INTERNET
The Journals for the Senate are available at

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

For searching purposes use
http://parlinfo.aph.gov.au

SITTING DAYS—2006

<table>
<thead>
<tr>
<th>Month</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>February</td>
<td>7, 8, 9, 27, 28</td>
</tr>
<tr>
<td>March</td>
<td>1, 2, 27, 28, 29, 30</td>
</tr>
<tr>
<td>May</td>
<td>9, 10, 11</td>
</tr>
<tr>
<td>June</td>
<td>13, 14, 15, 16, 19, 20, 21, 22, 23</td>
</tr>
<tr>
<td>August</td>
<td>8, 9, 10, 14, 15, 16, 17</td>
</tr>
<tr>
<td>September</td>
<td>4, 5, 6, 7, 11, 12, 13, 14</td>
</tr>
<tr>
<td>October</td>
<td>9, 10, 11, 12, 16, 17, 18, 19</td>
</tr>
<tr>
<td>November</td>
<td>6, 7, 8, 9, 27, 28, 29, 30</td>
</tr>
<tr>
<td>December</td>
<td>4, 5, 6, 7</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Location</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>CANBERRA</td>
<td>103.9 FM</td>
</tr>
<tr>
<td>SYDNEY</td>
<td>630 AM</td>
</tr>
<tr>
<td>NEWCASTLE</td>
<td>1458 AM</td>
</tr>
<tr>
<td>GOSFORD</td>
<td>98.1 FM</td>
</tr>
<tr>
<td>BRISBANE</td>
<td>936 AM</td>
</tr>
<tr>
<td>GOLD COAST</td>
<td>95.7 FM</td>
</tr>
<tr>
<td>MELBOURNE</td>
<td>1026 AM</td>
</tr>
<tr>
<td>ADELAIDE</td>
<td>972 AM</td>
</tr>
<tr>
<td>PERTH</td>
<td>585 AM</td>
</tr>
<tr>
<td>HOBART</td>
<td>747 AM</td>
</tr>
<tr>
<td>NORTHERN TASMANIA</td>
<td>92.5 FM</td>
</tr>
<tr>
<td>DARWIN</td>
<td>102.5 FM</td>
</tr>
</tbody>
</table>
FORTY-FIRST PARLIAMENT
FIRST SESSION—SEVENTH PERIOD

Governor-General

His Excellency Major-General Michael Jeffery, Companion in the Order of Australia, Commander 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

Leader of the Government in the Senate—Senator the Hon. Nicholas Hugh Minchin
Deputy Leader of the Government in the Senate—Senator the Hon. Helen Lloyd Coonan
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 Martin 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. Nicholas Hugh Minchin
Deputy Leader of the Liberal Party of Australia—Senator the Hon. Helen Lloyd Coonan
Leader of The Nationals—Senator the Hon. Ronald Leslie Doyle Boswell
Deputy Leader of The Nationals—Senator the Hon. 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
Leader of the Australian Greens—Senator Robert James Brown
Leader of the Family First Party—Senator Steve Fielding
Liberal Party of Australia Whips—Senators Jeannie Margaret Ferris and Alan Eggleston
National Whip—Senator Nigel Gregory Scullion
Opposition Whips—Senators George Campbell, Linda Jean Kirk and Ruth Stephanie Webber
Australian Democrats Whip—Senator Andrew John Julian Bartlett
Australian Greens Whip—Senator Rachel Siewert

