator Wong and Senator Sherry, what he neglects to quote is the press release that was put out by the Chairman of ASIC today that states:

Last evening, I advised the Parliamentary Joint Committee on Corporations and Financial Services that the comments attributed to the Prime Minister regarding obligations of Telstra executives were included amongst those matters being considered.

The words from the horse’s mouth are that he advised the committee that they were included.

Senator Chapman—You weren’t even there!

Senator WEBBER—So we can play semantics about interpreting the investigation and interrogation by the committee last evening—and you are correct that I was not there. We can play with semantics and we can have all that melodrama from Senator Brandis and Senator Chapman, but Mr Lucy himself says that he did advise the committee that the Prime Minister’s comments were included. So, if you do not like the press release that he put out, perhaps the Treasurer’s office needs to go and talk to him again and get him to put out a further statement.

How is it that the government has got itself into this mess? Most members of this chamber would remember that the Prime Minister’s comments about the obligations, according to him, in those in Telstra to talk up its value came hot on the heels of the comments of one of the famous three amigos, who said that he would not advise his mother to buy Telstra shares. That is how we have ended up in this position. We have one of the three amigos actually being honest with the mum and dad shareholders and saying that Telstra is in such a state at the moment that he would not even advise one of his nearest relatives to buy shares—a very open and honest approach. It was an approach that the government did not find to its liking, so the Prime Minister came out and said that he would prefer senior management of Telstra to talk up the value of Telstra, just like the likes of Rodney Adler talked up the value of HIH and FIA. We seem to have learnt none of the lessons we needed to learn from that royal commission and from various other investigations.

Why does the Prime Minister feel that the value of Telstra needs to be talked up? It is because in the budget papers, as Senator Sherry said earlier, the expected sale price is listed as in excess of $5 a share. Yet, as of last night when the market closed, the share price was trading at just above $4 a share. That is a marked difference—the difference of $1 that I am sure the government was counting on to pay for the slush fund that Senator Joyce is claiming all the credit for.

There is a very good reason that the market is extremely concerned about the ongoing financial return from Telstra. When you have a CEO warning about revenue falling because of the regulatory framework and the company borrowing money to pay dividends, of course the share price will fall. And an honest senior executive would therefore think that perhaps it was not advisable for significant members of his family to invest in that company at that point in time. With that situation, what has been the response of the majority shareholder—that is, until 6.30 pm this evening, the Australian people through their government? Simply put, it has been to suggest that the executives of the company should be talking up Telstra. These are irresponsible actions that should rightly be investigated by ASIC. In other words, the view of the government is, ‘Don’t highlight the potential or actual problems, just talk the
company up. Talk the value up. ’ It is an extraordinary way to behave for a majority shareholder or for someone who is acting on behalf of the majority shareholder. (Time expired)

Question agreed to.

Carers

Senator SIEWERT (Western Australia) (3.27 pm)—I move:

That the Senate take note of the answer given by the Minister for Family and Community Services (Senator Patterson) to a question without notice asked by Senator Siewert today relating to carers.

I would like to start by sharing a note that I had from a carer yesterday in response to the motion that the Senate passed:

I generally prefer to be called a “mum” than a “carer”, but your motion brought tears to my eyes. It’s only words, but they touched me. Sometimes a bit of understanding and recognition is all we need.

I run a national e-mail support group for parents of children with CP. While I could send you a 20 page document of issues we face as carers, I’d say the biggest problem people face is equipment (from the big things like wheelchairs, hoists, wheelchair accessible cars, to the little things such as bathing chairs, feeding chairs, splints … Second would be access to services—there is just not enough money for decent services. For example, kids get Botox pumped into their muscles at the hospital, and there is no physiotherapy follow up, as The Spastic Centre has not enough funding for the necessary physio that would maximise the effect of the Botox.

I am greatly disappointed that the minister failed to answer the question about whether she would acknowledge that she had a mandate to tackle this significant unmet need in accommodation support and other things. As I pointed out to the Senate earlier today, there are a number of ways under the CSTDA that the Commonwealth can be involved, but instead the minister chose to play the blame game. She chose to blame the states instead of actively looking at ways that she and the government could show leadership on this issue.

There are a number of things that the Commonwealth government can do to address this problem. The carers of this nation are looking for the government to show leadership and to ensure that there is a national commitment across all levels of government, not just the state governments. It is not just the states’ responsibility to resolve the crisis in unmet need for disability support services. The minister chose to blame the states instead of looking at what the Commonwealth can do. The Commonwealth can, for example, provide an immediate injection of funding to expedite assistance to the people with disabilities and their families who are living in crisis. This funding is absolutely urgently needed by disability services and these carers.

The minister was concerned that she does not have the power to do these things, but it is in the Commonwealth’s power to renegotiate this agreement with the states. The original agreement—the CSDA as it was then called—shared responsibility for accommodation support services between the states and the Commonwealth. That has been watered down. The Commonwealth can, if they think they need the powers, renegotiate the agreement so that they do have those powers. I repeat that we are very disappointed that the minister failed to answer this question and fails to acknowledge the very real elements within the existing agreement that can be used to actually address this issue. It is very disappointing that the government continues to blame the states. The states may not be perfect, they are struggling, but they are injecting a lot of money into disability services—twice as much as the Commonwealth, yet the government and the
minister still blame the states rather than accepting their responsibility.

Question agreed to.

PETITIONS

The Clerk—Petitions have been lodged for presentation as follows:

Australia Post: Services

To the Honourable President and members of the Senate in Parliament assembled:
The petition of the undersigned shows:
There are three aged care facilities on Burkitt Street, Page, ACT (Ginninderra Gardens, Villaggio Sant Antonio, Ridgecrest Retirement Village). A number of residents at these facilities are disabled and have mobility difficulties. Many residents rely on mail as their primary form of contact. An Australia Post mailbox will be beneficial to local residents, ensuring they can maintain contact with and remain active members of the local community.

Your petitioners ask/request that the Senate:
Ensure that an Australia Post mailbox is installed on Burkitt Street as soon as possible for the benefit of the local aged and disabled residents.

by Senator Lundy (from 154 citizens).

Information Technology: Internet Content

To the Honourable the President and Members of the Senate in Parliament assembled
We, the undersigned citizens of Australia draw to the attention of the Senate the common incidence of children being exposed to Internet websites portraying explicit sexual images. These images may involve children/teens, sexual violence, bestiality, and other disturbing material. Many such websites use aggressive, deceptive or intrusive techniques to induce viewing. We submit to the Senate that:

• Exposure to pornography is a form of sexual assault against children and should be considered, like all sexual abuse of children, as a serious matter causing lasting harm.
• It is not adequate to charge individual parents with the chief responsibility for protecting their children from Internet pornographers determined to promote their product, OR to expect parents to teach children to cope with the damaging effects of pornographic images AFTER exposure.
• It is the primary duty of community and Government to prevent children being exposed to pornography in the first place by placing restrictions on pornographers and those businesses distributing such material.
• Internet Service Providers (ISPs), should accept responsibility for protecting children from Internet pornography, including liability for harm caused to children by inadequate efforts to protect minors from exposure.

Your petitioners therefore, pray that the Senate take legislative action to restrict children’s exposure to Internet pornography

by Senator Stephens (from 849 citizens).

Petitions received.

NOTICES

Presentation

Senator Wong to move on the next day of sitting:
That the following matter be referred to the Employment, Workplace Relations and Education References Committee for inquiry and report by 28 November 2005:

The Government’s proposed changes to welfare, as detailed in Budget paper no. 2—Budget measures 2005-06, with particular reference to:

(a) the financial impact on people with a disability, parents and their children;
(b) any implications for the capacity of parents to manage their family and work responsibilities, and the consequences for family life;
(c) the effectiveness of the proposed changes in improving the employment prospects of people with disabilities and parents, including through:

(i) the provision of employment services assistance and training,
(ii) the implementation of employer demand strategies, and
(iii) the impact of changing the structure of income support payments on work incentives and effective marginal tax rates;
(d) the impact of the new compliance arrangements on welfare recipients; and
(e) the adequacy of child care assistance for parents affected by the changes, including the adequacy and accessibility of the existing Jobs, Education and Training child care assistance program.

Senator Stott Despoja to move on the next day of sitting:
That the Senate—
(a) notes that:
(i) the annual Australian Book Industry Awards took place on 12 September 2005, and
(ii) award recipients included Harper-Collins Publishers Australia (Publisher of the Year); Dymocks Booksellers Rundle Mall and The Avenue Bookstore (joint winners of Bookshop of the Year); Alliance Distribution Services (Distributor of the Year); the CSIRO total wellbeing diet, published by Penguin Group (Australia) (Publishing Project 2005); Sue Donovan (the Lloyd O’Neill Award for Services to Publishing); Rosalind Price (the Pixie O’Harris Award for Children’s Publishing); and Helen Garner for Joe Cinque’s Consolation (the Booksellers’ Choice Award);
(b) acknowledges the important contribution of the book industry in Australia; and
(c) recognises that books are integral to literacy, knowledge-building and education, and should be affordable and accessible to all.

Senator Vanstone to move on the next day of sitting:
That the following bill be introduced: A Bill for an Act to amend the Ombudsman Act 1976 and the law relating to migration, and for related purposes. Migration and Ombudsman Legislation Amendment Bill 2005.

Senator Bob Brown to move on the next day of sitting:
That the Government gives the Senate a detailed explanation for the detention of United States’ citizen, Mr Scott Parkin, before he is deprived of his right to remain in Australia.

Withdrawal

Senator WATSON (Tasmania) (3.31 pm)—Following satisfactory responses and pursuant to notice given on the last day of sittings, I now withdraw business of the Senate notice of motion No. 1 standing in my name for today.

COMMITTEES

Selection of Bills Committee Report

Senator FERRIS (South Australia) (3.31 pm)—I present the 10th report of 2005 of the Selection of Bills Committee.

Ordered that the report be adopted.

Senator FERRIS—I seek leave to have the report incorporated in Hansard.

Leave granted.

The report read as follows—

SELECTION OF BILLS COMMITTEE REPORT NO. 10 OF 2005

(1) The committee met in private session on Tuesday, 13 September 2005 at 4.20 pm.
(2) The committee resolved to recommend—
That the provisions of the Student Assistance Legislation Amendment Bill 2005 be referred immediately to the Employment, Workplace Relations and Education Legislation Committee for inquiry and report by 5 October 2005.

The committee recommends accordingly.

(3) The report be adopted.

Chair
14 September 2005
Appendix 1
Proposal to refer a bill to a committee
Name of bill(s):
Student Assistance Legislation Amendment Bill 2005

Reasons for referral/principal issues for consideration
Potential significant weakening of Parliamentary oversight regarding changes to two important student income support schemes.

Possible submissions or evidence from:
Student organisations; tertiary education institutions; peak interest groups (eg AVCC); Student Financial Advisors Network (SFAN).

Committee to which bill is referred:
Employment, Workplace Relations, and Education Legislation Committee

Possible hearing date: last fortnight in September 2005
Possible reporting date(s): first sitting week in October 2005

NOTICES
Postponement
The following item of business was postponed:
General business notice of motion no. 228 standing in the name of Senator Milne for today, relating to the proposed pulp mill in Tasmania, postponed till 5 October 2005.

URANIUM EXPORTS
Senator O’BRIEN (Tasmania) (3.32 pm)—I seek leave to amend business of the Senate notice of motion No. 260 standing in my name for today, which relates to the Nuclear Non-Proliferation Treaty and uranium exports, before asking that it be taken as a formal motion.

Leave granted.

Senator O’BRIEN—I ask that the motion as amended be taken as formal.

The DEPUTY PRESIDENT—Is there any objection to the motion as amended being taken as formal?

Senator MILNE (Tasmania) (3.33 pm)—Before supporting formality, I seek leave to make a short statement.

Leave granted.

Senator MILNE—I wish to make it clear, on behalf of the Greens, that our support for this motion can in no way be construed as support for the export of uranium from Australia to the 36 countries covered by the Australian bilateral safeguard agreements under the Nuclear Non-Proliferation Treaty. Whilst we recognise as a fact that, under the NPT, Australia has the right to be selective as to the signatory countries to which it exports uranium, it does not indicate the Australian Greens’ support for the export of uranium. We are opposed to such export to China and India.

Further, we note that the Labor Party has now completely watered down its own motion in the operative paragraph such that the operative paragraph (c) now makes no specific reference to ruling out the export of uranium to India and omits reference to any specific treaty, let alone the non-proliferation treaty. This amended motion further signals Labor’s change of policy position in relation to the export of uranium to India.

The DEPUTY PRESIDENT—Is there any objection to the motion as amended being taken as formal?

Senator BARTLETT (Queensland) (3.34 pm)—I seek leave to make a statement in regard to the same matter.

Leave granted.

Senator BARTLETT—I would have done this when the vote was taken, but, to flow on from the last contribution, I will say that the Democrats do not oppose formality but are not prepared to support the motion because of the watered-down nature of it and the implications that it has for potentially
opening the door down the track to such exports.

The DEPUTY PRESIDENT—Is there any objection to the motion as amended being taken as formal? There being no objection, I call Senator O'Brien.

Senator O'BRIEN (Tasmania) (3.35 pm)—I move:

That the Senate—

(a) notes that:

(i) based on longstanding bipartisan policy as announced by the then Prime Minister, Mr Fraser, in May 1977 (Uranium—Australia’s Decision, Fraser Government, 24 May 1977), export of uranium from Australia is permitted only to those states which are party to the Nuclear Non-Proliferation Treaty and with which Australia has a bilateral safeguards agreement,

(ii) Australia has a right to be selective as to the countries to which it is prepared to export uranium on the basis of the need for assurances that exported uranium and its derivates cannot be used in the development of nuclear weapons or in other military programs,

(iii) Australia has 19 bilateral safeguard agreements which cover 36 countries that are party to the treaty, providing for the continued export of uranium to those countries including existing exports to Japan, South Korea, France, Spain, Sweden, the United Kingdom, Canada, Belgium, Finland and the United States of America,

(iv) China is a signatory to the treaty, and

(v) India is not a signatory to the treaty; and therefore

(b) notes that Australia does not export uranium to India and the Government has no plans to alter this policy; and

(c) calls on the Government to continue to uphold our international obligations.

Question agreed to.

WATER POLICY

Senator BARTLETT (Queensland) (3.35 pm)—At the request of Senator Murray, I move:

That the following matter be referred to the Rural and Regional Affairs and Transport References Committee for inquiry and report by the last sitting day in March 2006:

The impact on rural water usage of recent water policy initiatives and the possible role for Commonwealth agencies, with particular reference to:

(a) the development of water property titles;

(b) methods of protection for rivers and aquifers;

(c) farming innovation;

(d) monitoring drought and predicting farm water demand; and

(e) the implications for agriculture of predicted changes in patterns of precipitation and temperature.

Question agreed to.

SUSTAINABLE CITIES

Senator MILNE (Tasmania) (3.36 pm)—I move:

That the Senate—

(a) notes:

(i) the report of the House of Representatives Standing Committee on Environment and Heritage, entitled Sustainable cities, tabled on 12 September 2005, and

(ii) the committee’s call for the Government to exercise leadership in addressing urgent issues of sustainability, including:

(A) increasing funding for public transport,

(B) establishing an Australian sustainability charter and an independent Australian sustainability commission,

(c) reviewing fringe benefits tax concessions for car use,
(d) considering lifting the tariff on four-wheel drive vehicles, while exempting primary producers,
(e) coordinating a national report on options for future water use, including greater use of recycled water,
(f) encouraging state and territory governments to mandate disclosure of energy efficiency and greenhouse performance of residential properties at point of sale or lease,
(g) ensuring that Commonwealth departments improve the energy efficiency of the properties they own or lease,
(h) doubling the photovoltaic rebate to encourage the uptake of photovoltaic systems,
(i) examining the environmental and economic benefits of decentralised energy delivery and encouraging investment in this area, and
(j) developing a set of national environmental objectives for Australia; and

(b) calls on the Government to adopt the committee’s recommendations.

Question negatived.

WORLD POVERTY

Senator MILNE (Tasmania) (3.36 pm)—by leave—I move the motion as amended:

That the Senate—

(a) notes that:

(i) half of the world’s population lives on less than $US2 a day, and

(ii) the Prime Minister (Mr Howard) has announced that Australia’s overseas aid contribution will increase by $1.5 billion, phased in over 5 years, which will still leave Australia well short of the United Nations (UN) recommended level of 0.7 per cent of gross national income;

(b) calls on the Government at the New York summit on the UN Millennium Develop-
The notice of motion read as follows—

(1) That the Senate notes that:

(a) the problem of petrol sniffing remains widespread and endemic in remote Aboriginal communities; and

(b) this problem is exacerbated by the proximity and availability of aromatic petrol in major town centres.

(2) That the following matters be referred to the Community Affairs References Committee for inquiry and report by 9 November 2005:

(a) the means, including costs, of implementing a comprehensive roll out of Opal fuel throughout the central desert region of Australia (defined for these purposes as extending from Coober Pedy in South Australia to Tennant Creek in the Northern Territory and Laverton in Western Australia), and specifically to the town centres of Alice Springs and Tennant Creek;

(b) the recommendation of strategies to enable the comprehensive roll out of Opal fuel throughout the central desert region of Australia, including:

(i) proposals for any legislative amendments which may be required,

(ii) the identification of and assignment of a clear delineation of Commonwealth and state responsibilities for the matter, to ensure the rapid and streamlined Commonwealth/state coordination of the roll out, and

(iii) ensuring that mechanisms are in place to guarantee price parity throughout the specified region; and

(c) any related matters.

Senator BOB BROWN—Before I seek to postpone business of the Senate notice of motion No. 2 standing in my name for today, relating to petrol sniffing in remote Aboriginal communities, I seek leave to make a short statement.

Leave granted.

Senator BOB BROWN—Thank you, Mr Deputy President, and I thank the Senate. It is important that it be understood what is happening here. The government has foreshadowed to me that there will be a further amendment of this motion which effectively moves the operating part, deleting reference to the roll-out of non-sniffable petrol in Central Australia, which was the whole intent of the debate, and instead replaces that with a motion congratulating the government and one which is inherently critical of Indigenous communities in Australia. The numbers will be there to see that get through, but what an appalling way to deal with this serious issue about the government’s ability, for a few million dollars, to roll out non-sniffable petrol throughout Central Australia—to go materially further than the government has gone and help to stop this scourge. No, that is not going to happen. What we are going to see tomorrow is an amended motion which simply removes reference to that roll-out in the operative clause and is inherently critical of Indigenous people. We will get an inquiry out of this, and the inquiry will go to the heart of matters, but I think the government’s form on this is deplorable. I move:

That business of the Senate notice of motion No. 2 standing in my name for today, relating to petrol sniffing, be postponed till the next day of sitting.

Question agreed to.

RECHERCHE BAY

Senator BOB BROWN (Tasmania) (3.48 pm)—I move:
That general business of motion No. 251 standing in my name for today, which calls for the protection of the Recherche Bay forest in Tasmania—
a very pertinent call with eight French MPs in the parliament today—
be taken as formal.

Leave granted.

Senator BOB BROWN—I move:

That the Senate calls on the Government to protect the Recherche Bay forest in Tasmania from logging in order to protect its historic, cultural and natural values for the nation.

Question put:

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

The Senate divided. [3.53 pm]

(The Deputy President—Senator JJ Hogg)

Ayes………… 6

Noes………… 47

Majority……… 41

AYES

Bartlett, A.J.J. Brown, B.J.
Milne, C. Nettle, K.
Siewert, R. * Stott Despoja, N.

NOES

Abetz, E. Adams, J.
Barnett, G. Bishop, T.M.
Brandis, G.H. Campbell, G. *
Carr, K.J. Chapman, H.G.P.
Colbeck, R. Coonan, H.L.
Crossin, P.M. Eggleston, A.
Ellison, C.M. Ferris, J.M.
Fierravanti-Wells, C. Fiferid, M.P.
Forshaw, M.G. Heffernan, W.
Hogg, J.J. Humphries, G.
Hurley, A. Hutchins, S.P.
Johnston, D. Joyce, B.
Kirk, L. Lightfoot, P.R.
Ludwig, J.W. Lundy, K.A.
Marshall, G. Mason, B.J.
McEwen, A. McGauran, J.J.J.
McLucas, J.E. Moore, C.
Nash, F. Parry, S.
Payne, M.A. Ronaldson, M.

* denotes teller

Question negatived.

COMMITTEES

Scrutiny of Bills Committee

Senator McGAURAN (Victoria) (3.57 pm)—On behalf of the Chair, I present the 10th report of 2005 of the Senate Standing Committee for the Scrutiny of Bills. I also lay on the table Scrutiny of Bills Alert Digest No. 11 of 2005, dated 14 September 2005.

Ordered that the report be printed.

Public Works Committee

Senator TROETH (Victoria) (3.57 pm)—On behalf of the Parliamentary Standing Committee on Public Works, I present report No. 16 of 2005 entitled Redevelopment of Willis Island Meteorological Office, Coral Sea.

I move:

That the Senate take note of the report.

I seek leave to incorporate my tabling statement in Hansard.

Leave granted.

The statement read as follows—

The proposed work is intended to replace ageing and dysfunctional facilities on Willis Island, to enable the Bureau of Meteorology to continue its important monitoring and research work. The estimated cost of the proposed works is $7 million.