Printed by authority of the Senate
## Members of the Senate

<table>
<thead>
<tr>
<th>Senator</th>
<th>State or Territory</th>
<th>Term expires</th>
<th>Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abetz, Hon. Eric</td>
<td>TAS</td>
<td>30.6.2011</td>
<td>LP</td>
</tr>
<tr>
<td>Adams, Judith</td>
<td>WA</td>
<td>30.6.2011</td>
<td>LP</td>
</tr>
<tr>
<td>Allison, Lynette Fay</td>
<td>VIC</td>
<td>30.6.2008</td>
<td>AD</td>
</tr>
<tr>
<td>Barnett, Guy</td>
<td>TAS</td>
<td>30.6.2011</td>
<td>LP</td>
</tr>
<tr>
<td>Bartlett, Andrew John Julian</td>
<td>QLD</td>
<td>30.6.2008</td>
<td>AD</td>
</tr>
<tr>
<td>Bernardi, Cory</td>
<td>SA</td>
<td>30.6.2008</td>
<td>LP</td>
</tr>
<tr>
<td>Bishop, Thomas Mark</td>
<td>WA</td>
<td>30.6.2008</td>
<td>ALP</td>
</tr>
<tr>
<td>Boswell, Hon. Ronald Leslie Doyle</td>
<td>QLD</td>
<td>30.6.2008</td>
<td>NATS</td>
</tr>
<tr>
<td>Brandis, George Anthony</td>
<td>QLD</td>
<td>30.6.2011</td>
<td>LP</td>
</tr>
<tr>
<td>Brown, Carol Louise</td>
<td>TAS</td>
<td>30.6.2008</td>
<td>ALP</td>
</tr>
<tr>
<td>Brown, Robert James</td>
<td>TAS</td>
<td>30.6.2008</td>
<td>AG</td>
</tr>
<tr>
<td>Calvert, Hon. Paul Henry</td>
<td>TAS</td>
<td>30.6.2008</td>
<td>LP</td>
</tr>
<tr>
<td>Campbell, George</td>
<td>NSW</td>
<td>30.6.2008</td>
<td>ALP</td>
</tr>
<tr>
<td>Campbell, Hon. Ian Gordon</td>
<td>WA</td>
<td>30.6.2011</td>
<td>LP</td>
</tr>
<tr>
<td>Carr, Kim John</td>
<td>VIC</td>
<td>30.6.2011</td>
<td>ALP</td>
</tr>
<tr>
<td>Chapman, Hedley Grant Pearson</td>
<td>SA</td>
<td>30.6.2008</td>
<td>LP</td>
</tr>
<tr>
<td>Colbeck, Hon. Richard Mansell</td>
<td>TAS</td>
<td>30.6.2008</td>
<td>LP</td>
</tr>
<tr>
<td>Conroy, Stephen Michael</td>
<td>VIC</td>
<td>30.6.2011</td>
<td>ALP</td>
</tr>
<tr>
<td>Coonan, Hon. Helen Lloyd</td>
<td>NSW</td>
<td>30.6.2008</td>
<td>LP</td>
</tr>
<tr>
<td>Crossin, Patricia Margaret</td>
<td>NT</td>
<td></td>
<td>ALP</td>
</tr>
<tr>
<td>Eggleston, Alan</td>
<td>WA</td>
<td>30.6.2008</td>
<td>LP</td>
</tr>
<tr>
<td>Ellison, Hon. Christopher Martin</td>
<td>WA</td>
<td>30.6.2011</td>
<td>LP</td>
</tr>
<tr>
<td>Evans, Christopher Vaughan</td>
<td>WA</td>
<td>30.6.2011</td>
<td>ALP</td>
</tr>
<tr>
<td>Faulkner, Hon. John Philip</td>
<td>NSW</td>
<td>30.6.2011</td>
<td>ALP</td>
</tr>
<tr>
<td>Ferguson, Alan Baird</td>
<td>SA</td>
<td>30.6.2011</td>
<td>LP</td>
</tr>
<tr>
<td>Ferris, Jeannie Margaret</td>
<td>SA</td>
<td>30.6.2008</td>
<td>LP</td>
</tr>
<tr>
<td>Fielding, Steve</td>
<td>VIC</td>
<td>30.6.2011</td>
<td>FF</td>
</tr>
<tr>
<td>Fierravanti-Wells, Concetta Anna</td>
<td>NSW</td>
<td>30.6.2011</td>
<td>LP</td>
</tr>
<tr>
<td>Fifield, Mitchell Peter</td>
<td>VIC</td>
<td>30.6.2008</td>
<td>LP</td>
</tr>
<tr>
<td>Forsk, Michael George</td>
<td>NSW</td>
<td>30.6.2011</td>
<td>ALP</td>
</tr>
<tr>
<td>Heffernan, Hon. William Daniel</td>
<td>NSW</td>
<td>30.6.2011</td>
<td>LP</td>
</tr>
<tr>
<td>Hogg, John Joseph</td>
<td>QLD</td>
<td>30.6.2008</td>
<td>ALP</td>
</tr>
<tr>
<td>Humphries, Gary John Joseph</td>
<td>ACT</td>
<td></td>
<td>LP</td>
</tr>
<tr>
<td>Hurley, Annette</td>
<td>SA</td>
<td>30.6.2011</td>
<td>ALP</td>
</tr>
<tr>
<td>Hutchins, Stephen Patrick</td>
<td>NSW</td>
<td>30.6.2011</td>
<td>ALP</td>
</tr>
<tr>
<td>Johnston, David Albert Lloyd</td>
<td>WA</td>
<td>30.6.2008</td>
<td>LP</td>
</tr>
<tr>
<td>Joyce, Barnaby</td>
<td>QLD</td>
<td>30.6.2011</td>
<td>NATS</td>
</tr>
<tr>
<td>Kemp, Hon. Charles Roderick</td>
<td>VIC</td>
<td>30.6.2008</td>
<td>LP</td>
</tr>
<tr>
<td>Kirk, Linda Jean</td>
<td>SA</td>
<td>30.6.2008</td>
<td>ALP</td>
</tr>
<tr>
<td>Lightfoot, Philip Ross</td>
<td>WA</td>
<td>30.6.2008</td>
<td>LP</td>
</tr>
<tr>
<td>Ludwig, Joseph William</td>
<td>QLD</td>
<td>30.6.2011</td>
<td>ALP</td>
</tr>
<tr>
<td>Lundy, Kate Alexander</td>
<td>ACT</td>
<td></td>
<td>ALP</td>
</tr>
<tr>
<td>Macdonald, Hon. Ian Douglas</td>
<td>QLD</td>
<td>30.6.2008</td>
<td>LP</td>
</tr>
<tr>
<td>Macdonald, John Alexander Lindsay</td>
<td>NSW</td>
<td>30.6.2008</td>
<td>NATS</td>
</tr>
<tr>
<td>McEwen, Anne</td>
<td>SA</td>
<td>30.6.2011</td>
<td>ALP</td>
</tr>
<tr>
<td>McGauran, Julian John James</td>
<td>VIC</td>
<td>30.6.2011</td>
<td>LP</td>
</tr>
<tr>
<td>McLucas, Jan Elizabeth</td>
<td>QLD</td>
<td>30.6.2011</td>
<td>ALP</td>
</tr>
<tr>
<td>Marshall, Gavin Mark</td>
<td>VIC</td>
<td>30.6.2008</td>
<td>ALP</td>
</tr>
<tr>
<td>Senator</td>
<td>State or Territory</td>
<td>Term expires</td>
<td>Party</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>-------------------</td>
<td>--------------</td>
<td>---------</td>
</tr>
<tr>
<td>Mason, Brett John</td>
<td>QLD</td>
<td>30.6.2011</td>
<td>LP</td>
</tr>
<tr>
<td>Milne, Christine</td>
<td>TAS</td>
<td>30.6.2011</td>
<td>AG</td>
</tr>
<tr>
<td>Minchin, Hon. Nicholas Hugh</td>
<td>SA</td>
<td>30.6.2011</td>
<td>LP</td>
</tr>
<tr>
<td>Moore, Claire Mary</td>
<td>QLD</td>
<td>30.6.2008</td>
<td>ALP</td>
</tr>
<tr>
<td>Murray, Andrew James Marshall</td>
<td>WA</td>
<td>30.6.2008</td>
<td>AD</td>
</tr>
<tr>
<td>Nash, Fiona</td>
<td>NSW</td>
<td>30.6.2011</td>
<td>NATS</td>
</tr>
<tr>
<td>Nettle, Kerry Michelle</td>
<td>NSW</td>
<td>30.6.2008</td>
<td>AG</td>
</tr>
<tr>
<td>O’Brien, Kerry Williams Kelso</td>
<td>TAS</td>
<td>30.6.2011</td>
<td>ALP</td>
</tr>
<tr>
<td>Parry, Stephen</td>
<td>TAS</td>
<td>30.6.2011</td>
<td>LP</td>
</tr>
<tr>
<td>Patterson, Hon. Kay Christine Lesley</td>
<td>VIC</td>
<td>30.6.2008</td>
<td>ALP</td>
</tr>
<tr>
<td>Payne, Marise Ann</td>
<td>NSW</td>
<td>30.6.2008</td>
<td>LP</td>
</tr>
<tr>
<td>Polley, Helen</td>
<td>TAS</td>
<td>30.6.2011</td>
<td>ALP</td>
</tr>
<tr>
<td>Ray, Hon. Robert Francis</td>
<td>VIC</td>
<td>30.6.2008</td>
<td>ALP</td>
</tr>
<tr>
<td>Ronaldson, Hon. Michael</td>
<td>VIC</td>
<td>30.6.2011</td>
<td>LP</td>
</tr>
<tr>
<td>Santoro, Hon. Santo (1)</td>
<td>QLD</td>
<td>30.6.2008</td>
<td>LP</td>
</tr>
<tr>
<td>Scullion, Nigel Gregory (3)</td>
<td>NT</td>
<td></td>
<td>CLP</td>
</tr>
<tr>
<td>Sherry, Hon. Nicholas John</td>
<td>TAS</td>
<td>30.6.2008</td>
<td>ALP</td>
</tr>
<tr>
<td>Sievert, Rachel</td>
<td>WA</td>
<td>30.6.2011</td>
<td>AG</td>
</tr>
<tr>
<td>Stephens, Ursula Mary</td>
<td>NSW</td>
<td>30.6.2008</td>
<td>ALP</td>
</tr>
<tr>
<td>Sterle, Glenn</td>
<td>WA</td>
<td>30.6.2011</td>
<td>ALP</td>
</tr>
<tr>
<td>Stott Despoja, Natasha Jessica</td>
<td>SA</td>
<td>30.6.2008</td>
<td>AD</td>
</tr>
<tr>
<td>Troeth, Hon. Judith Mary</td>
<td>VIC</td>
<td>30.6.2011</td>
<td>LP</td>
</tr>
<tr>
<td>Trood, Russell</td>
<td>QLD</td>
<td>30.6.2011</td>
<td>LP</td>
</tr>
<tr>
<td>Vanstone, Hon. Amanda Eloise</td>
<td>SA</td>
<td>30.6.2011</td>
<td>LP</td>
</tr>
<tr>
<td>Watson, John Odin Wentworth</td>
<td>TAS</td>
<td>30.6.2008</td>
<td>LP</td>
</tr>
<tr>
<td>Webber, Ruth Stephanie</td>
<td>WA</td>
<td>30.6.2008</td>
<td>ALP</td>
</tr>
<tr>
<td>Wong, Penelope Ying Yen</td>
<td>SA</td>
<td>30.6.2008</td>
<td>ALP</td>
</tr>
</tbody>
</table>

(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.
(5) Chosen by the Parliament of South Australia to fill a casual vacancy vice Hon. Robert Murray Hill, 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

Prime Minister  The Hon. John Winston Howard MP
Minister for Trade and Deputy Prime Minister  The Hon. Mark Anthony James Vaile MP
Treasurer  The Hon. Peter Howard Costello MP
Minister for Transport and Regional Services  The Hon. Warren Errol Truss MP
Minister for Defence  The Hon. Dr Brendan John Nelson MP
Minister for Foreign Affairs  The Hon. Alexander John Gosse Downer MP
Minister for Health and Ageing and Leader of the House  The Hon. Anthony John Abbott MP
Attorney-General  The Hon. Philip Maxwell Ruddock MP
Minister for Finance and Administration, Leader of the Government in the Senate and Vice-President of the Executive Council  Senator the Hon. Nicholas Hugh Minchin
Minister for Agriculture, Fisheries and Forestry and Deputy Leader of the House  The Hon. Peter John McGauran MP
Minister for Immigration and Multicultural Affairs  Senator the Hon. Amanda Eloise Vanstone
Minister for Education, Science and Training and Minister Assisting the Prime Minister for Women’s Issues  The Hon. Julie Isabel Bishop MP
Minister for Families, Community Services and Indigenous Affairs  The Hon. Malcolm Thomas Brough MP
Minister Assisting the Prime Minister for Indigenous Affairs  The Hon. Ian Elgin Macfarlane MP
Minister for Industry, Tourism and Resources  The Hon. Kevin James Andrews MP
Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service  Senator the Hon. Helen Lloyd Coonan
Minister for Communications, Information Technology and the Arts and Deputy Leader of the Government in the Senate  Senator the Hon. Ian Gordon Campbell
Minister for the Environment and Heritage  Senator the Hon. Ian Gordon Campbell

(The above ministers constitute the cabinet)
HOWARD MINISTRY—continued

<table>
<thead>
<tr>
<th>Position</th>
<th>Person Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minister for Justice and Customs and Manager of Government Business in the Senate</td>
<td>Senator the Hon. Christopher Martin Ellison</td>
</tr>
<tr>
<td>Minister for Fisheries, Forestry and Conservation</td>
<td>Senator the Hon. Eric Abetz</td>
</tr>
<tr>
<td>Minister for the Arts and Sport</td>
<td>Senator the Hon. Charles Roderick Kemp</td>
</tr>
<tr>
<td>Minister for Human Services</td>
<td>The Hon. Joseph Benedict Hockey MP</td>
</tr>
<tr>
<td>Minister for Community Affairs</td>
<td>The Hon. John Kenneth Cobb MP</td>
</tr>
<tr>
<td>Minister for Revenue and Assistant Treasurer</td>
<td>The Hon. Peter Craig Dutton MP</td>
</tr>
<tr>
<td>Special Minister of State</td>
<td>The Hon. Gary Roy Nairn MP</td>
</tr>
<tr>
<td>Minister for Vocational and Technical Education and Minister Assisting the Prime Minister</td>
<td>The Hon. Gary Douglas Hardgrave MP</td>
</tr>
<tr>
<td>Minister for Ageing</td>
<td>Senator the Hon. Santo Santoro</td>
</tr>
<tr>
<td>Minister for Small Business and Tourism</td>
<td>The Hon. Frances Esther Bailey MP</td>
</tr>
<tr>
<td>Minister for Local Government, Territories and Roads</td>
<td>The Hon. James Eric Lloyd MP</td>
</tr>
<tr>
<td>Minister for Veterans’ Affairs and Minister Assisting the Minister for Defence</td>
<td>The Hon. Bruce Frederick Billson MP</td>
</tr>
<tr>
<td>Minister for Workforce Participation</td>
<td>The Hon. Dr Sharman Nancy Stone MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Finance and Administration</td>
<td>Senator the Hon. Richard Mansell Colbeck</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Industry, Tourism and Resources</td>
<td>The Hon. Robert Charles Baldwin MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Health and Ageing</td>
<td>The Hon. Christopher Maurice Pyne MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Defence</td>
<td>Senator the Hon. John Alexander Lindsay (Sandy) Macdonald</td>
</tr>
<tr>
<td>Parliamentary Secretary (Trade)</td>
<td>The Hon. De-Anne Margaret Kelly MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Immigration and Multicultural Affairs</td>
<td>The Hon. Andrew John Robb MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Prime Minister</td>
<td>The Hon. Malcolm Bligh Turnbull MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Treasurer</td>
<td>The Hon. Christopher John Pearce MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for the Environment and Heritage</td>
<td>The Hon. Gregory Andrew Hunt MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry</td>
<td>The Hon. Sussan Penelope Ley MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Education, Science and Training</td>
<td>The Hon. Patrick Francis Farmer MP</td>
</tr>
<tr>
<td>Parliamentary Secretary (Foreign Affairs)</td>
<td>The Hon. Teresa Gambaro MP</td>
</tr>
</tbody>
</table>
### 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**