Most of the current facilities on the island were constructed in either 1950 or 1968 and are either nearing the end of, or have already exceeded, their useful economic lives.

Specifically, the bureau has identified a need for redeveloping the facilities, based on:
substantial damage to the structure of existing facilities, with some areas no longer able to be made safe for operational use;
health and safety hazards for station staff, visitors and maintenance personnel as a result of the presence of asbestos and ageing services infrastructure;
the considerable cost of maintaining the existing facility in such a harsh and remote location; and
the need to enhance the station’s desirability as a staff posting.
In order to address these deficiencies, the bureau proposes to demolish and remove existing redundant buildings and to construct new accommodation, office and storage facilities, and to upgrade utilities and services. The resulting facility will support a four-person deployment and will allow for a six-monthly resupply and staff changeover period, during which the facilities will be required to accommodate a further 15 persons for about three days.

At the public hearing into the proposed work, the committee expressed concern that the bureau had contravened the provisions of the Public Works Committee Act 1969 by undertaking documentation and design work prior to parliamentary approval of the project. While the committee accepted the bureau’s contention that some funds had to be spent to determine the viability of the project, it did not believe that the bureau was justified in proceeding to tender before referring the work to the committee. The bureau explained that this had been the result of a misunderstanding as to when the work should be referred. The chair observed that the act is very clear on this point and emphasised the problems caused by agencies failing to refer relevant works to the committee in a timely manner. In this instance, as a consequence of the delayed referral, the bureau will be unable to complete its proposed six-month construction schedule prior to the summer cyclone season, as originally hoped.

The committee explored the requirement for the ongoing retention of the Willis Island meteorological station and the alternative solutions considered. The committee was assured that the bureau had considered both the automation of the station and a ‘wet-season only’ staffing option, but had concluded that only the year-round, fully staffed observations and monitoring program would satisfy all reporting and research requirements. Moreover, the bureau anticipates that this level of function will be necessary for at least the next 20 to 30 years.

Having learnt that some of the buildings earmarked for demolition contain asbestos, the committee wished to ensure that the removal of any hazardous materials would be done safely. The bureau assured the committee that asbestos would be removed from the island in accordance with relevant legislation and expressed confidence that the tenders, including shipping costs, would cover the asbestos-related costs in a worst-case scenario.

In response to questions regarding the environmental impact of the proposed work, the bureau stated that the Department of Environment and Heritage had determined that the work did not constitute a controlled action under the terms of the Environment Protection and Biodiversity Conservation Act 1999. The bureau explained that the successful construction contractor would be required to prepare and implement an environmental management plan for the works.

Noting that the bureau had originally anticipated that the construction project would be completed before the summer cyclone season, the committee wished to know how a delay in the construction schedule would impact upon both the project costs and the bureau’s operations. The bureau explained that the magnitude of any delay would depend upon the severity of the coming wet season, but anticipates that some excess costs could be absorbed by budgetary contingency provisions. The bureau assured the committee that the Willis Island radar system, which is pivotal in providing forewarning of cyclones approaching the North Queensland coast, will be operational before the cyclone season.

The committee undertook a close examination of the project costs and, given the remoteness of the work site, was especially interested in the costs associated with shipping and logistics. The committee also noted that the cost estimate included a number of as yet undetermined items. The committee recommended that the bureau supply it
with cost details of these items when such information becomes available.

Having given detailed consideration to the proposal, the committee recommends that the construction of facilities for the Bureau of Meteorology on Willis Island proceed at the estimated cost of $7 million.

Mr President, I wish to thank those who assisted with the public hearing and my committee colleagues.

I commend the report to the house.

Question agreed to.

Membership

The DEPUTY PRESIDENT—The President has received letters from party leaders seeking to vary the membership of certain committees.

Senator ELLISON (Western Australia—Manager of Government Business in the Senate) (3.59 pm)—by leave—I move:

That senators be discharged from and appointed to committees as follows:

Legal and Constitutional Legislation Committee—

Appointed—Substitute member: Senator Evans to replace Senator Kirk for the committee’s inquiry into the provisions of the Corporations (Aboriginal and Torres Strait Islander) Bill 2005

Legal and Constitutional References Committee—

Appointed—Substitute member: Senator Parry to replace Senator Ferravanti-Wells for the committee’s inquiry into the administration of the Migration Act.

Question agreed to.

COPYRIGHT AMENDMENT (FILM DIRECTORS’ RIGHTS) BILL 2005

First Reading

Bill received from the House of Representatives.

Senator ELLISON (Western Australia—Minister for Justice and Customs) (4.00 pm)—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 ELLISON (Western Australia—Minister for Justice and Customs) (4.00 pm)—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—

COPYRIGHT AMENDMENT (FILM DIRECTORS’ RIGHTS) BILL 2005

I present the Copyright Amendment (Film Directors’ Rights) Bill 2005 to make amendments to the Copyright Act 1968.

The bill delivers a commitment made by the Government in its Strengthening Australian Arts policy for the last election.

This bill will, for the first time, recognise directors as having a share of the copyright in their films. As such they will be entitled to a share of the remuneration to be payable by subscription television broadcasters for retransmitting free-to-air broadcasts of their films.

This bill marks an important further stage in the evolution of legal recognition of films as creative works. In the international copyright system, films have long been protected as a form of copyright subject matter. Australia, as a member of the main international copyright treaties, provides extensive protection under its copyright laws to films. At present, like many other countries with the common law system, the Australian Copyright Act gives first ownership of the copyright in a film to the ‘maker’. The definition in the Act of the maker of a film describes what a film producer does.
Films are a conspicuous example of a product of creative input from a number of different contributors. Apart from the director and the actors, important contributions are made by others including the script writers, cinematographers, composers of the musical score and production designers. Copyright is currently vested in the producer as the person who draws all these contributors together and ‘makes the production happen’. However, the producer is already used to the fact that a film is subject to multiple layers of copyrights involving some of the contributors as authors.

There will be a separate copyright in the musical score for the soundtrack and another separate copyright in the film script. If the film is based on a novel, the producer will have had to acquire the film rights to that work. If the soundtrack incorporates a pre-existing sound recording, the copyrights in that recording will have to be negotiated. In安排 for the distribution and licensing of a film, the producer, as owner of copyright in the film, has to ensure that the consequences of these separate copyrights in the novel, sound recording, script and musical score are addressed by contract. There is a need to avoid unexpected difficulties for licensees down the distribution chain.

There is already a precedent for directors having rights in their films. In the last decade, legislation was developed by this Government that conferred comprehensive moral rights on authors of works and films. This legislation recognised, for the first time, directors as authors of their films, along with the producers and screenwriters. These rights are important in enabling authors to protect their reputation as authors of their works. However, they do not amount to economic rights to enable them to licence and derive income from the consumption of their works.

In many countries of the world, including members of the European Union, directors do have a copyright in their films. As common law EU member countries, the United Kingdom and Ireland had previously vested film copyright in the producer like Australia. In the last decade both countries have extended the ownership of copyright in films to directors as required by EU law.

The case for recognising directors as owners of copyright in their films in Australia was given impetus by the debate on the Copyright Amendment (Digital Agenda) Act 2000. Amongst the extensive reforms that it made to the Copyright Act, it established a new right for owners of copyright in films to royalties for the retransmission on subscription television services of free-to-air broadcasts of their films. At that time, the Australian Screen Directors Association (ASDA) submitted that a share of the royalties under the scheme should be made payable to film directors. One of the reasons given by the Association was that Australian directors could only claim their entitlement to royalties under corresponding schemes in Europe if European directors could be reciprocally entitled to remuneration in Australia.

The Digital Agenda Act was passed without specifying directors as beneficiaries of royalties under this retransmission royalties scheme. However, the Government agreed to look at the issue of extending a share of copyright in films to directors. An issues paper was published and submissions were received from stakeholders, including the Association and also representatives of film producers and broadcasters. The bill that I am now presenting has resulted from a careful consideration of those submissions and from consultations with the main stakeholders.

The Government is very conscious that the Australian film industry is a most important form of Australian cultural expression. At present the industry is under severe challenge from the daunting competition of much larger overseas film producers. Films by nature depend on the raising of substantial investment to cover the costs of production. They inevitably face uncertainty whether that can be recouped at the box-office. Any diminution in the sources of revenue that can be generated by films could put at risk the ongoing prosperity or even viability of the industry.

In framing this bill, the Government had to balance the interests of directors in being recognised for their creative input into films against the interests and welfare of the film industry as a whole. Indeed, in its submission, ASDA itself recognised that producers needed to have control over the copyright in films in order to continue managing the marketing and distribution.
In its submission, the Association also indicated directors should have access to royalties under schemes, such as the subscription television retransmission scheme, as something that directors should have a right to. These schemes, or statutory licences as they are called, allow a particular use of the film without the copyright owner’s permission subject to paying the required royalties. Thus extending a share of the royalties to directors would not interfere with the important function of distributing and licensing the films. Film producers’ representatives have clearly indicated that they are opposed in principle to extending any copyright in films to directors. However, in the case of the subscription television retransmission scheme, no payments have yet been made to film copyright owners. This is because the quantum of payments is in dispute and has been taken to the Copyright Tribunal where the proceedings are still pending. Until the Tribunal hands down a determination, producers are in no position to rely on any estimate of expected revenue from this source in budgeting for film production. The Government concluded that to give directors a share of this revenue when it is determined and becomes payable would respond to the essential claim of ASDA without the risk of prejudice to producers and the whole film industry.

Following the same reasoning, the Government will consider giving directors a share of royalty revenue that would be due to film copyright owners under any future scheme of this type. No such scheme is presently in contemplation. However, the pace of technological development affecting dissemination of copyright material is rapid and unpredictable. Its impact in the future might prompt somebody to propose, for example, a new scheme for facilitating access to copyright material against the payment of royalties to copyright owners.

In giving directors a share of the royalties under the subscription television retransmission scheme, the bill recognises film directors as owners of copyright in their films for this purpose. The Government understands that such recognition is important in itself to film directors. One of the fundamental features of copyright is that it is a form of personal property and, as such, is transferable. The same applies to the new directors’ copyright. Further, where a director is working under an employment contract, that director’s copyright will vest in the employer, unless it is otherwise provided in the contract. This is consistent with the existing law vesting copyright in the works of employed authors in their employers.

This bill, although short, represents a major milestone in giving due recognition to the important creative contribution of directors to their films. The bill does so without disturbing the existing practices for securing investment in and arranging distribution of films, and in particular, the Australian film industry.

I commend the bill to your consideration.

Debate (on motion by Senator Ellison) adjourned.

BUILDING AND CONSTRUCTION INDUSTRY IMPROVEMENT (CONSEQUENTIAL AND TRANSITIONAL) BILL 2005
BUILDING AND CONSTRUCTION INDUSTRY IMPROVEMENT BILL 2005

Assent

Message from His Excellency the Governor-General was reported, informing the Senate that he had assented to the bills.

TELESTRA (TRANSITION TO FULL PRIVATE OWNERSHIP) BILL 2005
TELECOMMUNICATIONS LEGISLATION AMENDMENT (COMPETITION AND CONSUMER ISSUES) BILL 2005
TELECOMMUNICATIONS LEGISLATION AMENDMENT (FUTURE PROOFING AND OTHER MEASURES) BILL 2005
TELECOMMUNICATIONS (CARRIER LICENCE CHARGES) AMENDMENT (INDUSTRY PLANS AND CONSUMER CODES) BILL 2005
Senator MILNE (Tasmania) (4.01 pm)—

The issue that I would like to take up with the Minister for Communications, Information Technology and the Arts relates in particular to the dividends of Telstra. This issue, I am sure, is of particular concern to all of those small shareholders around Australia—the mum and dad shareholders—who have taken up Telstra shares in the last five or six years in particular. It was of great concern to me that, when the document was finally released, it was sent by the company secretary to the Stock Exchange. This indicated that the document was not originally intended for public release, but, once it got into the public arena, the company secretary then sent it to the Stock Exchange. What the document says is that Telstra is borrowing from reserves to pay dividends—more than $550 million in 2005 rising to more than $2.2 billion in 2006.

The Telstra board has already recognised that this kind of borrowing to pay dividends is not a sustainable policy or practice. The board is signalling very clearly that borrowing from reserves to pay dividends is not a sustainable practice and is presumably one that will not continue. It is clear that about $1.9 billion has been stripped out of Telstra in order to pay these dividends to make it look to the ordinary investor as though investing in Telstra in the long term is going to give you a reasonable return on your investment. Yet these documents that have come out have shown that, in fact, that is not the case. If this document had not come out, how were the small investors to know, other than if they had read the small print on the references to the Stock Exchange on Telstra’s future dividend policy—which, of course, did not spell out in anywhere near this detail the fact that dividends had been inflated, obviously in order to prepare for the sale and to make it look as if Telstra was a much better proposition than it actually is?

This letter to the Stock Exchange from the company secretary quotes Telstra’s chief financial officer as saying:

The final tranche of our three-year capital management program will be executed based on the flexibility of our balance sheet going forward. To ensure all shareholders are treated fairly we will continually monitor this as the regulatory and the T3 environment unfolds over the next little while.

In terms of the dividend policy, the dividend guidance that we gave in the last meeting still holds. Obviously we will always as a board reassess if there is a material change in outlook going forward, but at this point in time we are not changing our guidance from August 11.

I ask the minister: in terms of the dividend outlook as a result of the sale of Telstra, what can she tell me about the guidance that Telstra has already given the Stock Exchange? They obviously want a very different regulatory environment from the one that the minister and the government are going to impose on Telstra. What impact will the government’s regulatory environment and the current legislation have on the likely dividends that Telstra will be able to pay once it is privatised? Once it is privatised, the board of directors is not going to engage in an unsustainable policy or practice—that is, borrowing from reserves to inflate the dividends that are given to shareholders. We already know that the small mum and dad shareholders lost a great deal when Telstra 2 went through, because they were led to believe, in the prospectus, that the shares were worth $7.80. Of

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course, they were worth half of that, as the market reflected over time.

I am concerned about this whole issue of the government talking up the sale and working with the board to give dividends that could not be justified in terms of operating profit and so on. What does it actually mean for the small mum and dad shareholders of Australia who might be tempted to buy Telstra shares on the basis of the returns over the last few years? Maybe they are not recognising that those returns were in fact unsustainable. Will the minister guarantee dividends into the future of the same percentage value, if you like, as have occurred in the last couple of years or will the minister admit to the people of Australia that the dividends of Telstra in the last few years are not likely to be repeated once it is privatised? I would really appreciate the advice the minister has on the dividend policy of Telstra. In terms of the regulatory environment, what is likely to be the outcome for dividends?

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (4.07 pm)—Senator Milne seems to have a few concepts confused. The competitive regime and the operational separation regime, to my knowledge, do not have much to do with the dividend policy set by Telstra. Also, Senator Milne would be aware, as indeed anybody listening to the debate would be aware, that the government does not run Telstra. The government does not set the dividend policy for Telstra, and the government will not have an impact on the setting of the dividend policy going forward. It is regrettable that Senator Milne seems to have swallowed some of the misrepresentation and scuttlebut that was in the media and, indeed, in this place last year.

Let me put on the record what the dividend policy is so that there can be no confusion about what Telstra’s position is in relation to its dividend policy and the fact that it has been public knowledge for some considerable time. The company’s constitution clearly provides that the setting of dividends is the company’s responsibility, not the government’s responsibility. The Telstra board and management, not the government, are responsible for the day-to-day management of the commercial operations of the company. Telstra has been an independent company since 1991, when it was a corporatised by Mr Beazley, and its board is responsible for the dividend policy. In June 2004, the Telstra board announced its capital management policy, stating that it was its policy to declare ordinary dividends of around 80 per cent of normal profits after tax and, in addition, the board expected to return $1.5 billion a year to shareholders through special dividends and share buybacks over the following three years. These were initiatives of the board, not the government, and reflected the board’s judgment on the most effective use of the company’s resources in the interests of all shareholders.

The government was consulted about the plan after it had been considered by the board. The government does not direct the company on the level of dividends. I am advised—and, indeed, it is common knowledge—that there are many examples where companies pay dividends that are higher than their reported profit in a particular year and so they are paid out of reserves or borrowings. My information is—and I have said this in the chamber before—that 14 of our top 100 companies are currently adopting this policy, paying dividends that exceed their latest reported annual earnings. The most well known of these would be Suncorp Metway, Alinta, Seven, Telecom New Zealand and PaperlinX.
The fact that Telstra was borrowing to pay special dividends was certainly not secret or concealed information that was simply provided to the government last month. Telstra announced last year that it would be borrowing to fund the capital management plan. At the press conference on 21 June 2004, when Telstra announced its capital management plan, Telstra chief financial officer John Stanhope said:

We will need to borrow some new money shortly to provide for the 04-05 return of capital, that new borrowing is probably going to be around $1 billion, after that I can’t comment because it will be a borrowing program over the period of the plan.

This plan received a large amount of coverage in the media. Indeed, it was noticed by Labor’s Mr Tanner, who put out a very interesting press release headed ‘Telstra gets it right’. The opening paragraph in Mr Tanner’s press release stated:

Labor welcomes today’s announcement to the Stock Exchange by Telstra that it will focus on its existing businesses and return money to shareholders.

So what the Labor Party claimed last week and has been claiming was a Telstra secret plan was in fact, for Senator Milne’s information, publicly announced a year ago—and, not only that, the Labor Party came out and welcomed it. What we have got is Mr Tanner welcoming Telstra paying higher dividends and Senator Conroy spending last week criticising the very fact of these higher dividends. Labor does not know if it is coming or going on this one, Senator Milne.

On 21 June 2004 the capital management plan announcement was followed by a large amount of media. The Age had a front story headed ‘Telstra to give back $4.5bn’. It read:

Telstra’s chief financial officer, John Stanhope, said he expected Telstra to borrow around $1 billion to provide for the return of capital ...

On 23 June 2004 Telstra issued a media release headed ‘Telstra announces international debt investor roadshow’, which read:

Telstra today announced plans to conduct an international debt investor roadshow in Europe from 2-6 July. This follows Telstra’s capital management announcement to the market ...

Indeed, it was such a secret plan to borrow to pay dividends that Telstra did a five-day promotional tour of Europe about it. Another example of Telstra’s disclosure occurred on 11 August 2005—the day ministers had the meeting with Telstra in the afternoon. Telstra had released its annual results in the morning. The directors report released that morning stated:

Net borrowing costs increased by 3.4% to $736 million in fiscal 2005, primarily due to increased borrowings to fund the purchase of our recently acquired entities, increased levels of capital expenditure, the payment of dividends and the share buy-back.

The company has made it clear to all investors, including small investors, that the current capital management policy applied for three years. The capital management policy announced in 2004 explicitly applied to three financial years only—2004-05, 2005-06 and 2006-07—after which the dividend payout ratio would be at 80 per cent. So there can be no suggestion that the government has misled investors into believing that a dividend payout ratio of over 100 per cent would continue past 2007. It has been a completely false assertion that on 11 August, and in the 11 August briefing document, the government was first advised that the company had changed its dividend policy. This is completely false.

The company did not announce that it had changed its policy. It is still delivering on the three-year capital management plan. As part of its annual result announcement on the morning the company stated:
As part of the previously announced three-year, $1.5 billion per year capital management program, the Board has also declared a fully franked special dividend of 6 cents per share, to be paid in conjunction with the final ordinary dividend. It is the current intention of the Board to pay a further 6 cents per share special dividend with the 2005/2006 interim dividend.

This is all very much on the record and there is nothing there saying that the policy to sustain this three-year plan to pay higher dividends has been changed. But the critical part of this answer for Senator Milne’s purposes is that what happens in the future is a matter for Telstra. As far as its dividends policy goes, it is certainly not a matter for government.

Senator CONROY (Victoria) (4.15 pm)—Minister, recent newspaper reports in relation to the bills have indicated that the National Farmers Federation have sought assurances from the government on the issue of parity of pricing for telecommunications services in the bush. Can the minister confirm whether the government has provided assurances to the NFF that the government will mandate parity of pricing for line rental charges? If so, what is the nature of those assurances?

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (4.16 pm)—Thank you, Senator Conroy. I gave that answer in question time yesterday.

Senator CONROY (Victoria) (4.16 pm)—The Deputy Prime Minister claimed that it was in the ministerial statement. I am just wondering whether you can clarify who is right.

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (4.16 pm)—I gave the answer yesterday. That is correct.

Senator CONROY (Victoria) (4.16 pm)—The Deputy Prime Minister seems a little confused so perhaps you might want to explain, at least for the Deputy Prime Minister, what the situation is. The Deputy Prime Minister answered in the other place and did not seem to have a clue what you were talking about.

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (4.16 pm)—Senator Conroy, I am going to turn up in Hansard what I said yesterday and I will inform you again of precisely what the price parity pillar that the government has agreed to contains. I have not heard anything to the contrary put by Mr Vaile, but for more abundant caution and for clarity I will turn up my answer so that there can be no doubt.

Senator CONROY (Victoria) (4.17 pm)—To clarify: I was talking about line rental charges, not call costs.

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (4.17 pm)—Yes, I understand that.