<table>
<thead>
<tr>
<th>Role</th>
<th>Shadow Minister</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shadow Minister for Consumer Affairs and</td>
<td>Laurie Donald Thomas Ferguson MP</td>
</tr>
<tr>
<td>Shadow Minister for Population Health and Health Regulation</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Agriculture and Fisheries</td>
<td>Gavan Michael O’Connor MP</td>
</tr>
<tr>
<td>Shadow Assistant Treasurer, Shadow Minister for Revenue and Shadow</td>
<td>Joel Andrew Fitzgibbon MP</td>
</tr>
<tr>
<td>Minister for Small Business and Competition</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Transport</td>
<td>Senator Kerry Williams Kelso O’Brien</td>
</tr>
<tr>
<td>Shadow Minister for Sport and Recreation</td>
<td>Senator Kate Alexandra Lundy</td>
</tr>
<tr>
<td>Shadow Minister for Homeland Security and Shadow Minister for</td>
<td>The Hon. Archibald Ronald Bevis MP</td>
</tr>
<tr>
<td>Aviation and Transport Security</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Veterans’ Affairs and Shadow Special Minister of</td>
<td>Alan Peter Griffin MP</td>
</tr>
<tr>
<td>State</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Defence Industry, Procurement and Personnel</td>
<td>Senator Thomas Mark Bishop</td>
</tr>
<tr>
<td>Shadow Minister for Immigration</td>
<td>Anthony Stephen Burke MP</td>
</tr>
<tr>
<td>Shadow Minister for Ageing, Disabilities and Carers</td>
<td>Senator Jan Elizabeth McLucas</td>
</tr>
<tr>
<td>Shadow Minister for Justice and Customs and Manager of Opposition</td>
<td>Senator Joseph William Ludwig</td>
</tr>
<tr>
<td>Business in the Senate</td>
<td></td>
</tr>
<tr>
<td>Shadow Minister for Overseas Aid and Pacific Island Affairs</td>
<td>Robert Charles Grant Sercombe MP</td>
</tr>
<tr>
<td>Shadow Minister for Citizenship and Multicultural Affairs</td>
<td>Senator Annette Hurley</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Reconciliation and the Arts</td>
<td>Peter Robert Garrett MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary to the Leader of the Opposition</td>
<td>John Paul Murphy MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Defence and Veterans’ Affairs</td>
<td>The Hon. Graham John Edwards MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Education</td>
<td>Kirsten Fiona Livermore MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Environment and Heritage</td>
<td>Jennie George MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Industry, Infrastructure and</td>
<td>Bernard Fernando Ripoll MP</td>
</tr>
<tr>
<td>Industrial Relations</td>
<td></td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Immigration</td>
<td>Ann Kathleen Corcoran MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Treasury</td>
<td>Catherine Fiona King MP</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Science and Water</td>
<td>Senator Ursula Mary Stephens</td>
</tr>
<tr>
<td>Shadow Parliamentary Secretary for Northern Australia and Indigenous</td>
<td>The Hon. Warren Edward Snowdon MP</td>
</tr>
<tr>
<td>Affairs</td>
<td></td>
</tr>
</tbody>
</table>
CONTENTS

THURSDAY, 10 AUGUST

Chamber

Petitions—
Aboriginal Land Rights (Northern Territory) Amendment Bill 2006.............................. 1

Notices—
Presentation.......................................................................................................................... 1

Business—
Rearrangement.................................................................................................................. 2
Rearrangement.................................................................................................................. 2
Rearrangement.................................................................................................................. 2

Notices—
Postponement................................................................................................................... 2
Fuel Prices......................................................................................................................... 2
Tarkine Wilderness............................................................................................................ 3
Fuel Prices......................................................................................................................... 4
Middle East....................................................................................................................... 5

Notices—
Postponement................................................................................................................... 5

Business—
Rearrangement.................................................................................................................. 5

Australia-Japan Foundation (Repeal and Transitional Provisions) Bill 2006—
First Reading.................................................................................................................. 6
Second Reading............................................................................................................... 6

Australian Technical Colleges (Flexibility in Achieving Australia’s Skills Needs) Amendment Bill 2006—
Second Reading............................................................................................................... 6
Third Reading.................................................................................................................. 39

Business—
Rearrangement.................................................................................................................. 42

Trade Practices Amendment (National Access Regime) Bill 2006—
Second Reading............................................................................................................... 43
Third Reading.................................................................................................................. 53

Ministerial Arrangements.................................................................................................. 53

Questions Without Notice—
Telstra............................................................................................................................... 55
Employment....................................................................................................................... 57

Distinguished Visitors..................................................................................................... 58

Questions Without Notice—
Broadband Services....................................................................................................... 58
Migrant Workers............................................................................................................... 60
Broadband Services....................................................................................................... 62
Home and Community Care............................................................................................ 64

Distinguished Visitors..................................................................................................... 65

Questions Without Notice—
Fuel Prices....................................................................................................................... 65
Defence: Jezzine Barracks............................................................................................... 66
Telstra................................................................................................................................. 67
Iraq....................................................................................................................................... 69
Telstra................................................................................................................................. 69
CONTENTS—continued

Questions Without Notice: Take Note of Answers—
Answers to Questions ......................................................................................................... 71
Matters of Public Importance—
Telecommunications ........................................................................................................... 77
Business—
Rearrangement .................................................................................................................. 90
Committees—
Treaties Committee—Report: Government Response ....................................................... 90
Procedure Committee—Report .......................................................................................... 91
Membership......................................................................................................................... 91
Housing and Accommodation Affordability ............................................................................ 91
Documents—
Department of Immigration and Multicultural and Indigenous Affairs................................ 110
Department of Defence........................................................................................................ 115
Northern Territory Fisheries Joint Authority ..................................................................... 116
Torres Strait Regional Authority......................................................................................... 117
Human Rights and Equal Opportunity Commission ........................................................ 118
Consideration....................................................................................................................... 119
Committees—
Foreign Affairs, Defence and Trade Committee: Joint—Report ........................................ 124
Community Affairs References Committee—Report ......................................................... 125
Rural and Regional Affairs and Transport Legislation Committee—Report ..................... 126
Foreign Affairs, Defence and Trade Committee: Joint—Report ........................................ 129
Community Affairs References Committee—Report ......................................................... 129
Community Affairs References Committee—Report: Government Response .................. 131
Consideration....................................................................................................................... 133
Auditor-General’s Reports—
Report No. 38 of 2005-06 ................................................................................................. 135
Report No. 47 of 2005-06 ................................................................................................. 137
Adjournment—
New Queensland Electorate .............................................................................................. 138
Mining Industry .................................................................................................................. 140
Middle East ......................................................................................................................... 142
Interest Rates ...................................................................................................................... 144
Documents—
Tabling................................................................................................................................. 146
Questions on Notice
Telstra: Payphones—(Question No. 1605) ............................................................................ 147
Organised Crime—(Question No. 1643) .............................................................................. 147
Community Development Employment Projects—(Question No. 1697) ......................... 148
Oil for Food Program—(Question No. 1726) ..................................................................... 153
Oil for Food Program—(Question No. 1729) ..................................................................... 153
Oil for Food Program—(Question No. 1732) ..................................................................... 154
Oil for Food Program—(Question No. 1735) ..................................................................... 154
Oil for Food Program—(Question No. 1738) ..................................................................... 154
Oil for Food Program—(Question No. 1741) ..................................................................... 155
Oil for Food Program—(Question No. 1744) ..................................................................... 155
CONTENTS—continued