Senator CONROY (Victoria) (4.17 pm)—Can the minister confirm whether the government has provided assurances to the NFF that the government will mandate parity of pricing for retail broadband charges?

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (4.17 pm)—No, we have not.

Senator CONROY (Victoria) (4.17 pm)—Has the government provided the NFF with an assurance that the ACCC’s upcoming decision on unbundled local loop pricing will not result in differential retail pricing for various regions of Australia?

Senator COONAN (New South Wales—Minister for Communications, Information
Technology and the Arts) (4.17 pm)—I am going to turn up my answer that I gave yesterday, because I have provided that answer. I will add to my previous answer that with respect to broadband it cannot have escaped anyone’s attention—the NFF or the Labor Party or any member of the public—that what the government are doing in relation to broadband policy is that we have very targeted subsidies by way of HiBIS that, subject to the passage of this package before the Senate, will be augmented by a very large package, a $1.1 billion package, that is going to provide not only an augmented broadband subsidy but also one that is going to relate to clever networks and innovative services. So it is certainly not the case that there has been no attention by this government to assistance to those who otherwise would not get broadband at an affordable price.

Senator CONROY (Victoria) (4.18 pm)—I appreciate that you are answering questions that I have not actually asked but I guess the chamber welcomes the minister’s contributions. I want to clarify whether with ULL it is retail pricing or wholesale pricing that you are addressing.

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (4.19 pm)—Wholesale.

Senator CONROY (Victoria) (4.19 pm)—So you would be proposing to overrule the ACCC?

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (4.19 pm)—No.

Senator CONROY (Victoria) (4.19 pm)—They proposed de-averaging. That is what I am trying to get to the bottom of.

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (4.19 pm)—Let us be clear about this. The ACCC are inquiring into it. They have not yet finished their inquiries. Obviously the government will have a look at it when the ACCC have finished their deliberations and, clearly, make a decision then about what we will do.

Senator CONROY (Victoria) (4.19 pm)—So you have not made a decision?

The TEMPORARY CHAIRMAN (Senator Chapman)—Order! I ask both Senator Conroy and the minister to direct their questions and responses through the chair rather than conducting a conversation across the chamber.

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (4.20 pm)—How can the government have made a decision about something when the ACCC is still considering what to do? Obviously the government will make some response. When I answered the question to Senator Boswell yesterday I said—and I am picking up the exact wording so there can be no doubt about it:

Line rental pricing parity—and that is what you are asking me about—is important ... Let me make it very clear that the government can and the government will ensure that people in regional Australia are not disadvantaged in the line rental prices they pay compared to people in metropolitan Australia—in other words, parity arrangements between city and country consumers will remain.

That is not necessarily pre-empting what the ACCC will do. But I did want to be clear that, when I said I had answered it yesterday, that is what I said and that is what I adhere to.

Senator CONROY (Victoria) (4.21 pm)—Thank you. I was just looking for that clarification. Could you table the correspondence between you or the Deputy Prime Minister and the NFF clarifying what commitment you have given to the NFF?
Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (4.21 pm)—No, I would not be prepared to table confidential correspondence between any constituent and my office.

Senator Conroy—This is not confidential; this is about public moneys.

Senator COONAN—Just a minute, Senator Conroy; settle down for a second. If other people make public correspondence, that is one thing; but I am not going to be tabling correspondence between constituents or representative groups and my office if I do not have their consent—but I would not think it appropriate in any event. I am quite happy to answer questions that relate to the expenditure of public moneys in an appropriate way in this debate.

Senator CONROY (Victoria) (4.22 pm)—It is a little hard to ask you a question on something that is a secret. Perhaps you would like to outline it, without releasing the actual correspondence. I appreciate that point that you make, but the substance of the correspondence is a substantive matter to do with the expenditure of public money. I am seeking to find out what is the substance of the commitment that you have made to the NFF in writing.

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (4.22 pm)—There are no commitments made to the NFF apart from the issues to do with pricing parity. I will refresh my memory as to whether there are any matters that I think should be brought to the attention of the public. There was another issue to do with the network reliability framework, and I put that on the record when I answered a question in this place a couple of days ago. I will check whether or not there are any other matters that need to be brought to the Senate’s attention.

Senator CONROY (Victoria) (4.23 pm)—Thank you for that, Minister. I have two questions. Firstly, I understand that the Deputy Prime Minister has written to the NFF. Are you aware of what is in that letter?

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (4.23 pm)—I did not see a settled letter. I have no idea whether a letter was written or not. I do not have a copy of a letter signed by the Deputy Prime Minister to the NFF. If it is somewhere in my office, I will correct the record, but I certainly do not have one.

Senator CONROY (Victoria) (4.23 pm)—Thank you for that, Minister. I have two questions. Firstly, I understand that the Deputy Prime Minister has written to the NFF. Are you aware of what is in that letter?

Senator CONROY—Secondly, I understand that the Deputy Prime Minister has written to the NFF. Are you aware of what is in that letter?

Senator COONAN—Yes, I am aware of what is in that letter.

Senator CONROY—Thank you. I am not actually seeking to catch you out; I am actually just trying to clarify if you know what he said, because there is a substantive difference between what it appears the Deputy Prime Minister said and what you are saying here. I am just trying to ascertain what that is. This is from the NFF press release:

NFF has sought and received a guarantee from the Government in regard to future pricing parity, for both basic telephone and broadband services...

So they believe they got a commitment about broadband.

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (4.24 pm)—As I understand it, they believe that they are entitled to what I have said about parity. That means that there will be that equivalence, if you like, or certainly equal treatment of metropolitan and country areas, as I said yesterday. In relation to broadband, of course they as representative of country constituents are entitled to access the subsidies from the government. As I understand it, the NFF were particularly pleased with the very large pack-
age—the $1.1 billion package as well as the $2 billion communication fund—that actually delivers affordable broadband in places where otherwise it would not be available.

Senator CONROY (Victoria) (4.25 pm)—Thanks, Minister. I appreciate the point you are making, and you have been consistent on broadband for some time, so what you are saying is not inconsistent with what you have said consistently, I think the words you used were ‘affordable broadband’. That is not quite the same, though, as a guarantee from the government with regard to future pricing parity for broadband services. You understand that that is a substantive difference. The NFF believe they have received a commitment from the government, so I am seeking, in the very limited time available to us, to clarify what it is the government has said to the NFF. I am hoping that you, as the minister with carriage of this, can give us some clarity. Otherwise the NFF are going to discover that they have misunderstood the government’s position.

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (4.26 pm)—I would be very surprised if the NFF have misunderstood, and I think it is consistent with the interpretation in their press release and it is consistent with what I have said.

Senator CONROY (Victoria) (4.26 pm)—I think you acknowledged—maybe Hansard did not get it, but you seemed to nod—that the words ‘affordable broadband’ are different to the words ‘a guarantee about future pricing parity for broadband’. They are two different things. Both are noble goals, but they are two different goals.

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (4.26 pm)—I really think that it is a difference of emphasis. Certainly the outcome is very much the same. I think it does not really matter much to the National Farmers Federation how they deliver decent services, be they phone or broadband services, to their constituents in rural and regional Australia. I, as the minister, have made it very clear what our commitment has been, not only to the NFF but more broadly, although I acknowledge the NFF have worked constructively through these issues. I, for one, am very pleased not only for the NFF but for people living in rural and regional Australia. This government can stand on its extremely proud—in fact, unparalleled—record of acknowledging, where people otherwise would not be able to get these kinds of services, that not only can they get services, so they have access to services, but they are affordable because of the government’s subsidies. I am quite sure that that is how the statement that you have read out can be construed and I feel very comfortable that everyone is clear about what is being delivered, not only in terms of pricing parity but also in terms of the package that delivers broadband.

Senator CONROY (Victoria) (4.27 pm)—I understand and accept the point that you make, and I think I do fully understand it. HiBIS does delivers a subsidy to broadband users, but the subsidy is not the same as a guarantee from the government of future pricing parity for broadband services. I just want to be clear: you have not given the NFF a guarantee for future pricing parity for broadband. They have the HiBIS system, which delivers—but ‘in a different way’ is your argument—but there is no guarantee about future pricing parity.

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (4.28 pm)—I can appreciate how you are trying to pin down why it is different, but it is not. HiBIS does deliver broadband parity; that is exactly what it does. And the NFF knows that absolute
parity for broadband, for instance, is impossible, since there are so many packages and technologies that deliver it. It is absolute nonsense to be trying to deliver exactly the same kind of parity that you do for line rentals—

Senator Conroy—Different kinds of parity.

Senator COONAN—There are different kinds of parity. But it is a guarantee that this funding will flow. To be perfectly fair to the NFF, I think they are entitled to have said what they said. I think that makes perfect sense and it is consistent with the fact that HiBIS also delivers parity. Because you have a different product with different technologies, different mixes and different amounts that people want, or whatever they can eat in a broadband sense, obviously you have got to deliver it through a different mechanism, but their claim is correct.

Senator BOB BROWN (Tasmania) (4.30 pm)—I want to bring the minister back to the question I asked before lunchtime about the $2 billion fund that is alleged to be there to ensure that maintenance of rural and regional areas will be maintained for telecommunications into the future. The question I asked the minister was, ‘How much, on a per annum basis, would be coming from that $2 billion in the coming year, in 10 years from now and in 50 years from now, to ensure that those services are being maintained?’ Let me make it clear that the mere idea that $2 billion is going to make up for the 14 per cent of services we know are failing at the moment is ridiculous because Telstra’s own information is that you need $2 billion to $3 billion to have been invested in by now just to catch up on the standards that are expected. The government is not going to insist on that. The government is saying there is a $2 billion fund and the interest from that will be available for the maintenance of all services, including for the 14 per cent of failed services that already exist. That is not going to happen. I think the committee and the public deserve to know how much is going to come out of that fund—that Senator Joyce and his Nationals colleagues have voted for—to have a go at fixing up a proportion of services. We know it is not going to fix up anything like all or even half of the failing services, but how much will that fund provide to have a go at fixing up some things for rural and regional services while the massive money gets poured into the big end of town and the big cities?

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (4.32 pm)—It is extraordinary the way Senator Brown, in particular, and certainly some Labor senators and others, pick out the bit of information that suits them and then try to assert it as fact. Senator Brown’s question seems to be premised on Telstra’s information that they used to try to stump up in excess of $2 billion from the government for the roll-out of their proposed new broadband network, which is not consistent with information that Telstra gave to the regulator. Everyone gets to see the number of telephone faults that occur in this country, and everyone can see how quickly they are repaired, because this government has put in place a consumer framework to provide that information. I think it is very important for those who want to participate in a telecommunications debate that they have a basic understanding of how this gets reported. It is very important not to misrepresent technical network data simply because it might suit the basis of some political argument. The 14.3 million calls about faults quoted in the Telstra document certainly does not seem to correlate with the information that Telstra has provided to the regulator, ACMA. It is up to Telstra to explain this discrepancy. I have
written to them about that to reconcile the apparent discrepancy. Telstra publicly reports monthly on the percentage of services which were fault free and those numbers are monitored by ACMA. Telstra cited these figures when announcing its annual results on the same day that this other document was presented to the government as evidence that customer service performance continued at a high level across Australia. That is what they said in the morning. These numbers are publicly available on Telstra’s web site and show that, on a national average, more than 99 per cent of services were fault free in July 2005. The regulator, ACMA, publicly releases information every three months on fault repair and reports annually on actual numbers of faults.

Our focus is on providing all Australians with reliable, high-quality services. That is a reasonable objective and it is a reasonable expectation that Australians have. We achieve this by setting tough regulatory arrangements, including the USO, the customer service guarantee, the network reliability framework and, of course, price controls. The latest fault repair time performance figures show that 91 per cent of telephone faults were repaired within the customer service guarantee time frames in the last quarter. That is three percentage points higher than for the same quarter in 2004. To give Senator Brown an idea of just how much Telstra’s performance has improved in recent years, according to Telstra’s figures which are public and checked, back in 1998 when the Howard government introduced the customer service guarantee Telstra was repairing just 70 per cent of telephone faults on time. It is now up to more than 90 per cent, and the government has just delivered a package of strengthened consumer protection measures, including further improvements to the customer service guarantee and the network reliability framework designed to achieve greater repair response times.

The facts are that telephone faults inevitably occur, but when they do they are fixed quickly in accordance with the customer service guarantee. It is an interesting statistic for the Senate that, on average, a phone service will have a fault once in seven or eight years. Just picking up on Senator Brown’s question, it is very interesting that service standards, at least under this government, have remarkably and markedly improved. Subject to getting some explanation as to the reason for the discrepancy, I simply do not accept the fact that the faults that were referred to as part of Telstra’s advocacy to government are necessarily consistent. It may be that they are measuring something differently, using a different metric, and I am very interested in the answer to that.

Getting back to the other part of Senator Brown’s question, obviously the $2 billion will be available on the assent of these bills and will be deposited in a term deposit from day one whilst an investment mandate is developed. You would certainly receive from day one, when it is constituted, not less than the cash rate. As Senator Brown would know—because we have talked about this absolutely ad nauseum—the proceeds will be available to respond to those issues that have been identified as particular needs in rural and regional Australia that require investment and remediation or whatever it might be. The independent telecommunications inquiry that will be held every three years will identify how the interest on the deposit is to be paid. When I say that is what will happen from day one, obviously there will be an investment mandate developed.

It is very interesting to note that, from my information, a very similar fund, the Queensland Investment Corporation, returns, I think, in the order of eight per cent. It would
obviously be an objective that we put in place an investment mandate and investments that will ensure that the amount that is earned on the $2 billion will grow and be available for investment and use in response to the recommendations of the independent regional telecommunication inquiry.

Senator ADAMS (Western Australia) (4.39 pm)—As a rural based Liberal senator for Western Australia, I would like to put on the record my appreciation to my fellow Liberal senators and members for the work they have done behind the scenes to ensure that rural, remote and regional Australia has adequate communications services.

Senator Conroy—Stop abusing the committee process.

Senator ADAMS—Senator Conroy cannot have it both ways on regional communications. On the one hand, after visiting two rural centres with a committee, Senator Conroy claims he knows what rural Australia needs in terms of services but, on the other hand, he has been abusing anyone seeking to deliver those services.

Senator Conroy—This is an abuse of the committee process.

The TEMPORARY CHAIRMAN (Senator Chapman)—Order, Senator Conroy.

Senator Conroy—The government is chewing up the remaining, pitiful committee time that we have left.

The TEMPORARY CHAIRMAN—Order, Senator Conroy. All senators are entitled to the call during the committee stage of debate.

Senator Conroy—This is a blatant misuse of the process.

The TEMPORARY CHAIRMAN—This is the first opportunity—

Senator Conroy—No, it is not. You had Senator Ronaldson earlier.

The TEMPORARY CHAIRMAN—Order!

Senator ADAMS—Senator Conroy criticised government subsidies of satellite internet because, as far as Labor is concerned, if the copper wire does not reach your premises, tough luck. I would like to say to Senator Conroy that I happen to be one of those people who has been very fortunate—

Senator Conroy—I don’t mind having a debate with you—just don’t do it in the committee stage.

Senator ADAMS—I am going to continue. As far as I am concerned, the HiBIS satellite subsidy, which in Western Australia has been taken up—

Senator Conroy—I will see you on the adjournment later tonight, if you like. Stop wasting the time that you voted could be limited.

Senator ADAMS—Senator Conroy criticised government subsidies of satellite internet because, as far as Labor is concerned, if the copper wire does not reach your premises, tough luck.

Senator Conroy—You are filibustering on your own gag. It is a disgrace.

Senator ADAMS—I am just trying to explain how lucky I am and how lucky my fellow colleagues throughout rural and remote Australia are.

Senator Conroy—Do it in the adjournment or stand up in the debate.

The TEMPORARY CHAIRMAN—Senator Conroy, you know very well that all senators are entitled to contribute during the committee stage of a bill. We are dealing with the motion that the bill stand as printed. I call Senator Adams.

Senator ADAMS—Thank you. The 9,000 Australians in more rural and remote areas who enjoy satellite broadband would be abandoned if Senator Conroy had his way.
So where does Senator Conroy actually stand on these issues? He does not want the government spending money on regional telecommunications but he says that they need to improve. He continually says that the government cannot sell Telstra because the phone company will leave town as fast as the banks did, but it was his own party that sold the bank. Senator Conroy said:

Given half a chance, a privatised Telstra would leave town quicker than the banks.

A bank left our town but we were rather fortunate that we had two banks that decided to stay.

What Senator Conroy fails to understand is that this government has a range of protections in place for rural and regional Australia. We have a customer service guarantee, a universal service obligation, a local presence plan and targeted funding for where the market will go. If Senator Conroy is concerned that proper protections were not in place when the Commonwealth Bank was privatised, perhaps he had better cast his mind back to those—

Senator Conroy—On a point of order: Mr Temporary Chairman, I was just wondering if you could explain how the Commonwealth Bank has anything to do with the telco bill and whether you would like to bring her back to the actual committee stage.

Government senators interjecting—

Senator Conroy—No, she has about 10 pages there that she is planning on reading. This is a filibuster inside your own gag, and it is a disgrace.

The TEMPORARY CHAIRMAN—Senator Conroy, you have raised a point of order. Let me rule on the point of order. Senator Adams is addressing the issue of the privatisation of Telstra, and the Commonwealth Bank was also a Commonwealth business enterprise that was privatised. I am sure that Senator Adams will be mindful of the need to make her remarks relevant to the legislation. I call Senator Adams.

Senator Lundy—Mr Temporary Chairman, I rise on a point of order. My point of order is about the opportunity that you took, Mr Temporary Chairman, to make a comment on this debate while trying to chair this debate.

The TEMPORARY CHAIRMAN—I made no comment, Senator Lundy.

Senator Conroy—You should check the Hansard.

The TEMPORARY CHAIRMAN—I made a ruling.

Senator Conroy—No, you made some commentary first.

The TEMPORARY CHAIRMAN—I made a comment to the effect that all senators are entitled—

Senator Lundy—You made a contribution on the debate from the chair and I think that is out of order.

The TEMPORARY CHAIRMAN—I made no contribution to the debate. I call Senator Adams.

Senator ADAMS—I will now quote from my first speech, which I delivered in the first week of the parliament. In my first speech, I said:

It is essential that the regulations set down for the privatisation of Telstra allow for rural and remote Australians to be given access to new communications technology. Australia’s wealth is created in regional, rural and remote areas, and it is important that business opportunities are not lost due to inadequate communication services.

Senator Conroy—Mr Temporary Chairman, I rise on a point of order. I understand there is a standing order to do with tedious repetition—like reading out your own speech.
The TEMPORARY CHAIRMAN—I call Senator Adams. There is no point of order.

Senator ADAMS—I have experienced first hand the improvement of telecommunications services in rural and remote Australia and I want to be guaranteed that it will continue. The reason I read my speech was to be able to say to my constituents in rural and remote Australia that I have been given that guarantee. I was fortunate enough to sit on the inquiry on Friday. I have been fully informed and I am very satisfied as to where I am going. I have also today received emails about the integrity I said I would use to make informed decisions in this place. I feel I have done that and I fully support the bill.

Senator BOB BROWN (Tasmania) (4.45 pm)—The difficulty here is that Kojonup is not being well served by Senator Adams. The problem here is that she is using a false analogy. Telecommunications services are improving in the Congo from a very low base. They are improving right around the world. The problem is that we are not getting the services that are equal to those elsewhere in comparable countries in the world and the statistics show that.

I want to go back to the minister and this fund. She has now effectively shown that there is going to be less than $160 million a year out of this fund available for the catch-up and the patch-up of the telecommunications system. It is patently short of the mark. Senator Joyce is back in the chamber. There is a $2 billion catch-up—that is Telstra’s own assessment to start off with—and with this $160 million, and it is going to be less than that, it is going to take decades to catch up the shortfall as at 2005. Then there is a whole suite of other things that Telstra will have failed to deliver. The minister gave us some figures on the complaints about faulty service that were not answered within the prescribed period. Let us hear the figures for the bush. You know that it is loaded in the bush as against the CBDs, where the fix-up rate is much higher. It is a use of figures which does not reflect the situation in rural and regional Australia.

What we do know today, what is manifestly obvious here—and this is the answer to the question that Senator Joyce should have asked but did not—is that $160 million per annum maximum will be available over the coming years to fix up a system that needs $2 billion up front to bring it up to scratch. It is not going to work. The money is not there. It is a failed prescription. Senator Joyce knows that and the National Party know that. But they have been heavied into accepting this failure under threat and coercion. The whole party has. The big wigs in the National Farmers’ Federation, the millionaires, came out yesterday.

I ask the minister to look at the figures for the people who have been forced off family farms during the Howard period if she wants to look at statistics, and add those to the mix that we are dealing with today. What a sell-out this is. What a failure this is. Surely somebody on the government side over there looked at these figures, which you now give the Senate in answer to a question from the Greens, and saw that they were manifestly inadequate.

Beyond that there is no guarantee that that $2 billion will not be dismantled in the next budget or the budget after. There is no guarantee on that money at all. We know that it is not going to get bigger. We know that in a decade or two down the line it is not going to matter a twinkle to the growing disparity between what the bush and the big end of town get in telecommunications and the servicing of telecommunications. This is a failure to defend the bush by the National Party and by those Liberals who live there, like
Senator Adams, who should have had this defined and set in place now. It is not defined and it is not set in place and the sharks are circling—the sharks who are going to make money out of this are circling to rip apart—

Honourable senators interjecting—

The TEMPORARY CHAIRMAN (Senator Chapman)—Order! Senator McGauran, interjections are disorderly. Likewise, Senator Conroy, interjections are disorderly.