Oil for Food Program—(Question No. 1747) .......................................................... 156
Oil for Food Program—(Question No. 1751) .......................................................... 156
Oil for Food Program—(Question No. 1754) .......................................................... 156
Oil for Food Program—(Question No. 1757) .......................................................... 157
Tasmanian Community Forest Agreement—(Question No. 1787) ....................... 158
Discretionary Grants Programs—(Question Nos 1821 to 1840) ......................... 158
Wheat Exports—(Question No. 1866) ................................................................. 158
Asia-Pacific Economic Cooperation Meeting—(Question No. 1920) .................. 159
Asia-Pacific Economic Cooperation Meeting—(Question No. 1921) .................. 159
Conclusive Certificates—(Question No. 1953) .................................................... 160
Industry, Tourism and Resources: Monetary Compensation—(Question No. 1996) 160
Growing Regions Conference—(Question No. 2019) ........................................ 162
Growing Regions Conference—(Question No. 2020) ........................................ 162
Growing Regions Conference—(Question No. 2021) ........................................ 162
East Timor—(Question No. 2032) ...................................................................... 163
New Apprenticeship Incentive Program—(Question No. 2034) ......................... 163
Marnic Worldwide Pty Ltd—(Question No. 2035) ............................................... 163
Marnic Worldwide Pty Ltd—(Question No. 2036) ............................................... 164
Marnic Worldwide Pty Ltd—(Question No. 2037) ............................................... 164
Marnic Worldwide Pty Ltd—(Question No. 2038) ............................................... 165
Marnic Worldwide Pty Ltd—(Question No. 2041) ............................................... 165
Marnic Worldwide Pty Ltd—(Question No. 2042) ............................................... 166
Australian Quarantine and Inspection Service—(Question No. 2048) ............... 166
Dampier Rock Art Precinct—(Question No. 2067) ............................................. 166
Regional Airport Funding Program—(Question No. 2073) ............................... 167
Civil Aviation Safety Authority—(Question No. 2075) ..................................... 172
Civil Aviation Safety Authority—(Question No. 2076) ..................................... 172
Civil Aviation Safety Authority—(Question No. 2077) ..................................... 173
Australian Hearing Services—(Question No. 2079) ........................................ 174
Aged Care—(Question No. 2081) ................................................................. 174
Aged Care—(Question No. 2099) ................................................................. 175
Rathdowney Dam—(Question No. 2101) ......................................................... 184
Traveston Dam—(Question No. 2102) ............................................................ 184
National Standards for Child Care Services Project—(Question No. 2103) ........ 185
Information Leaks—(Question No. 2108) ......................................................... 185
Airservices Australia: Hazard Alert Service—(Question No. 2119) ................. 187
Maquarie Marshes—(Question No. 2120) ......................................................... 187
Dairy Industry—(Question No. 2138) .............................................................. 188
Wheat Exports—(Question No. 2204) ............................................................. 188
Wheat Exports—(Question No. 2205) ............................................................. 189
The PRESIDENT (Senator the Hon. Paul Calvert) took the chair at 9.30 am and read prayers.

PETITIONS
The Clerk—A petition has been lodged for presentation as follows:

Aboriginal Land Rights (Northern Territory) Amendment Bill 2006
To the honourable members of the Senate assembled:
The petition of the undersigned to the honourable President and members of the Senate in Parliament requests:
The Senate delay the vote on the Aboriginal Land Rights (Northern Territory) Amendment Bill 2006 to allow time for proper consideration.

by Senator Bartlett,
by Senator Crossin and
by Senator Siewert (from 22,260 citizens)

Petition received.

NOTICES
Presentation

Senator Bartlett to move on the next day of sitting:

That the following bill be introduced: A Bill for an Act to remove unnecessary and unjust ministerial discretion relating to assessments of the character and conduct of visa applicants, and for related purposes. Migration Legislation Amendment (Provisions Relating to Character and Conduct) Bill 2006.

Senator Siewert to move on the next day of sitting:

That, in recognition of Australia’s growing water management issues and the role that recycling may be able to play in helping to sustainably meet the demands for water, the Senate urges the Government to establish a full-scale demonstration water recycling plant as part of an initiative to inform decision-making on Australia’s future water sources.

Senator Watson (Tasmania) (9.32 am)—On behalf of the Standing Committee on Regulations and Ordinances, I give notice that, 15 sitting days after today, I shall move:


I seek leave to incorporate in Hansard a short summary of matters raised by the committee.

Leave granted.

The summary read as follows—

Broadcasting Services (Anti-Terrorism Requirements for Open Narrowcasting Television Services) Standard 2006

Sections 6 and 7 in each of this Standard prohibits a licensee from broadcasting programs that could reasonably be construed either as recruiting people to join terrorist organisations, or as soliciting funds for such organisations. A, licensee will be in breach of these standards regardless of whether the licensee knows that the program could reasonably be construed in this way. The Explanatory Statement does not indicate why the element of the licensee’s knowledge has not been included in sections 6 and 7.

Notwithstanding sections 6 and 7, section 9 permits a licensee to broadcast a program that “merely gives information about, or promotes the beliefs or opinions of, a terrorist organisation”. If section 9 is intended to operate as a defence against an apparent breach of sections 6 or 7 it is not clear whether the licensee bears the burden of establishing that the program merely gives information or promotes certain beliefs.

The Minister has responded to the Committee advising that the omission of the element of the licensee’s knowledge in sections 6 and 7 is intentional to ensure licensees vet or view programs making an informed assessment about them before they are broadcast. Section 9 is not a defence against breaches of sections 6 or 7 but is an ex-
emtion for licensees providing broadcasts that are deemed merely informative. The Committee has written to the Minister seeking further clarification about the relationship between sections 6, 7 and 9.

BUSINESS

Rearrangement

Senator ELLISON (Western Australia—Manager of Government Business in the Senate) (9.32 am)—I move:

That the following government business orders of the day be considered from 12.45 p.m. till not later than 2 p.m. today:

No. 8 Trade Practices Amendment (National Access Regime) Bill 2006
No. 1 Australian Technical Colleges (Flexibility in Achieving Australia’s Skills Needs) Amendment Bill 2006—second reading speeches only.

Question agreed to.

Rearrangement

Senator ELLISON (Western Australia—Manager of Government Business in the Senate) (9.33 am)—I move:

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

(a) general business notice of motion No. 481 standing in the name of Senator Carr relating to housing and accommodation affordability; and

(b) consideration of government documents.

Question agreed to.

Rearrangement

Senator HOGG (Queensland) (9.33 am)—by leave—I move:

That business of the Senate order of the day No. 1, relating to the presentation of the report of the Procedure Committee on the proposal to alter the structure of the Senate committee system, be postponed to a later hour of the day.

Senator Bob Brown—Could the Deputy President give us an indication of when ‘later in the day’ means.

Senator Hogg—I understand that the report is in the process of being printed at this stage. I do not know the exact time when the report will be delivered. We will let you know when we have an idea of the timing.

Question agreed to.

NOTICES

Postponement

The following items of business were postponed:

Business of the Senate notice of motion No. 1 standing in the name of Senator Crossin for today, proposing the reference of a matter to the Environment, Communications, Information Technology and the Arts References Committee, postponed till 4 September 2006.

Business of the Senate notice of motion No. 2 standing in the name of Senator Ludwig for today, proposing the reference of a matter to the Legal and Constitutional References Committee, postponed till 15 August 2006.

FUEL PRICES

Senator MILNE (Tasmania) (9.35 am)—I move:

That the Senate—

(a) recognises that the global price of oil is likely to continue to rise because of dwindling global supply, ongoing demand including from the rapidly growing economies of China and India, limited and inflexible refining capacity, interrupted supply because of climate change related storms and infrastructure damage in addition to geo-political factors;

(b) endorses the development of a national strategy to reduce Australia’s dependence on oil; and

(c) calls on the Government to:

(i) establish a Council of Australian Governments process to begin redesigning Australian cities with a view to investing in public transport to reduce car dependence,
(ii) introduce mandatory vehicle fuel efficiency standards for all new motor vehicles, and

(iii) invest in the development of alternative fuels.

Question put:

The Senate divided. [9.40 am]

(The President—Senator the Hon. Paul Calvert)

Ayes ............ 7
Noes ............ 47
Majority ....... 40

AYES

Allison, L.F. Bartlett, A.J.J.
Brown, B.J. Milne, C.
Nettle, K. Siewert, R. *
Stott Despoja, N.

NOES

Adams, J. Barnett, G.
Bernardi, C. Bishop, T.M.
Boswell, R.L.D. Brandis, G.H.
Brown, C.L. Calvert, P.H.
Campbell, G. Carr, K.J.
Chapman, H.G.P. Colbeck, R.
Coonan, H.L. Eggleston, A.
Ellison, C.M. Evans, C.V.
Faulkner, J.P. Ferris, J.M.*
Fierravanti-Wells, C. Forshaw, M.G.
Hogg, J.J. Hurley, A.
Hutchins, S.P. Johnston, D.
Joyce, B. Kirk, L.
Ludwig, J.W. Macdonald, I.
Marshall, G. McEwen, A.
McLucas, J.E. Moore, C.
O’Brien, K.W.K. Parry, S.
Patterson, K.C. Payne, M.A.
Polley, H. Ray, R.F.
Ronaldson, M. Scullion, N.G.
Sterle, G. Troeth, J.M.
Treod, R. Watson, J.O.W.
Webber, R. Wong, P.
Wortley, D.

* denotes teller

Question negatived.

TARKINE WILDERNESS

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (9.43 am)—I move:

That the Senate calls on the Government to assess Tasmania’s Tarkine wilderness with a view to nomination for listing for its World Heritage values, including those related to its:

(a) Aboriginal values;
(b) non-Aboriginal values;
(c) natural, forest and wildlife values;
(d) wilderness values; and
(e) geological values.

Question put:

The Senate divided. [9.45 am]

(The President—Senator the Hon. Paul Calvert)

Ayes ............ 7
Noes ............ 48
Majority ....... 41

AYES

Allison, L.F. Bartlett, A.J.J.
Brown, B.J. Milne, C.
Nettle, K. Siewert, R. *
Stott Despoja, N.

NOES

Adams, J. Barnett, G.
Bernardi, C. Bishop, T.M.
Boswell, R.L.D. Brandis, G.H.
Brown, C.L. Calvert, P.H.
Campbell, G. Carr, K.J.
Chapman, H.G.P. Colbeck, R.
Coonan, H.L. Eggleston, A.
Ellison, C.M. Evans, C.V.
Faulkner, J.P. Ferris, J.M.*
Fierravanti-Wells, C. Forshaw, M.G.
Hogg, J.J. Hurley, A.
Hutchins, S.P. Johnston, D.
Joyce, B. Kirk, L.
Ludwig, J.W. Macdonald, I.
Marshall, G. McEwen, A.
McLucas, J.E. Moore, C.
O’Brien, K.W.K. Parry, S.
Patterson, K.C. Payne, M.A.
Polley, H. Ray, R.F.
Ray, R.F. Ronaldson, M.
Scullion, N.G. Sterle, G.
Troeth, J.M. Trood, R.
Watson, J.O.W. Webber, R.
Wong, P. Wortley, D.

* denotes teller

Question negatived.

FUEL PRICES

Senator ALLISON (Victoria—Leader of the Australian Democrats) (9.48 am)—I move:

That the Senate—

(a) notes that:

(i) record high prices of petrol in Australia are likely to increase due to recent wars in the Middle East, a diminishing number of significant oil reserves being discovered in the past decade and world-wide demand that is expected to exceed production sometime between 2010 and 2025,

(ii) Australian oil production has diminished and currently around 65 per cent of all oil consumed is imported, and

(iii) oil used in transport produces 17 per cent of Australia’s greenhouse gas emissions;

(b) notes also that:

(i) oil companies are still reluctant to market biofuels and are unlikely to meet their Biofuels Action Plan targets for uptake in the 2006-07 financial year, and

(ii) the Government has consistently undermined alternative fuels, imposing excise commencing in 2012, cutting excise on diesel, forcing onerous testing on small biodiesel producers and providing billions of dollars to the auto industry without leveraging fuel efficiency or alternative fuel conversions; and

(c) urges the Government to:

(i) release the report of its June 2006 review of the Biofuels Action Plan,

(ii) keep excise off alternative fuels,

(iii) mandate a proportion of petrol and diesel to be blended with at least 10 per cent biofuel,

(iv) fund compressed natural gas refuelling stations,

(v) provide incentives to motorists and auto manufacturers to take up alternative fuel and fuel efficient vehicles, and

(vi) invest in better public transport, bike and walk ways and freight rail.