Senator BOB BROWN—Finally, a family impact statement—Family First is missing in action. It is a flop, isn’t it? Senator Fielding came in here as the representative of family impact statements. Today he voted against a family impact statement being asked for before the final debate. Family First voted against having a family impact statement on this massive bill that affects every family in the country—end of Family First; end of its mission statement. Total failure! Flop! The minister says: ‘There was a statement. It was brought into cabinet and you cannot see it, people of Australia.’ I notice that the Treasurer said that he had not seen it either. I simply do not believe her. It is a farce and Family First is a farce with it.

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (4.51 pm)—What is extraordinary about Senator Bob Brown’s recent contribution is, firstly, that he should be so gullible; secondly, that he can be so wrong; and, thirdly, that he has failed to inform himself by not turning up to the committee. Senator Conroy, to his credit, turned up to the committee; Senator Joyce, to his credit, turned up to the committee. Senator Bob Brown did not turn up to the committee, where he could have seriously tested some of these propositions with Telstra there as a witness. He could have tested the propositions with Telstra as to how good or bad their figures were.

Instead, what he has done is swallow the line about Telstra’s faults by looking at one set of information that Telstra has put out, instead of clarifying what metric they are using and instead of looking at ACMA’s response and report. The next thing he has done is swallow the line that Telstra has been underinvesting in its network, without having a clue as to what he is talking about and without having a clue as to what money is available.

It is pretty obvious when you look at the capital expenditure that is available for this year—which I notice Senator Brown did not concede and probably does not know—Telstra told the market on the morning of 11 August that for 2005-06 it would be around $4 billion, up from $3.6 billion in 2004-05. The Telstra management identified areas where it thought Telstra had underinvested in relation to its pitch to government for a contribution of some $2.5 billion.

What is important to get very straight about this is that Telstra is responsible for investing in its own network. It is not the responsibility of the Australian taxpayer to invest in Telstra’s network. It is the responsibility of the Australian taxpayer, through the government, to look at where it is necessary—because there is market failure—for there to be subsidies to ensure that all Australians, irrespective of where they live, have an opportunity to have access to affordable and available services.

We know from the deregulation of telecommunications in 1997 that competition works extremely well. We know that because the economy is about $10 billion bigger and we have more than 100 telecommunications providers. We know that, where there are reasonable populations, competition will ensure that new services are available and
bundles of products are available—all sorts of options and choices are available. That is very good for consumers. But we also know that, in areas where it is simply uncommercial for telecommunication providers to operate, it is appropriate—because we think it is important that people have decent telecommunication services—that there be subsidies provided.

Working back from that, instead of accepting what Telstra suggested—upgrading its network—the government prefers a competitively neutral and a technology neutral approach. We know that combinations of solutions deliver better outcomes than simply mandating one type of technology and supporting one telecommunications provider. Otherwise, as Senator Brown would appreciate if he thought about it for a moment, you would end up remonopolising the whole of Australia, and you would not get the same degree of benefits that competition would bring.

It is certainly not correct that there will be no investment in Telstra’s network. Telstra is responsible for investing in its own network. This government will continue to look at the needs of rural and regional Australia, and the needs of those who otherwise would not get these benefits, through our targeted investment.

We know that, under the current design, Telstra gets the lion’s share of the HiBIS program money. It is certainly not correct to say that Telstra is simply limited by the investments in the $2 billion fund going forward. Obviously, Telstra will have a fair share because of its footprint across Australia and because Telstra is capable of delivering very good services. Telstra is a good company and it delivers very good services to a lot of people who otherwise would not have any. We know that they will have an opportunity to come up with these kinds of solutions—as they do now in rural and regional Australia—and to have access to the subsidies. The important point is that there seems to be some confusion here. People seem to think that somehow the taxpayer should be responsible for all of Telstra’s upgrades.

The final point is that whether or not there is underinvestment is a very moot point, with $4 billion, up from $3.6 billion, being available in 2005-06. My recommendation to Senator Brown is that if there is a committee in which you can find out this sort of information you should go to it. If you choose not to and you are going to ask me questions, please get your fundamental facts straight first.

Senator BARTLETT (Queensland) (4.57 pm)—We now have ¼ hours left for the consideration in detail of these five pieces of legislation. We are only on the first of those five pieces of legislation, although one is tempted to observe that perhaps the speeches to date have not gone terribly much to the specifics of the Telstra (Transition to Full Private Ownership) Bill 2005.

I remind the Senate and those following this debate that the Democrats have a range of amendments that go to some—only some—of the key flaws with this package of legislation. I am not naive enough to think that any of those are going to get passed in the current political environment. Clearly, the deal has been done, the brains have been switched off, all intelligent argument is now redundant and we can just do our finger pointing across the chamber and ignore what is in the interests of the public, who, one has to remind oneself occasionally when listening to debate here, we are meant to be serving in considering these issues. Nonetheless, there are amendments there and they go to improving some of the flaws with the legislation.
The amendments are to the second and third bills. At the rate we are going, we are obviously not going to get to the second and third bills. The logical place to raise those issues and seek a response from the government would be when we get to those bills—I could move the Democrats amendments then. Because of the guillotine and the way this debate—to use the term loosely—is occurring, that does not seem likely, so I will need to raise some of them here, even though that is less than ideal.

There are a few key points that need emphasising here. We have had some commentary throughout this debate in the last few days—which is all we have been allowed to have—about the bush and services to the bush. Senator Adams made a reasonable contribution before about her experience as a person who lives in rural Australia. The Democrats have been as strong as anybody about emphasising the importance of decent services to rural and regional Australia and the importance of actually taking some of the pressure off the cities by getting good quality infrastructure—including high-quality broadband and other telecommunications services—to as much of regional and rural Australia as possible.

Just speaking personally for a minute as somebody who has lived their entire life in a range of different houses but never more than five kilometres from the GPO in Brisbane—so I suppose that counts me as an inner city person, although I do not drink lattes—there is ample evidence about massive failures in the delivery of decent quality telecommunications services, let alone at decent prices, to people in the capital cities—not just in the outer urban areas but in the middle or close to the middle of capital cities.

Whilst I am a supporter of good quality services to the bush, I do think that if we keep this blatant pork-barrelling mentality without proper equality—in a sense, it has been over the top with regard to value for money or even how best it can be delivered—there is a real risk of getting a divide going. There are millions of people in the cities who are getting appalling services from Telstra. The way the regulatory regime is currently structured—and it is not going to improve under this legislation—they are going to continue to get bad service. If you have people living in the middle of cities continually being told that there are billions of dollars—even though it is not true—going to rural areas when the services are appalling in the cities, I think you run a real risk of some resentment developing between the city areas and the country areas.

I would ask people who like to push the rural pork-barrelling approach to think of that because there is undoubtedly a growing concern amongst many in the Australian community that there are endless buckets of money being poured into various areas and various industries to prop them up for political purposes whilst other businesses, other communities and other industries in city areas are getting nothing. That is a recipe for a divided community, let alone an economically inefficient approach, and it is one that is at risk of being exacerbated by the approach here. The Democrats support the attempt to establish a regional review committee to assess how things operate over the coming few years but I do not see why it should be regional only. I do have a concern that it tilts attention even further away from addressing some of the very real, very serious problems that exist in the cities.

I would like to also mention the issue of operational separation. Perhaps if the minister has an opportunity she will respond to this. I note she clarified or corrected the answer that she gave in question time today about the ACCC and that she has actually received correspondence from the Australian
Competition and Consumer Commission relating to certain aspects of operational separation. I note that she also said at the time that she is still not proposing to release the letter but I do think it is incumbent on the minister that before the Senate votes on something like this we get an indication of just what the concerns of the ACCC are, what issues they are raising and how serious those concerns are so that we can have more of an informed vote. The minister said that the ACCC have said that operational separation is a ‘workable model’. That does not really seem to gel with the evidence they gave at the Senate committee last week.

Before I get fingers pointing at me and am asked why I was not there, I admit I was not there. Actually, I was there; I was at the back of the room occasionally. But Senator Allison from the Democrats was there and she was doing a good job on our behalf so I did not feel the need to cramp her style by adding my presence, although I certainly followed the proceedings. We only got six minutes per witness, so it was pretty difficult for her to make a telling contribution. But she was there and certainly she did work effectively at getting some of the information out.

One of the pieces of information that came out included the views of Mr Samuel about the operational separation model. It was actually in response to a question from Senator Brandis, who also was there. He probably got a few minutes per witness as well. He asked Mr Samuel whether or not the ACCC was satisfied with the government’s operational separation model. According to the Democrat’s minority report in the committee report, Mr Samuel said:

... there are about five outstanding issues that need to be developed. It would depend on the satisfactory development of those issues, which are quite significant issues, including compliance, investigatory powers and the like, before I could give an opinion on that.

That seems to me a pretty clear indication from the ACCC—which, remember, actually has to try to oversee Telstra’s performance in the telecommunications market—that there are significant outstanding issues about the government’s operational separation model. I know the way the government have worded this legislation—they have this blank cheque to give themselves until the end of time to sort things out—but I do think it is appropriate, particularly given that the minister has confirmed that she has correspondence from the ACCC, to at least inform the Senate prior to this vote about the nature of those concerns and how serious they are, because I believe that will be a key issue into the future.

The other aspect that has to be emphasised with operational separation is that there will be a plan put forward as to how this is going to operate. If we look at who is going to write that plan, it will be Telstra. If we look at what the obligations are with regard to that plan, it is quite clear that the minister may or may not decide to give Telstra a direction requiring it to submit a draft rectification plan if it is seen to be operating in a way that is at variance with the operational separation plan, once it is finalised. The key question that I think needs to be asked is: if Telstra contravenes the final plan, when that is finally done and which will probably take many years, will the minister give a guarantee that the government will give a direction to Telstra requiring it to rectify its actions?

Our view is that, in any case, it is an inadequate process because there is still a whole range of steps, draft rectification plans, before a final rectification plan, giving Telstra plenty of time in the meantime to wriggle their way out of things. It does not even seem clear whether or not it is automatically an obligation of the minister of the day under the law to make Telstra do anything about it if they do contravene that plan.
I would appreciate it if the minister could, firstly, give more detail about the ACCC’s concerns and, secondly, say whether or not there will be a definite requirement on the minister and future ministers to act under the law if Telstra do contravene the operational separation plan.

**Senator COONAN** (New South Wales—Minister for Communications, Information Technology and the Arts) (5.07 pm)—Firstly, I want to commend Senator Bartlett on stepping into the breach in his leader’s absence. It is an absolute mystery that Senator Allison, who is not only the leader of the Democrats but also the Democrats spokesperson—

**Senator Conroy**—We are feeling smug today, aren’t we?

**Senator COONAN**—Not at all. I am just interested because Senator Allison seems to have always taken such a close interest in these matters, yet Senator Bartlett has valiantly stepped into the breach. I think that should be commended. In fact, he has put forward a good argument about a number of matters and I am going to do my very best to give Senator Bartlett some answers that he can take to Senator Allison to show her how well he did.

The first point, broadly, that he raised was his concern that metropolitan areas not be left behind in the acknowledged emphasis that this government put on providing services to rural and regional Australia, for the very simple reason that that is the area where there is most need. Quite simply, it makes a big difference to how you live, work and do business if you have decent communications in rural and regional Australia. Whilst it is extremely important right throughout Australia that people have good services, from having travelled extensively around Australia I know that if people do not have those services in more remote areas it really can be a matter of life and death. The government make no apology for the fact that we think it is important that we address the market failure areas; of course, both numerically and geographically, rural and regional Australia is where the greatest preponderance of those areas are.

That is not to say that there are not some bad spots, some black spots, in metropolitan areas. But I am happy to inform the Senate that as competition develops they are certainly disappearing. Two years ago, around 900,000 households in metro areas could not access a terrestrial broadband service. I am happy to tell the Senate that that number has dropped to just 200,000, and it will continue to drop. Commercial solutions are the reason that metropolitan broadband black spots are disappearing. Telstra has invested hundreds of millions of dollars upgrading its copper network to make it ADSL enabled, and wireless broadband is now available in metro areas as an alternative solution for people who cannot get ADSL. In the next couple of months we are going to have excel enabled ADSL2 become available.

So for households that do not get a commercial solution—and we know that Telstra was prepared to invest, I think, $3.1 billion in this kind of broadband roll-out because, they said, it was commercial—the government has, as part of its Broadband Connect program, a $50 million metro Broadband Connect program. It will pay providers to connect people in that position to affordable broadband. Metro Broadband Connect will commence in January 2006. So there can be no suggestion that the government is either ignoring or not aware of issues in metropolitan Australia, because it has targeted assistance where broadband is simply not commercial. I am assuming that no-one in this Senate would support, where there is a commercial solution, doing the taxpayers’ dough on top of that. This government be-
lieves, and I would assume everyone on the other side of the chamber would support the government in this contention, that it is where there are areas of market failure that taxpayers’ dollars should be invested. That is the justification for it; you certainly cannot justify spending taxpayers’ dollars if there are viable commercial solutions providing what is required.

The other major point of Senator Bartlett’s contribution related to operational separation. About that I say that the government have developed a model that is workable and that will deliver benefits to all Australian consumers. The advantage of this particular model is that it does not unreasonably interfere in Telstra’s legitimate commercial operations. If it were to unreasonably interfere in Telstra’s commercial operations we would have a telecommunications company on our hands that simply would be unable to function.

The government’s approach to operational separation includes roles for both the minister and the ACCC. It has been developed in consultation with the ACCC—and of course my department and Telstra—over a number of months. The plan is the core component of the arrangements. The plan is under development—it still has to be developed—and this legislation puts in place the core framework. We believe it is appropriate that the minister determines what the plan should cover and approves the final plan. That is certainly not an unusual approach. It has, for example, been adopted in relation to development of the local presence plan. I have not heard anybody complaining bitterly about the fact that there is a ministerial role in the development of that. Also, the minister determines the requirements for the price control regime, and I have not heard anybody complain about that—probably because nobody realises that the minister has a role in all of these particular regulatory frameworks.

The ACCC will have a critical role to play in both implementing and enforcing operational separation. No minister is going to exercise their powers under these arrangements without taking advice. The ACCC is of course one of the key agencies that will be providing advice to government. I want to place on record that I appreciate the contribution the ACCC has made in the very constructive discussions that we have had so far. The ACCC will have the ultimate enforcement responsibility if Telstra is found to be breaching a rectification plan. It is my understanding that it is no secret that the ACCC has indicated in the past that it has concerns about the structural arrangements in the telecommunications industry but has walked away from requiring structural separation as such, as has the former opposition communications spokesman, Mr Tanner. I notice Mr Tanner is very complimentary about the government’s model.

Senator Conroy—What?

Senator COONAN—He is very complimentary about the government’s operational separation model. In fact, he tried to pinch it as his own idea, which I thought was very amusing. It is very flattering, I must say, that Mr Tanner is so enamoured of the operational separation model—

Senator Wong—Madam Temporary Chair, I rise on a point of order. We are in a committee debate, which the government has guillotined so that we have less than an hour. The minister is now talking about opposition policies. We have five bills before us. We ought to be able to discuss those bills in the short time that the government has allowed us to do that.

The TEMPORARY CHAIRMAN (Senator Kirk)—There is no point of order.

Senator COONAN—It is abundantly clear that the Labor Party does support the fact that there needs to be operational separa-
tion. It is a plan that this government has developed. I can understand how those on the other side get a bit antsy about the fact that we have actually done it. You wimped out on not only operational separation; you wimped out on doing anything about Telstra. You corporatised it and left it stranded. You were not prepared to take the consequences. This government is finally liberating this telecommunications company from the yoke of government ownership to let it get on with providing decent services for Australians and to let it invest and grow.

At the Senate Environment, Communications, Information Technology and the Arts Legislation Committee hearing last Friday, the ACCC indicated that it had considered alternative models for operational separation. It also indicated that it believes there are a number of matters relating to operational separation that will need to be carefully addressed during the process of developing the operational separation plan. I agree with the ACCC. However, for the purposes of today’s debate, let me say that while the ACCC has expressed its views on operational separation—and I take those views very seriously—it has also publicly acknowledged that the model can work. The ACCC has said that the government’s proposed model for the operational separation of Telstra:

... maintained the balanced approach of the existing regulatory regime while recognising that Telstra is in a unique position through its local access network monopoly of being able to stifle innovation by frustrating its competitors’ investment plans.

For this reason, the ACCC welcomes changes which should increase transparency and equivalence in the way Telstra provides key access services to its own downstream operations relative to those of its competitors.

Clearly, we will work very closely with the ACCC in relation to issues that it has brought to us, as indeed we will on issues that have been brought to us from a number of other stakeholders, including Telstra. It is entirely appropriate, as we develop the operational separation plan, that we do so in consultation, that we take into account issues that have been raised and that we have an operational separation plan that has the intended objectives.

Senator JOYCE (Queensland) (5.19 pm)—I want to know if there is any reason at all why the current government ownership would be a predetermination for a better service than a fully privatised entity—

Opposition senators interjecting—

Senator JOYCE—No. I think this should be on the record. One of the key issues is what actually gets better services out to regional Australia. I cannot for the life of me think of one reason why the current ownership would get better—

Senator Conroy—Madam Temporary Chair, I rise on a point of order. I seriously implore the minister to respond. This is a question about the philosophical basis of ownership. It has nothing to do with the bills. You cannot filibuster in your own gag in the committee stage when you have given us one hour to go.

Senator Ronaldson—On the point of order, with the greatest respect to Senator Conroy, there was a long discussion this morning about job losses. In light of that and a wide range of other topics that were discussed, Senator Joyce is totally within his rights to raise the matter that he is raising.

The TEMPORARY CHAIRMAN—There is no point of order.

Senator JOYCE—This is only going to be a short question, and really it does not require much of an answer. I just want to get it on the record. There is always the belief that because the government has sold Telstra it does not get a return from it. Of course it
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does; it gets 30 per cent of the tax profit, which is a huge return. So, if the company grows and becomes more prosperous, the potential further return from the company is immense. But I am interested to know whether there has been any scoping of what the sale price of the share might be in the future. I want to know that because a future Labor government might be in control of 51.8 per cent of the shares. Everybody needs to know whether Labor would rescind that, whether they would bring it back into public ownership. We need to know whether they would move that motion.

Senator Conroy—You can’t ask the minister a question about Labor policy.

Senator Coonan—I can’t answer it.

Senator Conroy—Correct. He has asked you a question, Minister.

Senator Wong—Madam Temporary Chairman, I rise on a point of order. Minister, are you answering?

Senator Coonan—I am saying that I do not know what Labor’s policy is.

Senator Wong—The minister does not want to answer you, Senator Joyce.

Senator Coonan—I am going to in due course.

Senator Wong—I am happy for the minister to take the call ahead of me to answer the question.

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (5.22 pm)—I thank Senator Joyce for that very perceptive contribution, because what we have to look at when we look at telecommunications more broadly is: how can we deliver good services throughout rural and regional Australia? Back in 1997, this government set down a path of ensuring that there would be a competitive playing field that would actually deliver these services and would encourage competition to ensure that in populous areas competition would deliver the benefits that people need in choice and availability. That was the genesis of our looking at what we can do to ensure that we can actually deliver services in rural and regional Australia and non-commercial areas.

Part of deregulation was to sell Telstra, and the progressive sale of tranches of Telstra has meant that investments can be made into rural and regional areas that otherwise would be unlikely to be made—certainly in the magnitude that is being offered under this current package—if Telstra remained government owned. However, the most important thing that the government have often said inhibits us from being able to look across Australia at what services need to be rolled out to deliver competition is the fact that you cannot seriously regulate Telstra and own it. You simply cannot be the rules setter and the owner of the largest competitor in the paddock.

For all of those reasons, the government have said that, apart from the fact that it is not a good investment on behalf of taxpayers to have all your eggs in one basket—and that has been demonstrated by the volatility of the Telstra share price over the past few weeks—we think that the taxpayers’ investment in Telstra can be otherwise deployed in a more appropriate mix of investments that are going to deliver a better outcome for the economy, consumers and Australians more broadly. So, when you consider that what we are doing is encouraging competition, delivering services and encouraging investment in new infrastructure, that is really where we now look at the contemporary need to divest ourselves of our interest in Telstra. Telstra needs to be freed of the yoke of government ownership. It needs to be fast on its feet, it needs to be nimble and it needs to invest in infrastructure that will enable it to provide—
Senator Lundy—Madam Temporary Chairman, I rise on a point of order. It is one of relevance, because the minister is just responding to a dorothy dixer put by Senator Joyce and wasting the committee’s precious time.

The TEMPORARY CHAIRMAN (Senator Kirk)—There is no point of order.