Question put:

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

The Senate divided. [9.50 am]

(The President—Senator the Hon. Paul Calvert)

Ayes………….. 7
Noes………….. 53
Majority……….. 46

AYES

Allison, L.F. Bartlett, A.J.J. *
Brown, B.J. Milne, C.
Nettle, K. Siewert, R.
Stott Despoja, N.

NOES

Adams, J. Barnett, G.
Bernardi, C. Bishop, T.M.
Boswell, R.L.D. Brandis, G.H.
Brown, C.L. Calvert, P.H.
Campbell, G. Carr, K.J.
Chapman, H.G.P. Colbeck, R.
Coonan, H.L. Crossin, P.M.
Eggleston, A. Ellison, C.M.
Evans, C.V. Faulkner, J.P.
Ferguson, A.B. Ferris, J.M. *
Fierravanti-Wells, C. Fifield, M.P.
Forshaw, M.G. Hogg, J.J.
Hurley, A. Hutchins, S.P.
Johnston, D. Joyce, B.
Kirk, L. Lightfoot, P.R.
Ludwig, J.W. Macdonald, I.
Macdonald, J.A.L. McEwen, A.
McGauran, J.J.J. McLucas, J.E.
Moore, C. O’Brien, K.W.K.
Parry, S. Patterson, K.C.
Payne, M.A. Polley, H.
Senator NETTLE (New South Wales) (9.53 am)—by leave—I move the motion as amended:

(a) notes that the details of any ceasefire in the Middle East will be controversial but given the ongoing loss of life any immediate ceasefire is better than no ceasefire; and

(b) calls on the Australian Government to support an immediate ceasefire.

Question put:
The Senate divided. [9.55 am]

(The President—Senator the Hon. Paul Calvert)

AYES

Allison, L.F. Bartlett, A.J.J.
Brown, B.J. Milne, C.
Nettle, K. Siewert, R. *
Stott Despoja, N.

NOES

Adams, J. Barnett, G.
Bernardi, C. Bishop, T.M.
Boswell, R.L.D. Brandis, G.H.
Brown, C.L. Calvert, P.H.
Campbell, G. Carr, K.J.
Chapman, H.G.P. Colbeck, R.
Coonan, H.L. Crossin, P.M.
Eggleston, A. Ellison, C.M.
Evans, C.V. Faulkner, J.P.
Ferguson, A.B. Ferris, J.M. *
Fierravanti-Wells, C. Fifield, M.P.
Hogg, J.J. Hurley, A.

Hutchins, S.P. Johnston, D.
Joyce, B. Kirk, L.
Lightfoot, P.R. Ludwig, J.W.
Macdonald, I. Macdonald, J.A.L.
McEwen, A. McGauran, J.J.J.
McLucas, J.E. Moore, C.
O’Brien, K.W.K. Parry, S.
Patterson, K.C. Payne, M.A.
Polley, H. Ray, R.F.
Ronaldson, M. Santoro, S.
Scullion, N.G. Sterle, G.
Troeth, J.M. Trood, R.
Watson, J.O.W. Webber, R.
Wong, P. Wortley, D.

* denotes teller

Question negatived.
AUSTRALIA-JAPAN FOUNDATION (REPEAL AND TRANSITIONAL PROVISIONS) BILL 2006

First Reading

Bill received from the House of Representatives.

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (10.01 am)—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 COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (10.01 am)—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—

AUSTRALIA-JAPAN FOUNDATION (REPEAL AND TRANSITIONAL PROVISIONS) BILL 2006

The purpose of this bill is to repeal the Australia-Japan Foundation Act 1976. The abolition of that Act will enable the Australia-Japan Foundation to be re-formed as a non-statutory, unincorporated bilateral body within the Department of Foreign Affairs and Trade on the same footing as the other eight bilateral bodies established in the department to undertake similar functions.

The Australia-Japan Foundation is responsible for broadening and strengthening Australia’s links with Japan to advance Australia’s national interests. The Foundation plays an important role promoting people-to-people, institutional and professional links between the two countries through its cultural, educational and other programs.

The bill forms part of the implementation of the Government’s response to the Review of Corporate Governance of Statutory Authorities and Office Holders that was conducted by Mr John Uhrig. The Government has been reviewing all statutory agencies in the context of Mr Uhrig’s recommendations, to ensure that we have the most effective accountability and governance structures across the whole of government.

It is anticipated that revoking the Foundation’s statutory status and bringing it into the Department of Foreign Affairs and Trade will better align the Foundation’s activities with the Government’s foreign and trade policy objectives in Japan, one of our most important and productive bilateral relationships. It is also expected to improve the Foundation’s administrative efficiency. The Foundation will continue its important work in delivering programs in support of those objectives while promoting contemporary Australia as a culturally diverse and technologically sophisticated society.

On behalf of the Government, I would like to thank the current and previous Australia-Japan Foundation boards. I am grateful for their extensive expertise and commitment in advancing Australia-Japan relations and I am confident that the new advisory board will continue their good work.

Debate (on motion by Senator Coonan) adjourned.

AUSTRALIAN TECHNICAL COLLEGES (FLEXIBILITY IN ACHIEVING AUSTRALIA’S SKILLS NEEDS) AMENDMENT BILL 2006

Second Reading

Debate resumed from 9 August, on motion by Senator Coonan:

That this bill be now read a second time.

(Quorum formed)

Senator WONG (South Australia) (10.03 am)—I rise to speak on the Australian Technical Colleges (Flexibility in Achieving Australia’s Skills Needs) Amendment Bill 2006. This bill provides for the establishment and operation of 25 Australian technical colleges,
which of course was the government’s election response to Australia’s skills crisis. The bill before the chamber amends the Australian Technical Colleges (Flexibility in Achieving Australia’s Skills Needs) Act 2005 to bring forward funding for the proposed 25 colleges from 2008-09 to 2006-07, within the same funding total for the quadrennium, and also to enable the Minister for Vocational and Technical Education to redistribute funds between particular years by regulation rather than by legislative amendment. The colleges are intended to provide high-quality tuition in both academic and vocational education for students in years 11 and 12. They are intended to be located in regions with skills needs, with a high youth population and that are supported by a significant industry base.

The government promised at the last election to build the 25 colleges to provide school based apprenticeship courses for 7,500 students. That is about 300 students to be enrolled in each college, and yet we are in the second half of 2006 and only five colleges are open for business—one of which is an existing school—enrolling a total of 350 students, which is hardly 300 in each college. One hundred and eighty-five of those students are at the existing school. The last of these schools, in northern Tasmania, commenced operations on 31 July 2006.

As I said, this is the government’s response to date to meeting the Prime Minister’s commitment during the election campaign, and I want to quote from the Prime Minister’s election campaign speech. He said that ATCs are ‘the centrepiece of our drive to tackle skills shortages and to revolutionise vocational education and training throughout Australia’. Some revolution! It is clear that this bill exemplifies the Howard government’s incompetence and its blind commitment to ideology over genuine educational need.