Senator COONAN—Senator Wong very graciously deferred to me so that I could deal with the senator’s question. I did offer to give her the call, but as I have it I wish to continue and finish my response to Senator Joyce. The new infrastructure that this government want to encourage, where we do not pick providers and do not mandate technology, will be augmented by the competition that Telstra will have to face as a private company. Telstra will need to attract investment and invest in new and innovative services, as I am sure it will. We know from what we have seen already that it is very anxious to do just that. That can only be to the benefit of consumers. But the final point is that, where the market fails, the government are determined that we will not leave Australians behind. We will ensure that those who otherwise cannot get services will be able to get telecommunications services going forward and access to reasonable services at an affordable price, irrespective of where they live.

Senator WONG (South Australia) (5.26 pm)—I hope Senator Joyce listened to the answer that the minister provided, because it did not appear to me or, I suspect, others on this side that there was a cogent argument put as to why removing public ownership of Telstra was going to lead to better outcomes for regional Australia. But that is a matter for you, Senator Joyce, to consider after your many public statements.

I rise to speak briefly—because I am conscious that my fellow senators have a very short amount of time in which to debate the rest of these bills. I am one of those senators who were not permitted to speak in the debate on the second reading because this government chose to guillotine the debate of these very important pieces of legislation to prevent senators from putting our views, our party’s views and the views of our constituents in the context of the debate on the second reading. That is what is happening here today. We have a highly controversial set of legislation and a highly controversial policy issue before the chamber, and this government has chosen to run away from the debate and to gag and guillotine the debate so that in less than an hour we will have to vote on it.

Senator Coonan—You took 10 hours.

Senator WONG—Senator Coonan says that we took a number of hours. So we ought, because this is important legislation about which the majority of the Australian people are with those on this side of the chamber. They do not want Telstra sold. If you want to come in here, debate your position and use your numbers, as you will, to vote on this legislation, that is your prerogative, but you should at least have the courage to have the debate and not have senators like me and others on this side and on the cross-benches prevented from speaking on the second reading of this bill—prevented from speaking on a highly controversial issue.

Senator Coonan—You ran away from debating the bill.

Senator WONG—You have had a lot of time to put your points of view, Minister. Perhaps it would be appropriate for you to let some senators on this side of the chamber who have not had the opportunity to put their views to do so now. There are a couple of things that I would like to put on the public record in terms of some of the emails and communications I have had from constituents in South Australia, because the fact is
that the great majority of the communications I have had as a senator for South Australia are from people from all over the state who do not want Telstra sold. They do not think services in South Australia are up to scratch, and they do not see what these bills—what the government’s package—will actually deliver for South Australians.

It is not only regional areas. I will come to some regional and rural issues in a moment, but I am conscious of the time. As I said, we only have 45 minutes and Senator Conroy very graciously has allowed me to speak despite the fact that he is the shadow minister and has barely been able to get a word in edgewise because he has had a filibuster from the other side. I have had many emails, but this one is from the outer metropolitan suburb of Marino, which is in the seat of Boothby, a government seat. It is complaining about the fact that there is no broadband connection available. Even the mobile phone connection is often flaky and subject to dropouts. This is what this constituent says: ‘It would seem that profit is still driving Telstra,’ rather than the provision of reasonable services to even many people in metropolitan areas of Australia. This is not even in an outer metropolitan suburb of Adelaide, although I suppose you could argue that it is almost outer. It does not have proper broadband connection. He says, ‘Why is profit still driving Telstra?’ Tell me, Minister: how is privatising this company going to assist with this constituent’s complaint and the many others that I have received?

My next point is for Senator Joyce’s benefit, if he has not read his email today, because he is so interested in regional Australia. Perhaps he should be listening to the South Australian Farmers Federation. They are not known, I concede, for their strong support of many Labor policies. But on this issue I think you will find, Senator Joyce, despite whatever criticism you might make of the Labor Party, that in fact we are representing the interests of the South Australian Farmers Federation. What did they say in their release today? It is headed ‘South Australian Farmers Federation: say no to Telstra sell-off’. Their release says: The South Australian Farmers Federation does not support the full sale of Telstra by the Federal Government while rural and regional areas of this state suffer from some of the oldest and poorest infrastructure in the country. If we don’t act now, South Australian farmers will be passing on a substandard telecommunications system to future generations on the land. Ring the Federation to register your support for the campaign. We will take it to South Australia’s political representatives in Canberra …

It ends, Senator Joyce, by saying: Selling off Telstra means selling out our country people.

These are not my words; these are the words of the South Australian Farmers Federation. This is the sort of debate that you do not want to have. That is why you have gagged the debate and why those on that side, including those who have eaten up the time in this committee stage, voted for a gag—so that you did not allow us to have this discussion. It is an outrageous misuse of power. More importantly, perhaps those on the other side who pretend to represent regional Australia should be listening to some of the constituents in South Australia who have written to me and to other South Australian senators, I am sure, indicating their opposition to the sale of Telstra.

 Senator RONALDSON (Victoria) (5.32 pm)—Madam Temporary Chair, I just want—

 Senator Conroy—What are you standing up for?

 Senator RONALDSON—I actually want to finish the time that I did not use this morning. I would assume those opposite are not
going to deny me that opportunity. I just want to clarify—

Senator Wong—You voted for the gag!

Senator RONALDSON—Look, Penny, with the greatest respect, you just said before that we are here to debate the bills and put our views, our parties’ views and our constituents’ views—

Senator Wong—It is Senator Wong, actually. You might not like it, but I got elected!

Senator RONALDSON—I am sorry; and that is exactly what I am going to do. Thank you very much for allowing me the opportunity to speak in the Senate. It is very gracious of you. What I would like to raise again, for Senator Wong’s benefit—

Senator Wong interjecting—

Senator RONALDSON—You obviously were not here this morning, Senator. I will read this out to you again so that it is on the public record—

Senator Conroy—It is called tedious repetition; it is against standing orders. Now sit down!

The TEMPORARY CHAIRMAN (Senator Kirk)—Senator Conroy—

Senator Conroy—If you want to filibuster your own gag, you get what you deserve, all right?

The TEMPORARY CHAIRMAN—please address—

Senator Conroy—You are filibustering your own gag.

Senator RONALDSON—In relation to this absolutely fundamental issue about ownership, for Senator Wong’s edification, can I again indicate to her what her shadow minister has said in relation to—

Senator Lundy—Madam Temporary Chair, I raise a point of order. I am actually seeking your guidance. Is there a standing order that prevents senators from being appallingly patronising in this chamber?

The TEMPORARY CHAIRMAN—There is no point of order.

Senator RONALDSON—Is there a standing order where actually appointment to the Senate has got to be merit based? Can I again go through for Senator Wong what her own shadow minister has said in relation to this issue. He said that it makes no difference to the majority of Australians one way or the other about the ownership structure, so please don’t come in here and say it. You can have a philosophical debate, but at least know what your own party stands for. There is one other matter that I want to raise. There are others who want to speak; I respect that and acknowledge it.

Senator Bartlett interjecting—

Senator RONALDSON—I did not interrupt you, Andrew. There was a long debate this morning about jobs. I am going to ask the minister a question in a second about jobs. I am going to ask her after I have made some preliminary comments, which I assume I am entitled to do, to discuss what was said about jobs over the last 24 hours—Telstra jobs. Last night the Labor Party were running around with a whisper campaign that they had found some secret document identifying massive job losses. When they were pressed overnight as to where this secret document was, they could not produce it. So they back-pedalled last night and back-pedalled this morning. We got to the stage today where Senator Conroy was saying, ‘Maybe it’s 5,000 jobs; I don’t know.’

My first question to the minister is whether she is aware that there were 24,000 jobs in Telecom cut between 1990 and 1994. In two of those years, the Leader of the Opposition was the minister for communications. I also ask the minister if she is aware that the Commonwealth Bank Sale Act was
introduced into the House on 19 October 1995, passed by the House on 25 October, introduced to the Senate on 26 October 1995 and passed on 27 November. Is she aware that it was not referred to a Senate committee? Is she aware that the Qantas Sale Act 1992 was introduced into the House on 4 November 1993, passed on 11 November, introduced into the Senate on 12 November—

Senator Conroy—Madam Temporary Chair, I raise a point of order. These questions have nothing to do with the bill before the chamber. I ask you to draw the senator back to the matters at hand. This is a point of order about relevance. What does the Commonwealth Bank sale bill have to do with the bill before this chamber right now? This is a disgraceful filibuster. You gagged us and you are now taking up the time so that we cannot even ask simple and straightforward questions or engage in trying to have some debate, when we were gagged earlier today. This is a disgrace.

Senator Coonan—Madam Temporary Chair, on the point of order: this morning when we started the discussion there was certainly some discussion in the chamber about the loss of Telstra jobs.

Senator Conroy—He was asking you about the Commonwealth Bank.

Senator Coonan—He also asked about the loss of Telstra jobs.

Senator Conroy—I’m not talking about that.

Senator Coonan—Okay. If that is the problem, that is not an issue.

The TEMPORARY CHAIRMAN—There is no point of order. Senator Ronaldson, I draw your attention to the legislation before the committee.

Senator RONALDSON—Just to finish off, I assume that the minister is aware that the Qantas sale was not referred to a Senate committee and nor was the CSL sale bill.

Senator Conroy—Madam Temporary Chair, I rise on a point of order. This is not relevant. This is a dorothy dixer outside the terms of this bill. We have only got an hour. At least allow us to ask questions for an hour.

The TEMPORARY CHAIRMAN—There is no point of order.

Senator RONALDSON—I also ask the minister, in relation to the issue of regulations and Telstra, whether she is aware of the question that I asked Telstra on Friday on their profit for this year and the previous year and whether she is aware their response was that there is about $100 million or $200 million difference in the profit—very marginal—which would put paid to the argument by Telstra that government regulation has somehow destroyed this company’s profit. I ask the minister if she could answer those questions for me.

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (5.39 pm)—Before I respond to Senator Ronaldson’s questions I want to point out, and I will be extremely brief about this because I do acknowledge the time, that by the time the debate proper on the bills had begun—this is talking about the gag and the unreasonableness or otherwise of the government’s approach to this—10 hours had been taken up debating motions and undertaking general debates rather than debating the bills. They were ready to be introduced last Wednesday. It is fair to place on record that all the procedural motions, the arguments about the cut-off motions and the general hubbub meant that the time for debate is limited. But that is not of the government’s making; I had the bills ready to go last Wednesday.

Senator Conroy—You moved the gag.
Senator COONAN—You could have had the bills available a week ago and you could have had a general debate. That is my point. You are wrong when you say that you could not have had those bills. Had you not had all these time-wasting procedural motions, you could have. You know that obfuscation and resistance to debating these bills has gone on for hours and hours and days and days. The bills were available to be debated last Wednesday, if you had not carried on about a cut-off.

In relation to Senator Ronaldson’s perceptive questions that did relate to loss of jobs, they are important because it has been said that Senator Conroy has been running around with a nonexistent document, beating up some story about loss of jobs, and he got caught out.

Senator Conroy—It does exist and you know it.

Senator COONAN—Senator Conroy got caught out because he does not have it.

Senator Conroy—I never said I had the document.

Senator Lundy—Madam Temporary Chairman, I raise a point of order. My point of order goes to the minister misleading the Senate. Her response in question time today in fact confirmed that there was a document in existence.

The TEMPORARY CHAIRMAN—There is no point of order.

Senator COONAN—On Senator Conroy’s interjection, he still says that a document exists, yet Telstra says that it does not. Mr Beazley and Senator Conroy were both running around yesterday implying they had some secret Telstra document or they had seen some Telstra document about job cuts and demanding that it be released. From the media yesterday, it is pretty obvious that there is no such document. They have not seen a document. Telstra informed the Australian Stock Exchange last night that the corporation has not taken any decision to cut 10,000 jobs, as stated by Senator Conroy, or 14,000 jobs as reported in the media. It informed the Australia Stock Exchange of that, obviously in response to Senator Conroy’s misinformation.

Senator Conroy is becoming a serial pest as far as the Australian Stock Exchange is concerned. It has obviously had to clarify the position or else people might think that he knew what he was talking about. Once the Stock Exchange had this information conveyed to it, Senator Conroy started backpedalling frantically. He tells the Senate that it might not be 14,000 jobs, but it might be 8,000 jobs or 500,000 jobs. He has effectively admitted that he is making a complaint to the corporate regulator on the basis of some sort of political guess. It is inappropriate to behave in a misleading fashion like that. Labor and Senator Conroy need to stop running scare campaigns on behalf of the union and the CPSU and stop waving around press releases; they need to start focusing on a bit of sound telecommunications policy.

Labor will do or say anything to progress some agenda about job losses. I cannot believe that the Labor Party would walk in here and start talking about jobs. If we look at Labor’s record, what did we get? One million people out of work. Close to 11 per cent of people lost their jobs because Labor could not manage the economy—and Labor actually comes in here and talks about jobs. Senator Ronaldson is quite right that, under Mr Beazley’s tender regime and Labor’s mad privatisation of everything that moved, something like 24,000 people lost their jobs in telecommunications. That is a disgrace. It is an appalling record and it shows not only that Labor cannot manage telecommunications but that it cannot manage the economy either.
Senator Conroy—Madam Temporary Chairman, I rise on a point of order. What has that got to do with the bill before the minister? Will you take the dorothy dixer in question time? We have only 45 minutes left.

Senator COONAN—You raised it.

Senator Conroy—You are talking about the general unemployment rate under Labor; it has nothing to do with the bill, Helen. Come on, we have 45 minutes left.

Senator COONAN—You raised jobs, not me. Getting back to Senator Conroy’s adventures of the last day or so, he has put jobs fairly and squarely in the middle of this debate and he cannot make his case and he is embarrassed. He has simply overreached, as he usually does, and he has run flat into a brick wall. Now Telstra has clarified for the Australian Stock Exchange that Senator Conroy has got it wrong. He is running around in an irresponsible fashion and he is an absolute disgrace.

John Stanhope has spoken about jobs and Telstra announced publicly that it had made redundancy provisions in August but was yet to make any decision on job cuts. It was announced by Telstra’s chief financial officer more than a month ago and it has been reported in the media repeatedly. An issue does not become a scandal simply because the Labor Party fails to stay on top of its brief and comes to something late in the day and still gets it wrong. The only thing Labor has exposed in this argument about jobs and Telstra is its own ignorance and ineptitude.

Another very important point that Senator Ronaldson raised was about regulation. Regulation is really part of this debate, Senator Conroy, and I feel compelled to respond to Senator Ronaldson. It is true when you look at it that Telstra’s profits do not appear to have been impeded by the existing regulatory regime. I think you would have to say if you compare last year’s profit and the profit they announced a couple of weeks ago—$4.4 billion—that they could not have been severely constrained by the existing regulatory regime. When you look at claims that Telstra are overregulated I think they are a bit overstated. Australia has a very balanced and specific regulatory framework which contains the same elements that you get in most countries. It is an access regime that will ensure that there can be new market entrants and that they can get access to essential services provided by the incumbent telecommunications company. That is all about the ULL—and I distinctly recall Senator Conroy asking me a question about the ULL in the earlier part of that debate—and the rules to tackle allegations of anticompetitive conduct, which is also an important part of it. There are price controls and specific consumer safeguards like the USO.

Telstra’s very high degree of both vertical and horizontal integration is, I think, of itself evidence that the existing regime is not too tough and that it does need operational separation. If you look at the situation overseas then you can see that in Australia we have got a very benign regime. In fact, experts who advise on these matters say that Australia’s regime is benign. In Australia the regulator does not have powers, for instance, to force divestment or separation of companies, although I think that that is something Mr Tanner urged on Telstra some years ago and then abandoned it as a loony idea. Telstra is not prevented from operating in any part of the market and it has probably the most integrated telecommunication business in the world, with platforms across fixed line, mobile, a directory business and a pay TV business. In the first instance it is expected that access prices are settled through commercial negotiation as opposed to those being fixed by the regulator, so the costs of providing the USO are shared by the whole industry. In other countries, including the UK, the in-
cumbent is expected to absorb the entire cost of providing the USO.

Finally, in response to Senator Ronaldson—because I do note the time—this regime has served us well. We know that the economy is $10 billion bigger and that small business is $2 billion better off through the deregulation of the telecommunications regime. We know that we have got over 700 ISP providers, over a hundred telecommunications providers, and a vibrant and emerging telecommunications market. We are going to put in place these enhancements to the competition regime that will be good for competition, good for the economy and, as Mr Samuel said in response to a question, good for Telstra. It will be good for consumers and it will certainly be good for the economy more broadly.

Senator CAROL BROWN (Tasmania) (5.50 pm)—I have a question to put to the minister, but before I do I would like to say a couple of things about the disgraceful situation we are confronted with in the Senate today. As a new senator I have been astounded by the arrogance displayed by the Howard government in bringing these matters on in this way. Indeed, we have seen an early signal of what is to come. Under this government the role of the Senate as a legitimate house of review, a check and balance on executive decision making, will be treated with contempt.

In the last week we have seen a government prepared to only go through the motions, allocating one day in front of a legislation committee for five bills surrounding a $30 billion taxpayer asset. Today we have seen a government that, once it placates its black-sheep senator, moves the guillotine debate to gag the voices of senators and states that are bitterly opposed to this push. Why? Just in case Senator Joyce wanders off again. Having done this, it moves to gag the debate about whether we should have a debate. And now we have this farce. It is disgraceful and the Australian community deserves better.

Senators are not small elements of one great big Liberal rubber stamp. They are here to make sure that the bills that pass into law are robust, legitimate and do not have unintended consequences. You cannot do that with one day before the legislation committee. You cannot do that if you gag the debate on these bills in such a shameful way. I firmly believe that there are many more risks posed by the proposals before us than benefits. With majority government ownership, Telstra has a duty to consumers, and where things are not up to scratch the government wears the blame—and there is plenty of blame for this government to wear. However, make no mistake: a privatised Telstra will be driven by shareholder interests at the expense of consumers. It will be profits before phone calls, bottom lines before basic services, and percentages before people.

We have had a taste of this over the last few years, with ever-increasing service and line rental charges, while actual services in many parts of the country are declining. It is a sad irony to be paying so much more for so much less. To a degree, that is why the government is restricting analysis and debate on this matter. It thinks it can win the vote; it knows it cannot win the argument on telecommunications services in Australia. We have said repeatedly over the last few days that these bills cannot and will not stand up to scrutiny. No amount of diversion, clouding or downright misinformation from the government will change the fact that Telstra’s services should be fixed and the 51.8 per cent of the company that remains in government hands should stay in government hands. The government knows it, and the last thing it wants is to be shown up, as it would
have been through a full debate in this chamber.

The government’s arrogance and risks to the community aside, this move also begs the question: what is the rush? Is there a sale planned this weekend? Are we issuing a prospectus next week? Are we even looking at flogging Telstra off this year? ‘No, we are not,’ say the Prime Minister and Senator Coonan. ‘We will wait till the price is right.’ I stand here today to argue that the cost is wrong. The cost is wrong on many fronts.

I live south of Hobart, the capital of Tasmania. I commute 20 minutes from my home to the Hobart CBD. In that 20-minute trip it is possible for me to experience major drop-outs in mobile phone reception. This is within 20 minutes of the centre of Hobart, on one of the busiest highways in Tasmania’s south. One, in particular, occurs at the top of the southern outlet and still within the greater Hobart municipality. ‘Okay,’ you might say, ‘perhaps the beautiful green rolling hills of Tasmania are getting in the way; perhaps the trip up the southern outlet momentarily interrupts what is otherwise the top-quality telecommunications service you would expect in a state capital city.’ But no—far from it.

Take a trip up the Brooker Highway, the main arterial road into Hobart from the north, and you will find the same thing: black spots—more black spots than you will find on a Dalmatian. As a tradesman at Austins Ferry explained to one of my state colleagues, his business is suffering because of the mobile phone drop-outs he has to deal with. This is at a time when we are dealing with skills shortages in traditional trades. There is plenty of work but, increasingly, no way of reaching the worker. Or take my family home in Leslie Vale as an example. On a good day, a mobile phone conversation is available if I face south. On a bad day, if I put my head out the window I might be able to get some mobile phone reception. Tasmania is suffering from black spot fever, and that is just in mobile services. It is ridiculous. It should be fixed and the government should be held accountable. It should be fixing Telstra, not flogging it off.

Mat Rowell, the Chief Executive Officer of the Tasmanian Council of Social Service, was reported today in the Mercury newspaper as saying:

... recent Tasmanian research showed many outlying residents could not get mobile coverage at their homes...

Dial-up services were often too slow and regularly dropped out and ... there were instances where residents had bought CDMA phones after Telstra maps showed they would get better coverage, only to later discover this was not the case and they were then left with a phone that could not be used.

This is a shocking indictment of this government’s mismanagement of the nation’s telecommunications infrastructure. Tasmania deserves more than this. If we look at the in-ground technology that underpins Tasmania’s economy and innovative ICT businesses, the story is even worse. The fixed line network in Tasmania is in an ever-deteriorating state. One of the major problems associated with Telstra service delivery in Tasmania is the state of the copper network in the ground. There are cables known to have faulty pairs, giving rise to noisy circuits and unreliable and insecure services to Tasmanians. There are cables in the ground known to be major breakdowns waiting to happen. There are even major cables in the ground that are full and have no spare capacity, for which there are no remedial works in place or plans for upgrades. It is a joke.

Then there is the great con of pair gains. For those not familiar with the concept, a pair gain system is a small switching system that allows an existing telephone line to provide service to multiple customers. Pair gains
were meant to be a stopgap measure in Tasmania, providing additional telephone services where cable constraints existed, but instead they became par for the course. Because pair gains were meant to be an interim measure, they have a range of limitations for telephone users. The most common arrangement is 15 or 16 customers sharing five telephone lines in the exchange: a six-by-15 or a six-by-16 pair gain. This means that if more than five of the 15 or 16 people want to use the phone at the same time, the sixth customer and any customers beyond that will get an engaged signal when they pick up the phone. Whilst I am far from an expert on telecommunications infrastructure, it is fairly apparent that congestion problems and no dial tone problems will be more prevalent where lines are shared.

Let us put a human dimension on this for a moment. One case in particular that I am aware of involves a young woman in Chigwell who has an asthmatic son. She regularly picks up the phone to be met with no dial tone due to the widespread pair gains in her street. Aside from the worry this causes her, she is of course paying for a full phone service and line but is potentially receiving only one-third of a service. What do the government say to this woman and the thousands of others around Australia in similar situations? They say, ‘We will flog it off, we will make some cash and then, presumably, we will line up next to you saying it is not good enough and the phone company should do more, but we as a government are powerless to act against market forces.’

Telstra makes all sorts of claims about broadband being available in a majority of suburbs or centres across Tasmania, but it will not tell you that hundreds of these centres still have huge broadband black spots. Telstra claims its technology is not capable of reaching these black spots, but that is only partly true. In Canada, for example, broadband reaches twice the distance it does in Australia. Why? Canada invested in better technology than Telstra did. This aside, at a time when Telstra has posted an annual profit of over $4 billion, mums and dads in Hobart suburbs cannot even access ADSL services, let alone anything more advanced. ADSL is simply jazzed-up copper wire, yet even if you live in some areas close to the centre of Hobart and therefore to an exchange, such as Fern Tree or Mount Nelson, you still cannot access ADSL. Compared to the rest of the world, Telstra’s broadband ADSL service is the equivalent of tin cans and string, but at least in some parts of Hobart you can access it. Once you travel outside the city, things only get worse.

But beyond this plan to sell Telstra, and the spin the government puts out, there are those living in far-flung places who have an equal right to expect quality telecommunications services. We live in the age of communication. We are surrounded by an ever-increasing array of technological tools to help us in our daily lives and we should all expect to be able to access them. A fully privatised Telstra would be even less likely to extend the benefits of new technology to regional and remote Australia. You only have to look at the way Australian banks have pulled back to the cities to see that there is not a lot of money to be made by private banks or telcos in the bush.

My questions to the minister are these: what contingency measures are in place to improve the state of Tasmania’s failing telecommunications infrastructure, and what guarantees, if any, did Tasmanian Liberal senators seek for improving telephone access and services in the state as the government made its move to fully privatise Telstra? Further, how much of the Telstra slush fund will be spent in Tasmania, a state without National Party representatives?
Senator BRANDIS (Queensland) (6.01 pm)—In contributing to the committee stage of the debate, I do not think the historic significance of this occasion should pass without being noticed, because if shortly this bill is read a third time then this will probably be the last occasion in Australian history on which a major Commonwealth trading corporation will have been denationalised. I believe that 14 September 2005 will go down in history and be remembered by historians of future generations as a red-letter day in the development of the Australian economy.

Today brings to a culmination, at the instance of the Howard Liberal government, a series of progressive public policy measures to denationalise industry, which first began with the Menzies Liberal government. When the 19th parliament was elected in 1949, the first Liberal government began the process of denationalising the Australian economy. It began by denationalising the Commonwealth Whaling Commission. Who could believe in this day and age that two generations ago the Commonwealth ran a nationalised whaling corporation? Later on in the 19th parliament, the great parliament elected in 1949, the Menzies government denationalised AWA—Amalgamated Wireless Australasia—Commonwealth Oil Refineries and the Commonwealth Aluminium Corporation. There were others as well but those are four that come to mind. Each of those enterprises, which had through the socialist doctrine of the time fallen into public ownership—the most inefficient way of holding and conducting those enterprises—moved into private ownership and prospered. When the Commonwealth Whaling Commission was denationalised and the shares in it were taken up by private capital, it became the foundation of a—

Senator Lundy—Mr Temporary Chairman, I rise on a point of order. Just to be consistent, I do not think the Commonwealth whaling organisation is relevant to this debate.

The TEMPORARY CHAIRMAN (Senator Ferguson)—What is your point of order?

Senator Lundy—My point of order is one of relevance.

Senator BRANDIS—Can I speak to the point of order?

The TEMPORARY CHAIRMAN—Yes, you can.

Senator BRANDIS—As I often do, I am trying to put this legislation into an historical context.

The TEMPORARY CHAIRMAN—There is no point of order.

Senator BRANDIS—The denationalisation of the Commonwealth Whaling Commission in 1950 by the first Liberal government, the Menzies government, laid the basis of a prosperous industry, which today, in more environmentally sensitive times, we no longer support, but for decades it was a prosperous industry in private hands. The denationalisation of Amalgamated Wireless Australasia in 1950 laid the foundation—

Senator George Campbell—Mr Temporary Chairman, I rise on a point of order. I would like to have some explanation from you as to how this issue of the AWA even gets near to the issue of relevance of the bill before the chamber. This is a filibuster. It is outrageous. They are using up time; they are preventing the opposition from genuinely questioning the minister about issues relating to this bill. It is an absolute disgrace and history will judge you, Senator Brandis! It will judge you!

The TEMPORARY CHAIRMAN—Senator Campbell, resume your seat. There is no amendment before the chair and we are debating the whole bill in committee. There is no point of order. I call Senator Brandis
and I remind him of the bill that we are debating.

Senator BRANDIS—The denationalisation of that industry provided the foundation for one of Australia’s most prosperous industries today—the commercial radio industry. The argument we have heard from the opposition in relation to the Telstra bills is that they will destroy telecommunications in Australia. Yet, if you look at every Commonwealth corporation that has been denationalised by both Liberal and Labor governments over the course of the last 55 years—a course of history brought to fulfilment and culmination on this historic evening—in every case the denationalisation of that industry, the placement of its capital into private hands and the discipline of the market, has been the foundation of its prosperity. So it came to be with the denationalisation of Amalgamated Wireless Australasia. It was similarly the case when, in the 19th parliament, Commonwealth Oil Refineries Ltd was denationalised. Does anybody seriously suggest that the introduction of private capital into the oil refineries—

Senator Conroy—Mr Temporary Chairman, I rise on a point of order. You did give a commitment to five minutes, George.

The TEMPORARY CHAIRMAN—Senator Conroy, that is not a point of order.

Senator Bartlett interjecting—

Senator BRANDIS—I do not have long to go, Senator Bartlett. The denationalisation of Commonwealth Oil Refineries Ltd likewise provided the foundation for a rich, prosperous oil refining industry in this country—which, had it remained tied up in government hands and not been subject to market discipline, would not have happened. Finally, there is Comalco. People think of Comalco today as a company traded on the stock exchange, but Comalco was the acronym of the Commonwealth Aluminium Corporation. In those days, in the 1940s, courtesy of the Labor Party, then in the thrill of their socialist doctrines, refining of aluminium was regarded as something which should be done by the government, not by private enterprise.

The interesting point to make is that, when each of those enterprises—the Whaling Commission, Commonwealth Oil Refineries, Comalco, AWA and several others that I cannot remember at this moment—were denationalised, the denationalisation of those industries by act of parliament was opposed by the Labor Party in the Senate. Senator Conroy, if you care to check the Hansards of 1950 and 1951, you will see the same tawdry, predictable arguments that are being made by you and your colleagues today about the denationalisation of Telstra were being made about those enterprises, too. History is against you, Senator Conroy. You were wrong then and you are wrong about it today.

Senator Mason—The ghost of Ben Chifley.

Senator BRANDIS—The ghost of Ben Chifley might stalk the Senate, Senator Mason, but fortunately the shade of Robert Menzies stalks the Senate in a more illustrious form this evening. When this bill is passed, it will bring to fulfilment and glorious completion 55 years of history—55 years in which my side of politics has been on the progressive side. We have led the argument and we have set the agenda. Our approach was followed by the Hawke and Keating governments but there has been some recalcitrance and recidivism, sadly, by the modern directionless Labor Party which Senator Conroy is embarrassed to have to apologise for in the chamber this evening. Today is a great day for free enterprise and a great day in Australian history. Having made
those preliminary remarks, I have a question for the minister.

Senator Bartlett—On a point of order: the Senate would well be aware—and this should be a lesson for Senator Joyce—that, having gagged us and having indicated, with only 15 minutes to go—

The TEMPORARY CHAIRMAN—What is your point of order?

Senator Bartlett—The senator promised that he would speak for five minutes. He cannot even keep his word for one second.

The TEMPORARY CHAIRMAN—Senator Bartlett, resume your seat! There is no point of order.

Senator BRANDIS—I have 15 minutes, as all other senators do, but I did indicate informally to Senator Conroy that I expected to be only about five minutes—and I will be if you allow for the time taken by all of the interjections and the frivolous points of order. I finished my preliminary remarks on the point of free enterprise and the competitive effects of this progressive legislation which brings to fulfillment 55 years of Australian history. Through you, Mr Temporary Chairman, I ask the minister: having regard to the evidence of Mr Graeme Samuel, the chairman of the Australian Competition and Consumer Commission, to the Senate committee which met for eight very full hours last Friday—without Senator Bob Brown or Senator Bartlett—does the minister have any observations to make to the Senate in relation to Mr Samuel’s evidence in which he indicated the ACCC’s support for the operational separation model adopted by the government?

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (6.12 pm)—I am conscious of the time, and I do thank Senator Brandis for his contribution. As I said a little earlier in this debate, the ACCC has said that it regards the government’s model as a workable model. In fact, the ACCC will be working with the government to develop one. In relation to the Telecommunications Legislation Amendment (Future Proofing and Other Measures) Bill 2005, I table a supplementary explanatory memorandum relating to the government amendments to be moved to this bill. The memorandum was circulated in the chamber on 14 September 2005.

Senator BARTLETT (Queensland) (6.13 pm)—If ever there was an indication of how worthless this government’s word is, we have had it from Senator Brandis. As he said on the record, he gave an indication—

Senator Brandis—Mr Temporary Chairman, I rise on a point of order.

Senator BARTLETT—And he will not even give me the two minutes to speak. They made a mistake and left two minutes for us—and they are even trying to gag that.

The TEMPORARY CHAIRMAN—Resume your seat, Senator Bartlett. There is a point of order.

Senator Brandis—Mr Temporary Chairman, I rise on a point of order.

The TEMPORARY CHAIRMAN—Order! I have been asked to rule on a point of order. It was a debating point. There is no point of order.

Senator Brandis—Yes, there is a point of order, Mr Temporary Chairman. I have been reflected on by Senator Bartlett. Senator Bartlett has accused me of breaking my word. That allegation is false and it is unparliamentary and I ask you to correct him.

Opposition senators interjecting—

The TEMPORARY CHAIRMAN—Order! I have been asked to rule on a point of order. It was a debating point. There is no point of order.

Senator BARTLETT—We have had a perfect example that their word does not even last a minute—let alone what it is worth after the legislation is passed. If ever we needed an example that ideology is driving this, not public good, we had the speech from Senator Brandis: privatisation good, public ownership bad; four legs good, two
legs bad. They could not give a toss about the public. They do not care what the impact is—they have got their grand, ideological zealotry implemented. Of course, you have forgotten about Australia Post.

Senator Brandis—Ideology is driving this for the public. It is called free enterprise, Senator Bartlett.

Senator BARTLETT—Look at them. He is going off his tree—’Privatisation has won, hurrah! Bad luck for the public. Bad luck for the facts.’ You are so keen to show how good it is you have gagged debate on any attempt to question what the consequences will be. Not only have you prevented the only opportunity of questioning the minister and reduced it to three hours, you then filled up have of that time with dorothy dixers and filibustering. It is a red letter day for privatisation and it is a black letter day for democracy and for the Senate’s time honoured role of scrutinising the government. And you of all people who have had the hypocrisy to say that the Senate will still do its job properly have been shown to be—

The CHAIRMAN—Order! The time allotted for consideration of these bills in Committee of the Whole has expired. In respect of the Telecommunications Legislation Amendment (Competition and Consumer Issues) Bill 2005, the question is that Democrat amendments (2) to (16) on sheet 4685; amendments (1) to (15) on sheet 4681 revised; and amendment (1) on sheet 4694 be agreed to.

Australian Democrat amendments on sheet 4685—

(2) Schedule 11, item 7, page 34 (line 10), omit “Minister”, substitute “ACCC”.
(3) Schedule 11, item 7, page 34 (lines 11 to 15), omit all the words from and including “If” to and including “Minister.”
(4) Schedule 11, item 7, page 34 (line 16), omit “If a final rectification plan is in force,”.
(5) Schedule 11, item 7, page 35 (lines 5 and 6), omit the definition of “final rectification plan”.
(6) Schedule 11, item 7, page 35 (line 22) to page 36 (line 9), omit subclauses 50A(2) to (6) substitute:
(2) A determination under subclause (1) has effect accordingly.
(3) Before making a determination under subclause (1) in relation to a service that is not an active declared service, the Minister must, by writing, request the ACCC to give a written report about whether the proposed determination would promote the achievement of the aims and objectives of this Part.
(4) The ACCC must give the report to the Minister within 30 days after receiving a request in accordance with subclause (3).
(5) In deciding whether to make a determination in accordance with subclause (1), the Minister must have regard to:
(a) the ACCC’s report; and
(b) such other matters (if any) as the Minister considers relevant.
(6) A determination under subclause (1) is a legislative instrument for the purposes of the Legislative Instruments Act 2003.
(7) Schedule 11, item 7, page 36 (after line 23), at the end of the Division 1 add:
50 Wholesale pricing and price equivalence model

(1) In setting Telstra’s internal wholesale pricing and rules regarding pricing equivalence, the ACCC must approve the final price equivalence model.
(2) Before the wholesale pricing model may be varied:
(a) Telstra must first consult with the ACCC; and
(b) The ACCC must approve the final variation to the price.
(8) Schedule 11, item 7, page 36 (line 24) to page 37 (line 11), omit “Minister” (wherever occurring), substitute “ACCC”.

(9) Schedule 11, item 7, page 37 (line 15) to page 38 (line 24), omit “Minister” (wherever occurring), substitute “ACCC”.

(10) Schedule 11, item 7, page 37 (lines 19 and 20), omit “, the ACCC”.

(11) Schedule 11, item 7, page 38 (line 27) to page 40 (line 19), omit “Minister” (wherever occurring), substitute “ACCC”.

(12) Schedule 11, item 7, page 39 (lines 11 and 12), omit subclause 54(10).

(13) Schedule 11, item 7, page 39 (line 20), omit “not”.

(14) Schedule 11, item 7, page 40 (lines 25 to 34), omit “Minister” (wherever occurring), substitute “ACCC”.

(15) Schedule 11, item 7, page 41 (lines 1 and 2), omit subclause 56A(3).

(16) Schedule 11, item 7, page 41 (lines 3 to 35), omit “Minister” (wherever occurring), substitute “ACCC”.

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Australian Democrat amendments on sheet 4681 revised —

(1) Schedule 4, heading, page 8 (line 2), omit “Penalties”, substitute “Divestiture, market power and penalties”.

(2) Schedule 4, page 8 (after line 5), before item 1, insert:

1A After section 81

Insert:

81A Divestiture—misuse of market power

The Court may, on the application of the Commission, if it finds, or has in another proceeding instituted under this Part found, that a person has contravened section 46, by order, give directions that the corporation divest itself of shares or assets.

(3) Schedule 4, page 8 (after line 23), at the end of the Schedule, add:

3 After section 151AJ

Insert:

151AJA Taking advantage of market power

In determining whether a corporation has taken advantage of its market power, a court is to consider whether:

(a) the conduct of the corporation is materially facilitated by its substantial degree of market power; or

(b) the corporation engages in the conduct in reliance on its substantial degree of market power; or

(c) the corporation would be likely to engage in the conduct if it lacked a substantial degree of market power; or

(d) the conduct of the corporation is otherwise related to its substantial degree of market power.

(4) Schedule 4, page 8 (after line 23), at the end of the Schedule, add:

4 Subsection 152EF(1)

After “for the purpose”, insert “, or with the effect,”.

(5) Schedule 7, page 12 (after line 25), after item 5, insert:

5A Subsection 152AT(10) (heading)

Omit “6”, substitute “3”.

5B Subsection 152AT(10)

Omit “6” (wherever occurring), substitute “3”.

5C Subsection 152AT(11)

Omit “6”, substitute “3”.

5D Subsection 152AT(12)

Omit “6” (wherever occurring), substitute “3”.

(6) Schedule 7, page 13 (after line 3), after item 6, insert:

6A Subsection 152ATA(12) (heading)

Omit “6”, substitute “3”.

6B Subsection 152ATA(12)

Omit “6” (wherever occurring), substitute “3”.

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6C Subsection 152ATA(13)
Omit “6”, substitute “3”.

6D Subsection 152ATA(14)
Omit “6” (wherever occurring), substitute “3”.

(7) Schedule 7, page 14 (after line 11), after item 11, insert:

11A Subsection 152BU(5) (heading)
Omit “6”, substitute “3”.

11AA Subsection 152BU(5)
Omit “6” (wherever occurring), substitute “3”.

11B Subsection 152BU(6)
Omit “6”, substitute “3”.

11C Subsection 152BU(7)
Omit “6” (wherever occurring), substitute “3”.

(8) Schedule 7, page 17 (after line 6), after item 23, insert:

23A Subsection 152CF(5) (heading)
Omit “6”, substitute “3”.

23B Subsection 152CF(5)
Omit “6” (wherever occurring), substitute “3”.

23C Subsection 152CF(6)
Omit “6” (wherever occurring), substitute “3”.

(9) Schedule 9, page 24 (after line 4), before item 1, insert:

1A At the end of Division 2 of Part IIIA
Add:
Subdivision D—Reasonable access

44QA Reasonable access
The owner of a facility that is used to provide a service must make all reasonable endeavours to accommodate the requirements of a person seeking access.

R(9A) Schedule 9, page 24 (after line 4), before item 1, insert:

1B After subsection 7(1)
Insert:

(10) Schedule 9, page 25 (after line 6), at the end of the Schedule, add:

7 After subsection 152AQA(4)
Insert:
Assessing access undertakings

(4A) The Commission must have regard to the determination when assessing access undertakings.

(11) Schedule 9, page 25 (after line 6), at the end of the Schedule, add:

8 After subsection 152AQB(1)
Insert:
Additional core service to be determined by Minister

(1A) The Minister must, by written instrument, declare backhaul routes as a core service for the purpose of this section.

(12) Schedule 9, page 25 (after line 6), at the end of the Schedule, add:

9 After subsection 152AQB(8)
Insert:
Assessing access undertakings

(8A) The Commission must have regard to the determination when assessing access undertakings.

(13) Schedule 11, page 29 (after line 20), after item 3, insert:

3A After subsection 63(2)
Insert:
Mandatory divestiture

(2A) In accordance with subsection 63(2), the Minister must, by written instrument, require Telstra to cease to have any interest or control in FOXTEL by the time Telstra is majority private owned.

(14) Schedule 11, page 29 (after line 20), after item 3, insert:

3B After subsection 63(2)
Insert:
(2B) In accordance with subsection (2), the Minister must, by written instrument, require Telstra to cease to have any interest or control in the Hybrid Fibre Coaxial network by the time Telstra is majority private owned.

(2C) For the purposes of subsections (2A) and (2B), control includes control as a result of, or by means of, trusts, agreements, arrangements, understandings and practices, whether or not having legal or equitable force and whether or not based on legal or equitable rights.

(15) Schedule 11, page 29 (after line 20), after item 3, insert:

3C After subsection 63(2)

Insert:

Dividends

(2D) In any year, or part of a year, in which the Commonwealth holds shares in Telstra, Telstra must not pay dividends other than from profits for the financial year to which the dividends relate or are reasonably expected to relate.

Australian Democrat amendment on sheet 4694 —

(1) Schedule 9, page 25 (after line 6), at the end of the Schedule, add:

Telecommunications (Consumer Protection and Service Standards) Act 1999

7 At the end of section 10

Add:

; and (d) to ensure that the speed of the service required by this section must not be less than 512 kilobits per second from the year 2010.

Question negatived.

Senator Bartlett—Mr Deputy President, on a point of order: to save even the feeble 14 minutes we have left I will withdraw the rest of the Democrat amendments. Obvi-

ously, consideration of what is in the inter-
est of the public no longer an issue for the Senate, so I will not move any more amend-
ments so we can get onto the next stage.

The CHAIRMAN—I am advised that the amendments have to be put, Senator Bartlett. In respect of the Telecommunications Legislation Amendment (Competition and Con-
sumer Issues) Bill 2005, the question is that schedule (9) and schedule (11), item (7) divi-

sion 3 and items (8) and (9) stand as printed.

Question agreed to.

The CHAIRMAN—in respect of the Telecommunications Legislation Amendment (Future Proofing and Other Measures) Bill 2005, the question is that government amendments (1) to (7) on sheet QS333 be agreed to.

(1) Schedule 1, item 1, page 6 (line 10) before “The purposes”, insert “(1)”.

(2) Schedule 1, item 1, page 6 (line 13) after “158Q”, insert “, so long as the response re-
lates to telecommunications services in re-

gional, rural or remote parts of Australia”.

(3) Schedule 1, item 1, page 6 (after line 18) at the end of section 158ZI, add:

(2) In this section:

Australia has the same meaning as in section 158P.

telecommunications services has the same meaning as in section 158P.

(4) Schedule 2, item 4, page 12 (lines 24 to 29) omit subsection 158P(4), substitute:

(4) Each subsequent review must be com-

pleted within 3 years after the last day on which a copy of a statement setting out the Commonwealth Government’s response to the recommendations of the previous review was tabled in a House of the Parliament under paragraph 158Q(6)(b). For this purpose, a review is completed when the report of the re-

view is given to the Minister under section 158Q.
(5) Schedule 2, item 4, page 14 (after line 25) after subsection 158Q(6), insert:

(6A) A statement prepared under paragraph (6)(a) must contain an explanation of how the Commonwealth Government’s response to the recommendations will improve telecommunications services in regional, rural or remote parts of Australia.

(6) Schedule 2, item 4, page 15 (after line 3) at the end of section 158Q, add:

Definitions

(8) In this section:

Australia has the same meaning as in section 158P.

telecommunications services has the same meaning as in section 158P.

(7) Schedule 2, item 4, page 15 (after line 27) after subsection 158T(4), insert:

(4A) The Minister must ensure that at least one RTIRC member is nominated by an organisation that represents the interests of people, or bodies, in regional, rural or remote parts of Australia.

Question agreed to.

The CHAIRMAN—In respect of the Telecommunications Legislation Amendment (Future Proofing and Other Measures) Bill 2005, the question is that Democrat amendments (1) to (12) on sheet 4683 revised and amendment (1) on sheet 4692 be agreed to.

Australian Democrat amendments on sheet 4683 revised—

(1) Schedule 1, item 1, page 7 (after line 19), at the end of section 158ZK, add:

(8) Financial assets to which this section applies must be monitored to ensure that their value does not fall below the fund amount credited in accordance with subsection 158ZJ(1).

(2) Schedule 2, item 1, page 11 (lines 9 and 10), omit the definition of RTIRC, substitute:

TIRC means the Telecommunications Independent Review Committee established by Section 158R.

(3) Schedule 2, item 2, page 11 (lines 13 and 14), omit the definition of RTIRC Chair, substitute:

TIRC Chair means the Chair of the Telecommunications Independent Review Committee.

(4) Schedule 2, item 3, page 11 (lines 17 to 19), omit the definition of RTIRC member, substitute:

TIRC member means a member of the Telecommunications Independent Review Committee, and includes the TIRC Chair.

(5) Schedule 2, item 4, page 12 (line 6) to page 20 (line 1), omit “RTIRC” (wherever occurring), substitute “TIRC”.

(6) Schedule 2, item 4, page 12 (lines 1 to 6) and page 15 (lines 4 to 8), omit “regional” and “Regional” (five times occurring).

(7) Schedule 2, item 4, page 12 (line 7) to page 20 (line 8), omit “RTIRC” (wherever occurring), substitute “TIRC”.

(8) Schedule 2, item 4, page 12 (lines 7 to 17), omit subsections 158P(1) and (2), substitute:

(1) The TIRC must conduct reviews of the adequacy of telecommunications services.

Note: TIRC means the Telecommunications Independent Review Committee established by section 158R.

(2) In reviewing the adequacy of services in accordance with subsection (1), the TIRC must have regard to:

(a) the extent to which those services meet the social, industrial and commercial needs of the Australian people including those in regional, rural and remote parts of Australia, for telecommunications services; and

(b) whether those services are equitably and reasonably available throughout Australia for all people who rea-
reasonably require those services, including whether those services are:

(i) significant to people in regional, rural and remote parts of Australia; and

(ii) currently available in one or more urban parts of Australia; and

(c) the extent to which the objects of the *Telecommunications Act 1997* are being achieved; and

(d) the extent to which the long-term interests of end-users of telecommunications services are promoted.

Note: Section 152AB of the *Trade Practices Act 1974* sets out the requirements for the “promotion of the long-term interests of end-users”.

(9) Schedule 2, item 4, page 13 (line 26), omit “does not include the eligible Territories”, substitute “includes the States, the Australian Capital Territory and the Northern Territory”.

(10) Schedule 2, item 4, page 15 (line 17), at the end of paragraph 158T(2), add:

: or (c) competition policy; or

(d) economics; or

(e) consumer protection; or

(f) Australian industry; or

(g) public policy; or

(h) the needs of community organisations.

(11) Schedule 2, item 4, page 16 (line 16), omit “does not include the eligible Territories”, substitute “includes the States, the Australian Capital Territory and the Northern Territory”.

(12) Schedule 4, page 26 (after line 4), before item 1, insert:

1A After section 8AB

Insert:

8ABA Commonwealth disclosure requirements

For as long as the Commonwealth holds any shareholding in Telstra, if the Commonwealth receives any information that is publicly disclosable under the Corporations Law or Australian Stock Exchange Limited rules, the Commonwealth must advise the board to disclose the information publicly.

澳大利亚民主党修正案在第4692号——

(1) Schedule 1, page 10 (after line 24), at the end of the Schedule, add:

3 After section 159A

Insert:

159C Australian Broadband package

(1) The Parliament requires the Commonwealth Government to introduce legislation before December 2006 to appropriate $7 billion for the Australian Broadband package.

(2) The Australian Broadband package will be used to:

(a) undertake a mapping exercise of optical fibre networks (including dark fibre) and telecommunications satellite coverage in Australia;

(b) develop a National Broadband Plan;

(c) fund the roll out of optical fibre networks and telecommunications coverage for a period of 5 years, commencing in accordance with legislation introduced pursuant to subsection (1).

Note: The development of a National Broadband Plan is to be done by the Department in consultation with ACMA and industry and consumer groups.

Question negatived.

The CHAIRMAN—The question is now that the Telecommunications Legislation Amendment (Future Proofing and Other
Measures) Bill 2005, as amended, and the remaining bills be agreed to.

Question agreed to.


Third Reading

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (6.19 pm)—I move:

That these bills be now read a third time.

Senator CONROY (Victoria) (6.19 pm)—What we have seen today has been the worst abuse of parliamentary process in my 9½ years. Let us quickly recount: the bills were available last Thursday at 12 o’clock; the ad for the Senate inquiry appeared before the bills; one day’s hearing was allowed and it started before submissions closed; we have got to this stage where they have gagged the debate; and, in the most extraordinary display I have seen my 9½ years, they have actually asked dorothy dixers in the committee stage of a bill to filibuster and talk the time out so that we could not get to the bottom of a number of shady little deals that this government has entered into in the last 48 hours.

We know that a deal has been done with the NFF. We have not had a chance to ask one simple question about what is going on here. This government is bordering on corrupt in its dealings with public moneys. We want to know what the dirty deal with the NFF includes. This government has spent the whole day making sure we could not ask these questions. A dirty little deal has been done. We know this because the Queensland Farmers Federation, the West Australian Farmers Federation, the South Australian Farmers Federation and the New South Wales Farmers Federation will be putting out a statement later today. They have all said no; so what is the dirty deal that you have done here?

Quite a few of the Treasurer’s boffins have been in here today. We can see a few across on the other side—the smug faction. They have all had the smirk on—Senator Ronaldson, Senator Brandis and Senator Mason. The smug faction has been in today because they know what they are doing today has been a travesty of parliamentary democracy. I am willing to bet that, if we go back through 20 years of Senate Hansard, we will not see the government filibustering in the committee stage of the bills.

Senator BOB BROWN (Tasmania) (6.21 pm)—Nor is it likely that any bill so important as these has been treated with such contempt as far as procedures are concerned as by this government—certainly not in the last half century in this parliament.

Government senators interjecting—

Senator BOB BROWN—The shouting and braying members on the other side can deal with their guilt however they might—including those who are missing. The Prime Minister made an assurance to the Australian people after the election that the Senate would not be treated with contempt. But today has been wall-to-wall contempt for the Senate and for the people of Australia by the Howard government. The Prime Minister is not here. He is absent. He wants to fly back, with the dirty deed having been done while he is away in Washington.
But the big failure here has been the National Party, who sold out rural and regional Australia today—and they will never recover from that—to the big end of town. They sold out the farmers, as did the National Farmers Federation. They sold out the small towns, they sold out the regional centres and they sold out their constituency. They went to the election saying that they would not do this. They broke that promise to the electorate. They were totally taken in and suborned, Senator Joyce most of all. He went weak at the knees, wimped out, was suborned and collapsed from his promise that he would listen to the people of his own constituency and his own state. And he is not here now. I do not blame him for not being here. What a failure. There was all the lead-up, all the theatre and all the weight of the world on his shoulders. But when he got to the point of standing up for rural and regional Australia and supporting a fair program he collapsed. What is more, his vote endorsed this farce in the Senate today—that is what Senator Joyce did. So much for the promise! He is a total failure. The Prime Minister, from a distance, got what he wanted here today. It is a shameful day for the Senate, it is a shameful day for democracy and it is a shameful day for communications in this country.

Senator BARTLETT (Queensland) (6.24 pm)—For those listening who do not know, the guillotine will come down for a final vote on the Telstra (Transition to Full Private Ownership) Bill 2005 and the related bills in five minutes, and they will be forced through this chamber. The grand dream of the ideological zealots will obviously have been realised, although we still have Australia Post in public ownership. It should be feeling pretty nervous after Senator Brandis’s speech. But the ideological zealots are pleased. Public good has been tossed to one side. The credibility of the National Farmers Federation, such as it was, has been shredded for all time. The grand bright prospect—speaking as a Queenslander—of Barnaby Joyce coming along and standing up for Queensland has disappeared in record time as well.

Speaking of standing up for Queensland, I want to raise, as Senator Conroy did, the communication from Mr Gary Sansom, the President of the Queensland Farmers Federation, a body which represents over 14,000 primary producers in Queensland, with 14 commodity organisation members.

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Senator Boswell interjecting—

Senator BARTLETT—I hope you are not reflecting poorly on the commodity members of the Queensland Farmers Federation, Senator Boswell. There are 14 commodity organisation members under the signature of the president, including the Queensland Irrigators Council and cotton growers. They supported Senator Joyce. They put out a statement today. I have not got time to read it because of the gag, so I will summarise it: ‘Don’t sell Telstra.’ This is the last chance for Senator Joyce to listen to his constituency.

Let me reinforce what Senator Conroy has said. I came into this chamber in 1997. I have been involved since 1990 as a staff member observing and participating in the parliamentary process. The extraordinary contempt that has been shown by this government is almost undoubtedly without precedent. It has allowed a total of a little over three hours for the Senate to have the opportunity to question the minister about the content of five different pieces of legislation.

During the committee debate, in answer to one of the many dorothy dixers that came from government senators to use up even that small amount of time, the minister had the gall to say it was the Senate’s own fault that we only had six days from when these bills were first tabled to when we had to vote
on them because we spent so much time opposing the cut-off and trying to have proper committee examinations. How dare we actually move and debate motions suggesting that we should have a proper committee process and that we should not exempt the bills from the cut-off and the normal process of allowing time to look at them. It is our own fault for doing that, because we would have had more time—we would have had seven days instead of six. That would have made a big difference!

Time and again government senators said, ‘When Labor privatised everything, we didn’t have committee examinations into it.’ There are two key things there. First, we did not have committee examinations because the Liberals did not want them either. Both major parties supported privatisation. The Democrats did not. Second, every single one of those bills—I went through this in a speech at lunchtime because I knew I would not have time to do it now—had one month or more from when they were first tabled to when the vote happened in this chamber. Many of them had two months or three months and almost all of them were individual bills. Even when we did not have a committee examination, we had the time to examine the detail for as long as we wanted in debate in this chamber and to seek views from the public. We did not have guillotines for most. We did not have filibusters during the committee stage preventing us from questioning the minister for even the pathetically small amount of time that we were permitted to do so.

I have no doubt—from my more than 15 years as a senator and staffer examining this Senate, following its procedures closely, involving myself in it and feeling honoured to be part of a process that actually tries to examine legislation for the public good—that this is unprecedented. What is different? Why is it unprecedented? A comment was made by a government senator when Senator Conroy made the point about this being unprecedented about why: it is because the government did not have the numbers then. Now they have the numbers, this is what will happen time and again.

Telstra is bad enough. What are we going to see when they rip away the income from sole parents and the disabled? What are we going to see when they rip away the industrial safety net for workers throughout the country? We will see the same thing, because the government have the numbers and that is all that matters. It was the people of Queensland who gave them that extra seat, so I give this message to the people of Queensland for the next election: this is the result—a total breaking of their word to the people who elected them, a complete indication that their word is worthless, and total contempt for the democratic process and for the parliament.

The PRESIDENT—Order! It being 6.30 pm, the time allotted for the remaining stages having expired, I put the question that the bills be read a third time.

The Senate divided. [6.34 pm]

(The President—Senator the Hon. Paul Calvert)

Ayes………..

Noes………..

Majority……..

AYES

Abetz, E.

Adams, J.

Barnett, G.

Boswell, R.L.D.

Brandis, G.H.

Calvert, P.H.

Chapman, H.G.P.

Colbeck, R.

Coonan, H.L.

Eggleston, A. *

Ellison, C.M.

Ferguson, A.B.

Ferris, J.M.

Fierravanti-Wells, C.

 Fifield, M.P.

Heffernan, W.

Hill, R.M.

Humphries, G.

Johnston, D.

Joyce, B.

Kemp, C.R.

Lightfoot, P.R.
Senator WONG (South Australia) (6.39 pm) — After all the fire and brimstone of the guillotined Telstra debate we now come to the Australian Technical Colleges (Flexibility in Achieving Australia’s Skills Needs) Bill 2005. The bill before the Senate provides for the establishment and operation of the government’s proposed Australian technical colleges. Labor’s position on the Australian technical colleges is clear: we believe they duplicate existing world-class programs and infrastructure in our TAFE colleges and schools. We believe that the government should be increasing its investment in what is already in place and working—building on what we already have rather than reinventing the wheel. But Labor will not stand in the way of the technical colleges. Any action is better than the Howard government continuing to do nothing, and Labor will support the bill in the parliament.

Our support for the bill should not be mistaken for uncritical and unquestioning support of the technical colleges proposal. Labor question the motivation for the technical colleges, and we have many questions, which have not been answered by the government, about their implementation. Those are questions we were unable to hear answers to after public hearings before the Senate inquiry into this bill were cancelled—yet another display of arrogant misuse of power by this government in the chamber today.

Australia’s skills crisis needs action now, and not in 2010, 2011, 2012 or whenever these colleges will finally produce their first qualified tradesperson. The lack of skilled workers has already emerged as a critical issue for the Australian economy. It is a crisis of the Howard government’s own creation, a crisis born of their disregard for adequate investment in Australia’s skills base during their nine long years in office. Australia has a shortage of skilled workers because the Howard government has massively cut education and training investment since coming to office. A recent report by the OECD revealed a damning lack of investment in our skills base. The report revealed that over the last decade Australia has had one of the larg-
est declines in public investment in universities and TAFE of any OECD country. Australia dropped by 8.7 per cent, while the majority of our competitors increased their investment. Australia is one of only seven OECD countries to reduce government funding for tertiary education per student between 1995 and 2001. Since 1997, there has been a declining percentage of the year 12 cohort going on to TAFE or university.

The government’s priorities in this area are all wrong. Figures uncovered by the Senate estimates process reveal that seven out of the 10 companies that received the most taxpayer funding between 1998 and 2004 through the government’s new apprentice-ship employer incentives are employing only 0.6 per cent or less of their new apprentices in the traditional trades. The government’s top priority should be training new apprentices in the traditional trades and other areas of skill shortage, and not subsidising salaries in companies that do not provide training in areas of skill shortage. Nine long years of Howard government incompetence have created a skills crisis that is threatening Australia’s economic performance. The Howard government missed the opportunity to reform Australia’s education and training system to address skills shortages. From the time it was elected it has confused cutting education investment with real reform. It is no wonder that a shortage of skilled workers is hurting Australian businesses and families.

Warnings about Australia’s skills crisis are being shouted by everyone from the Reserve Bank to the OECD. Our economy needs action now. A report on Western Australia’s skills needs conducted by Monash University and released a few weeks ago pointed to the alarming need for an immediate 30 per cent increase in apprentice commencements in the mechanical and fabrication trades and a 15 per cent increase in the electrical trades. The report said that in Western Australia alone an extra 20,000 workers will be needed every year until 2010 to meet employment demand. The strong demand for extra skilled workers is being felt right across the country, yet the technical colleges will not produce their first qualified tradesperson until 2010 at the earliest, and that is only if the colleges are running next year. The minister ducks and weaves every time he is asked how many colleges will be open next year.

This government should be training more Australians now in areas of skill need. Instead, all the key indicators of skills development are pointing backwards. This government has presided over the most significant drop in a decade in the number of Australians in training. There were 122,000 fewer people in training in 2004 than in 2003. That is a seven per cent decline in the last year alone. The number of new apprentices in training also fell by four per cent during 2004. The latest figures from the National Centre for Vocational Education Research show that apprentice cancellations and withdrawals are at a record high, up a massive 61 per cent since March 2001. Most disturbingly, cancellations and withdrawals by those in trades, and related workers, are up a staggering 54 per cent since March 2001—all this at a time when businesses are crying out for more qualified tradespeople.

Completion rates for traditional apprentices have been in decline under the Howard government. Forty per cent of people who commence an apprenticeship do not complete their training. These declines are the product of a sustained neglect of skills development during the nine long years of this Howard government. As soon as the Howard government took office, it slashed funding for vocational education and training. In 1996 and 1997 $240 million was slashed from the VET budgets. In the 1997-98 budget, the government abolished the stand-alone National Skills Shortage Strategy. In
1998 the so-called ‘growth through efficiencies’ policy effectively froze Commonwealth VET funds, resulting in a loss of growth funding estimated at around $377 million over the 1998-2000 period.

The misnamed Skilling Australia’s Workforce legislation, which was recently considered by this chamber, contains no significant new money for the funding of VET in conjunction with the states and territories over the next 3½ years. At the same time that the government was cutting and freezing funds, businesses were crying out for more skilled staff. We all know there has been a major shortage of TAFE places. These matters are a direct result of the Howard government’s education and training policies. This skills shortage has developed under this government’s watch. It cannot pass the buck and it cannot shift the blame. This government must own up to its own failings and incompetence.

Now we have before the Senate the matter of the Australian technical colleges. The idea was dreamt up on the run during the last election campaign and announced with scant detail. Only now is the government figuring out how the colleges will be implemented. In July the government announced out of the blue that it is increasing the number of technical colleges to 25. The government has now decided to fund two technical colleges in Adelaide instead of one. Clearly, Labor welcomes the extra college. More effort in skills development is always welcome. But, whilst it added on an extra college, the government has not increased funding to the technical college program. That can only mean one thing: less funding for every individual technical college.

The implementation of the policy is turning into yet another Howard government mess, because, without an immediate increase in the technical college funding pie, every area that has been promised a technical college will receive less money. Minister Hardgrave’s announcement of the extra college in Adelaide is yet more evidence that the technical college program was dreamt up on the run and is changing day by day. The Pilbara, Port Augusta, Western Sydney, Gosford, Lismore, Warrnambool, Dubbo, Queanbeyan and Sunshine Coast regions have all been left out of the Howard government’s announcement, despite being promised a technical college in the 2004 election campaign. These forgotten regions will now have to wait until after the next election for a technical college to open.

These colleges, the Prime Minister said in his election announcement, were designed to accelerate national skills development in traditional trades. If the government definition of accelerated skills development means waiting until 2010 for a handful of the colleges to produce their first qualified tradesperson, I would hate to see this government take its time. The government’s confusions and contradictions reveal a lack of proper thought in the original policy which has seen that policy unravel during implementation.

The government has been rendered breathless by its repeated exhortations that these colleges would not be able to charge fees or run at a profit. It has been forced to find a position after a shambolic performance during question time in the House last year, when the Prime Minister, Minister Nelson and Minister Hardgrave all gave different interpretations of the government’s policy regarding the fees to be charged. But the truth finally slipped out when Minister Nelson admitted in June that private training providers associated with these colleges will be able to make profits. This admission follows comments made by the Australian Council for Private Education and Training in relation to technical colleges. They said:
It would need to be a commercial arrangement ... where there needs to be the opportunity to cover costs and have a return for the operator ...

Debate interrupted.

DOCUMENTS

The ACTING DEPUTY PRESIDENT (Senator Ferguson)—Order! It being 6.50 pm, the Senate will proceed to the consideration of government documents.

Australian Taxation Office

Senator SHERRY (Tasmania) (6.50 pm)—I move:

That the Senate take note of the document.

The tabled documents that I wish to speak to tonight are the Australian Taxation Office Super Co-contribution Quarterly Report, on the operation of the government co-contribution scheme during the quarter 1 April 2005 to 30 June 2005, and the Super Co-contributions Annual Report for the financial year 1 July 2004 to 30 June 2005. The co-contribution scheme which was introduced by the Liberal government for the period under consideration was up to a dollar of government contribution matching a contribution by the employee. The first point I will make is that the co-contribution scheme that this government has introduced is a pale imitation of Labor’s original co-contribution scheme, which was a matching scheme of three per cent and three per cent, phased in over a number of years. Labor’s original scheme would have delivered a much greater level of benefit to all Australian employees through their superannuation. It would have had an important impact in the form of benefits to the future retirement incomes of all Australians, as well as lifting savings in this country. Savings are negative and have been for the last five years in the household sector at least.

The Liberal government, in the run-up to the election in 1996, committed to maintaining Labor’s co-contribution scheme of three per cent and three per cent. But you have to look at the fine print when you look at a Liberal government promise, because they reserved the right to vary the method of the contribution. They then kept the funding—$4½ billion in the 1996 budget—in the forward estimates and in 1997 decided that they would not deliver the scheme. They replaced it with what was called a savings rebate, which lasted for six months or so, and used the difference in the revenue—billions of dollars—to assist in delivering income tax cuts as part of their GST package in the run-up to the 1998 election.

The other comment I would make about the process here is that this is a report prepared under the legislation by the tax office, and there is a requirement to do that. What I find interesting, and a further highlight of government arrogance, is that most of this report, not all of it, was dropped to the media—sorry, some of the media—on Sunday afternoon by the Minister for Revenue and Assistant Treasurer, Mr Brough. He selectively dropped elements of this report to the media. I know that because one of the journalists rang me on Sunday afternoon and provided me with a copy of this document—albeit one with a couple of tables missing. I find it a little interesting that the law requires the tax office to report to the parliament, but on Sunday night we had the minister selectively dropping to some media a copy of most of this document. As I said, the government’s arrogance and their contempt for parliament is highlighted yet again by them not allowing the document to be presented, as required by law, by the Commissioner of Taxation, Mr Carmody.

The other interesting aspect to the document I obtained on Sunday night—the selectively leaked document circulated by the minister, Mr Brough—is that a couple of tables are missing. It is interesting, because the tax office were unable to identify the to-
tal number of beneficiaries, running to about 605,000, and were unable to identify the spouse income, as required by law, of some 233,000 persons. The document also shows that almost 12,500 people who received a contribution have spouses whose income was greater than $100,000. It is a certainty that there are some millionaires in that category. Why on earth should a scheme be providing for the spouses of millionaires? That is very poor public policy. In the opinion of the Australian Labor Party, the scheme does need some adjustment where you have spouses with a very high income. We will be exploring this and other issues in terms of what we see as some inadequacies of this scheme.

Question agreed to.

ADJOURNMENT

The ACTING DEPUTY PRESIDENT (Senator Ferguson)—Order! There being no further consideration of government documents, I propose the question:

That the Senate do now adjourn.

Overseas Aid

Senator PAYNE (New South Wales) (6.56 pm)—I want to make a few remarks this evening in relation to the summit currently taking place at the United Nations headquarters in New York, which Prime Minister Howard is attending. This is a meeting that will be crucial to the future of the UN; crucial on very many levels that are perhaps not appreciated in what is occasionally fairly superficial media attention—by necessity, as it is a very complex process. The meeting is also going to provide an opportunity to reflect on and examine progress towards the global Millennium Development Goals. Those goals, broadly speaking, of eradicating poverty, hunger, disease and gender inequality and of achieving universal education, health and environmental sustainability are an international responsibility in which Australia plays a significant role.

Today’s announcement by the Prime Minister of plans to significantly increase our overseas aid budget to $4 billion by 2010 is an important step forward by Australia in assisting those, particularly those in our region, who need it most. I note from events in the chamber today that not everybody is prepared to welcome and acknowledge the importance of that announcement. I certainly do so this evening, and I am disappointed with those who continue to carp and not recognise the important step that this is. The announcement represents a doubling of our aid funding from 2004 levels, and it will, in an appropriate fashion, involve significant conditions to strengthen governance and anticorruption measures.

Australia as a nation has a long tradition of giving international assistance, particularly in our region, the Asia-Pacific. It is also fair to say that Australia has traditionally been of the view that trade and investment liberalisation is also a very important way of reducing and removing poverty in developing nations. It does, in many cases, provide a longer term solution than short-term direct foreign aid possibly can. Australia, through the Cairns Group, supports efforts in the WTO Doha Round to eliminate agricultural export subsidies to significantly reduce trade distorting domestic support and remove barriers to market access. All of those initiatives, if fulfilled, will substantially benefit developing nations.

The paper which has come out of the UN today does not respond to all of those things as positively as some in the international community may have hoped, but it is fair to say that it has made some progress. As I understand it, at one stage it was thought nothing would be produced, so it is good to see some result. I am pleased to note the positive response that the Prime Minister’s announcement in relation to the increase in ODA funding in Australia has received from
many in the aid sector in this country. It is important to note that that aid will be targeted in our region, where half of the world’s poor currently live.

Additionally, I think it is important to note that our support continues to be felt on the ground in the communities that need it most. I want to cite a few examples of our effective interventions in that regard. Today the Parliamentary Secretary for Foreign Affairs, the Hon. Bruce Billson, announced that we will contribute a further $1 million to the World Health Organisation to support their new national polio immunisation campaign in Indonesia, which is part of protecting over 24 million children from polio—in particular, the very vulnerable who are less than five years of age. We also, for example, support significant programs of debt relief. We spearhead that with a $110 million contribution to the HIPC, the Heavily Indebted Poor Countries, initiative. We have also committed to 100 per cent debt relief to all countries that qualify for the HIPC initiative. Nicaragua and Ethiopia, for example, fall into that category. In other arenas, we contribute to debt relief through our membership of the Paris Club of bilateral supporters. We have really played a very important role in ensuring a better deal for Indonesia there. We strongly support the development of a debt sustainability framework by the World Bank and the IMF.

I think we also have a human touch in much of our international aid provision through practical and direct programs. Many of us in the chamber have the opportunity to hear much about those through our involvement in the committee process in the parliament. For example, there is the provision of basic teaching and learning resources to 4,000 primary teacher trainees in Papua New Guinea; support for the Fiji Women’s Crisis Centre in providing the centre which trains anti-domestic-violence committees across that country; and assistance in the prevention of up to 35,000 child deaths a year through the community based Integrated Management of Childhood Illness program and the national vitamin A program. They are all very important, very direct and very practical.

I want to make further reference to the progress we are making on the achievement of the Millennium Development Goals, which were adopted in 2000. AusAID recently released a very interesting and impressive document, entitled ‘A global partnership for development’, which charts the progress of the Australian government towards achieving the MDGs. It is optimistic and positive, and it is about improving the world.

We take very much a whole-of-government approach to development. This means that we want all of our departments and agencies where relevant to take account of the needs and interests of developing countries in the evolution of the global economy. That whole-of-government approach is one we adopt in a number of areas—in trade, in investment, in labour mobility and in dealing with corruption, drug trafficking, people trafficking and so on. What that enables us to do is provide well-targeted and effective aid; look at things like the appropriate debt relief I have referred to already, as well as things like duty-free and quota-free market access to goods from the least developed countries; and promote and support global economic growth and, as I referred to earlier, more liberalised world trade.

That aid program has established strategic partnership agreements between AusAID and Treasury, the AFP, the Attorney-General’s Department, the Department of Finance and Administration, the Public Service Commission and the Department of Health and Age-
All of those relationships are very important to effective delivery of whole-of-government responses. Those agreements outline shared goals and coordination arrangements for programs and projects, particularly in the Pacific. One very good example of that is the work that is done through the RAMSI Special Coordinator’s Office in the Solomon Islands. That involves senior officers from DFAT, Defence, AFP and AusAID working together.

One might ask oneself what the story is with aid and the Department of Health and Ageing. They consult with AusAID, for example, on health related issues, including, as I understand it, the Asia regional zoonotic diseases initiative and the South Pacific Senior Health Officials Network. It is all useful input, advice and engagement. I think that is a very positive part of our response in the region.

We recognise that the MDG blueprint, the whole-of-government approach, is not the be-all and end-all and it is not always the way to go. So, for example, we have taken a different approach in Indonesia with reconstruction post-tsunami. We have established the Australia-Indonesia Partnership for Reconstruction and Development there. For the reconstruction and development of fragile states, that might not be the correct approach either. We recognise that and we are flexible about the approach that we take across portfolios. We are also working, as I said before, on trade, investment and labour mobility. We look at corruption and other transboundary concerns, as I think you would describe them, like HIV-AIDS, drug trafficking and people-trafficking, which invariably cross several government portfolios as well.

The OECD Development Assistance Committee, which reviewed our aid program in 2004 and with which I had the pleasure of meeting at that time, commended our whole-of-government approach to development, noting in particular the essential complementarity, if you like, of our aid, foreign, trade and agriculture policies and the way they work together. The OECD definition of policy coherence for development is the promotion of mutually reinforcing policy actions across government to support development. It recognises that poverty reduction and sustainable development do require much more than aid.

That brings me effectively back to the point where I began. Australia’s approach involves more than aid. But, most importantly, with today’s announcement we have recognised the very important engagement that we have in this region and made that very significant financial increase in our commitment. Our aid program works with whole-of-government partners to invest directly in specific MDG areas. There are a number of those, ranging through health, education and water and sanitation. There is the government’s commitment, for example, to fighting HIV-AIDS and particularly our commitment and funding for the global fund to fight AIDS, tuberculosis and malaria. Later this year we will see the release of the government’s white paper on aid, which will provide further guidance and analysis of the effectiveness of our aid program. I look forward to parliamentary input into that process.

Majarrka Festival

Senator CHRIS EVANS (Western Australia—Leader of the Opposition in the Senate) (7.06 pm)—Hopefully I will not need to struggle as much as Senator Payne did because of her worrying cold. I want to make some remarks tonight on a visit I made to an Aboriginal cultural festival—the Majarrka festival in the Kimberley in my home state of Western Australia. I did that as a Labor senator but also as Labor’s Indigenous affairs spokesman. The festival was at a camp site...
just out of Fitzroy Crossing in the Kimberley region. It was a tremendous success. I think thousands of people visited over the day and many hundreds camped out. It went for about five days. I was only there for one night and the best part of two days. It was a tremendous celebration of Aboriginal law and culture.

It was presented by the Kimberley Aboriginal Law and Cultural Centre to celebrate the 21st anniversary of its establishment, along with that of the Kimberley Language Resource Centre. Both organisations are committed to maintaining Aboriginal culture in the Kimberley and maintaining language vital to keeping those cultural traditions. They are both grassroots organisations that really serve the Kimberley Aboriginal people’s preservation of their law, language and culture.

I was joined at the festival by the shadow minister for regional development, Simon Crean, and the shadow parliamentary secretary for Northern Australia and Indigenous affairs, Warren Snowdon. They drove across from Alice Springs, up the Tanami Road. I was glad I was not with them; I only drove out from Broome. So it was a bit of a drive for them. As I said, we were all very pleased to be there. We attended the Kimberley Land Council’s annual general meeting as guests, while they went through their annual reports and spoke to their memberships. They had representatives from the entire Kimberley region, encompassing up to 25 language groups. It is a reminder of the diversity of Aboriginal culture in that region and throughout Australia.

On the Wednesday evening, 1,400 people at the campsite enjoyed the dancing and probably did not enjoy a very short address from me, but it was a great opportunity to speak to them and to be involved with the celebration of the culture. There was a whole range of dancers from the Kimberleys and also from the Tiwi Islands and Arnhem Land, so there was a mixture. The show went on hours over time because so many people wanted to dance, which is a great thing. It was typified by people like an elder called Spider, who is in his 80s and not only well respected for his dance performance and art but a carrier of the culture. One of the issues that people raised with us was the need to be able to pass that on. Young people have to go through initiation ceremonies to be accepted as carriers of the dances, traditions and songs. One of the concerns of a lot of people there is that, because of the dispersion of young people away from the communities and the loss of some of those connections, they are not going to be able to hand on that culture, but events like this allow people to do that and allow them to participate. The involvement of so many young people at the festival was great and obviously gave great hope for the culture surviving.

I also had the opportunity to meet with a range of Aboriginal leaders, including Wayne Bergmann from the KLC, Peter Yu and Pat Dodson, and a range of other people involved in the Kimberley area. They raised a lot of really interesting issues. I will not go through them all tonight, but one of the things that is occurring under the state government auspice is the implementation of a Kimberley custodial plan. It was quite heart-breaking to be faced again with the numbers of young and old Indigenous people in prisons in Western Australia. Forty-two per cent of the prison population across Australia is Indigenous. For a people who make up such a small proportion of our total population, they make up 42 per cent of the prison population. When you go to somewhere like the Kimberleys, they make up a much larger proportion of the prison population. Many of these people are locked up because they could not pay fines for driving offences or
for quite minor offences. There is at least an attempt to try to review some of the custodial issues in the Kimberley, but it really is a blight on our society that so many people end up in jail at great cost to the taxpayer for quite minor offences. It is a problem that really needs to be tackled.

In terms of the Commonwealth’s responsibilities, I want to mention first of all the concern about funding for native title representative bodies. I know the Attorney-General, Mr Ruddock, has put out a discussion paper looking at the review of native title matters. I have my concerns about reopening the debate. Mr Ruddock claims that he is looking to address some technical and procedural matters. One of those ought to be the funding of representative bodies because whether they have the capacity to do the work they need to do is a serious concern. They certainly find themselves short of resources and unable to provide the resources to negotiate claims, to meet the increasing demands from resource companies and others who want to develop land. In order for that to occur, representative bodies need to be resourced.

The other concern, which I notice Mr Ruddock’s paper does pick up, is about the lack of funding for prescribed bodies corporate. They are the people who hold the native title, and the Minerals Council of Australia and others are conscious that that is a real problem. I hope that is addressed as part of the review announced by Mr Ruddock. Clearly there are also issues about the Aboriginal corporations bill, and Senator Payne and I will get the chance to review that shortly, so I will be taking up those issues then.

The main thing I want to do tonight is to bring to the Senate the resolution carried by this meeting of the Kimberley Land Council, the Kimberley Aboriginal Law and Cultural Centre, and the Kimberley Language Resource Centre. They are three organisations at the heart of Aboriginal life in the Kimberley and at the heart of advocacy and maintenance of law and culture. I hope to have that resolution incorporated. I have shown it to the whips, and I will move to have it incorporated at the end of my speech. It was a message about their views that they asked us to bring to the parliament. It included these words:

We want a relationship with governments that is not only about practical outcomes but one where we can settle the differences of the past and negotiate the future way forward in mutual respect.

We seek your support for the establishment of a Kimberley Indigenous forum to represent the interests of Aboriginal people in the Kimberley, to consult with government on things that are important to us.

Regional development has to take account of our presence in the region.

In commenting on that, I want to make a couple points. Firstly, it is in some ways a critique of the government’s focus on so-called practical reconciliation, in the sense that it still leaves Aboriginal people feeling disenfranchised. They see the need for genuine dialogue, premised on respect and the principles of self-determination. They want practical reconciliation, but they also want reconciliation based on respect and recognition of their place in our society and in Australia’s history.

The second point that this resolution clearly concentrates on is the support and the need for elected representation of Indigenous people. Labor supported the abolition of ATSIC because it had failed. But we do not say, as the government seems to say, that there is no need for replacement. There is a need for a national Indigenous voice. There
is a need for a national Indigenous representative body. A hand-picked council reporting to the Prime Minister is not the answer.

The Kimberley is also very much focused on the fact that there needs to be regional representation. One thing that is very clear in a region like the Kimberley is that decisions made by whitefellas or blackfellas in Canberra very rarely meet the needs of the Kimberley—we do not have the understanding. They have the same view about Perth and they are right there as well. It is a different part of Australia. The region has different needs and issues are different. As well as national Indigenous representation, they are really arguing for greater involvement of representative bodies like the KLC in a direct communication with the Kimberley region and the Indigenous people of the Kimberley region. I do not think that the solution is shared responsibility agreements negotiated community by community often by media driven programs. They want programs that systemically address the issues that confront the community and the region. We share that desire, and I think that it is something that this parliament ought to take on seriously. I seek leave to incorporate the resolution.

Leave granted.

The resolution read as follows—

Resolution from Meeting at Majarrka Festival

(1) We welcome all of the members of the Canberra Parliament to this celebration of our land, law, language, and culture.

(2) The Kimberley has often looked to the leadership of the Commonwealth to protect what is very important to us. We ask for your help to raise awareness of Kimberley issues.

(3) We do not have any elected body of our own in Canberra to put our matters forward and to defend our rights to land, language, culture and law.

(4) We want you to stand up for us until there is a proper agreement between governments and ourselves over these essential parts of our life, or until there is proper recognition and respect for us in the Australian Constitution.

(5) We do want your support for:

- Recognition: That we are the first people of this land
- Respect: Respect for traditional law and culture and our relationship with the land.
- Acknowledgment: Valuing the oral culture, traditional learning and teaching ways of our peoples

(6) We want a relationship with governments that is not only about practical outcomes but one where we can settle the differences of the past and negotiate the future way forward in mutual respect.

(7) Regional development has to take account of our presence in the region. We, like most others in regional Australia, need better services and quality of life. Too often we are even the least considered of those in the region. Today we need governments to negotiate with us about OUR regional priorities and aspirations. Regional representation that allows sub-regional representation to occur is important. What we do not want is further division of our people by governments not negotiating with us on a regional basis. We are linked across the Kimberley not only by our regional organisations but by common cultural, social and family values and traditions. These strengths of ours have got to help deal with the legacy of the challenges we have from our intertwined histories.

(8) We have to work together if we are to respect each other and make the better changes we know Australia has to make if justice is ever to happen for the Aboriginal peoples and the nation itself. Help us convince both Canberra and Perth our solutions have to be found in the region for some things but at the national level for other important things like the constitution, treaty and resources.

(9) We seek your support for the establishment of a Kimberley Indigenous forum to repre-
sent the interests of Aboriginal people in the Kimberley, to consult with government on things that are important to us.

Kimberley Land Council
Kimberley Aboriginal Law and Culture Centre
Kimberley Language Resource Centre
31 August 2005

**Telstra**

Senator STERLE (Western Australia) (7.16 pm)—As I speak to the adjournment of proceedings in the Senate today, I would like to reflect on the unfortunate demise of Senator Joyce. Today we saw the unsettling sight of Senator Joyce hanging himself in the arena of public opinion. Before the last election Senator Joyce and his trusty sidekick James Baker travelled all over the country-side in rural and regional Queensland telling the voters that if they elected him he would not vote to sell Telstra. In fact, on 7 September last year Senator Joyce said:

I agree with John Howard on most things, but I won’t be endorsing the sale of Telstra.

My, how things have changed in a year! In fact, how things have changed in a weekend! Senator Joyce now says he has done a deal, so Telstra is fit to flog. And you can just imagine the negotiations. You can imagine the Prime Minister and the Treasurer rubbing their hands and saying, ‘Come in, spinner,’ the day Senator Joyce came to town to do a deal on Telstra.

Let us have a look at this deal. This is not the $5 billion package Senator Joyce asked for. It is not the $5.7 billion plan proposed by the Telstra CEO. It is not the $7 billion required to deliver a fibre optic network for Australia. Senator Joyce’s grubby little deal is for $1.1 billion over four years and then around $100 million a year down the track. It is going to take around 20 years for Senator Joyce to see his $2 billion spent. At least Judas got his 30 pieces of silver up front and in full.

But I am sure Senator Joyce thought he put up a good fight. You can just imagine the Treasurer trying to keep a straight face as he patted Senator Joyce on the back and told him that he had driven a hard bargain. I am surprised Senator Joyce thinks he got a good deal for Queensland now that it has been revealed that Telstra has short-changed Australia by around $3 billion on infrastructure investment in the last couple of years alone. I bet the Prime Minister and the Treasurer were rolling around the floor laughing after Senator Joyce came back from Queensland and told them he had accepted the deal. Just as Kerry Packer was rumoured as saying after the Nine Network deal:

You only get one Alan Bond in your lifetime, I would not be surprised to learn that, in his moments of quiet contemplation, the Treasurer has a smirk and thinks to himself: you only get one Barnaby Joyce in your lifetime. I think it is clear to most Australians that Senator Joyce has been conned. Senator Joyce made a promise to the people of Queensland, a promise that will not be forgotten. The people of Queensland will square up with Senator Joyce the next time he fronts them on the ballot paper.

**Senate adjourned at 7.20 pm**

**DOCUMENTS**

**Tabling**

The following government document was tabled:


**Tabling**

The following documents were tabled by the Clerk:
Christmas Island Act—List of applied Western Australian Acts for the period 18 February to 5 September 2005.

Cocos (Keeling) Islands Act—List of applied Western Australian Acts for the period 18 February to 5 September 2005.

Environment Protection and Biodiversity Conservation Act—Accreditation of a management plan for the purposes of a bilateral agreement—


Sydney Airport Curfew Act—
Dispensation Report 5/05 (Addendum).
Dispensation Report 6/05.

Indexed Lists of Files

The following document was tabled pursuant to the order of the Senate of 30 May 1996, as amended:

Indexed lists of departmental and agency files for the period 1 January to 30 June 2005—Statement of compliance—
Attorney-General’s Department and portfolio agencies.