The opposition will not stand in the way of releasing urgently needed funding for students and for that reason we will support the bill. But, frankly, the government deserves to be condemned for its performance, and I foreshadow the second reading amendment that has been circulated in my name. The Howard government has been in office for 10 long years. Its legacy is a crisis in providing the skills the nation needs for ongoing productivity, low inflation and prosperity. The Howard government’s legacy is a failure to train Australians.

The Australian Industry Group estimates that Australia needs an extra 100,000 skilled workers. The five colleges that the Howard government has thus far produced and are now in operation will produce 350 additional tradespeople in four or five years at best. Almost two-thirds of employers surveyed by the AiG report that they have experienced difficulties in securing employees in the trades, compared with around 50 per cent of employers having difficulties in recruiting technicians, paraprofessionals and engineering professionals. Almost three-quarters of employers surveyed by the group report that an inability to secure skilled staff will be a barrier to their companies’ success. Eighty-five per cent of employers surveyed wanted help to reverse the skills shortage, yet hardly any will be helped by this bill and none will be helped until 2010 at the earliest. The government stands condemned for its failure to provide the training opportunities for Australians to get the skills they need and the skills our nation needs.

The Howard government also stands condemned for its refusal to give priority to funding vocational education and training. This year’s budget papers report that funding for vocational education in the budget for 2005-06 was $1.543 million. That is less than one per cent of total budget expenses—0.75 per cent. I will just put that in context:
this is at a time when we have had numerous warnings by the Reserve Bank of capacity constraints in our economy, not only in infrastructure but in the lack of skilled workers, and when employers have continued to indicate their concerns about skilled labour supply. This government presides over a long-term decline in budget expenditure on vocational education. Commonwealth funding for vocational education is estimated to be $1.681 million by 2009-10. That is an increase on average of 2.2 per cent a year, which is well less than today’s inflation rate. In 2009-10 the proportion of the budget spent on vocational education will have declined to 0.67 per cent. This lack of investment reveals the government’s complacency and its indifference to skills training.

As I previously mentioned, in its election campaign the government promised 25 Australian technical colleges, enrolling 7,500 students. What do we have today instead? We have five colleges in operation, enrolling around 350 students in total; and, of these, 220 are enrolled in just one college in Port Macquarie, New South Wales—in the Deputy Prime Minister’s electorate. And this college already existed; it is St Joseph’s Vocational College, Port Macquarie. It is a highly successful school, providing education, training and employment opportunities for many young people in the area. The fact is that this college has been providing this training for many years now without being dubbed an Australian technical college. Consider for a moment the difference between what the government has actually delivered and what it said it would deliver. Twenty-five colleges enrolling 7,500 students was the promise; instead we have five colleges enrolling 350 students, of which the vast majority were enrolled in an already existing school.

We commend St Joseph’s and other schools that are involved in this, and we support St Joseph’s extension under this scheme. But the fact is that around 185 of the 220 currently enrolled students were already at the college last year; so more than two-thirds of the current enrolments in ATCs across the nation are in just one school in Port Macquarie. Not too far from Port Macquarie is a government high school in Ballina, New South Wales. This school is also a high-quality institution, working hard for its students and its community in the same way that St Joseph’s College has in Port Macquarie. Ballina High School won the 2004 national training award for VET in Schools. The school developed an application for funding under the ATC program to extend its services, analogous to what has occurred at St Joseph’s. It proposed to do this in partnership with local industry and with the Northern Institute of TAFE, which has also received national recognition for quality training; it won the 2004 national training provider of the year award.

So the school that wins the national training award for VET in Schools and the TAFE that wins the national training provider of the year award applied for Australian technical colleges funding. And what did the government do? The school was unsuccessful in its application. Why? Was it because the training was not good enough? No. Was it because the TAFE provider did not have a demonstrated record? No. Was it because there was a lack of industry support? No. The reason this school was denied funding is because it is unable to meet the Howard government’s industrial relations requirements.

The bill before the chamber does not mention these requirements. The guidelines for funding that underlie it, however, make the government’s intentions clear: Australian technical colleges must:

... offer the option of an Australian Workplace Agreement to all staff in accordance with the Workplace Relations Act 1996, which will pro-
vide rewards linked to excellent performance, including performance pay.

So the bill before the chamber is as much about industrial relations as it is about education, training or skills development. The outcome of this policy is that the bulk of Australian students in our public schools have been denied the opportunity to benefit from the ATC program.

The minister has announced 22 successful ATC proposals. Of these only two are stand-alone government schools, and one other is in a consortium with a Catholic school. Twenty of the 22 announced ATCs involve existing non-government schools or new independent schools. All of these colleges receive federal and state general recurrent funding for their ongoing operation. Some of the successful colleges have been flexible in meeting the industrial relations requirements. Some of them have been creative in meeting these requirements, and it is a pity that their creative energies have had to be directed to meeting these complex and onerous industrial relations requirements, rather than that effort being directed to developing education and training programs for their students. These schools will find they have to meet state curriculum and teacher registration requirements, including for non-vocational curriculum. They will need to charge their students fees, presumably at a reasonably high level, to provide the resources needed for a quality vocational and academic education at the expensive senior secondary level.

Setting up a new school, let alone a specialised vocational college, is not for the faint-hearted or for the inexperienced. We hope they can acquire these skills soon, for their students’ sake. What we do not want to see—and what appears to be fostered by the government—is a destructive competition for students, teachers and resources with other government and non-government schools. Some of the state governments have taken action to do something about the Howard government’s patent indifference to the students in their public schools. The New South Wales government has announced it will provide funding for a number of trades schools, including in some of the schools that the Howard government has refused to support. The Victorian government has announced that it plans to establish technical education centres to provide preapprenticeship and first-year apprenticeship training to students in years 10 to 12.

Minister Hardgrave, unfortunately, has not been backward in criticising these schools or in insulting the teachers and students in those schools. On 3 August the minister put out three media releases ‘announcing’ different aspects of the ATC program. First there was the announcement of a funding agreement for an ATC in Illawarra based at Wollongong but with shopfronts in Moss Vale and Nowra. This college will be established as a non-government school. Then there was the release about the starting of refurbishments at the North Brisbane ATC in Scarborough. This was more in the nature of a ‘re-announcement’, as the funding agreement was first announced in February this year. Again, this school will be a non-government school with the Scarborough campus located at the Southern Cross Catholic College. The final release on 3 August trumpeted that ATCs are ‘in a league of their own’, but all that could be announced was that ‘negotiations were in progress’ for colleges in Queanbeyan, Dubbo and Ballina. We could forgive a desperate minister for pushing a media story about negotiations, but we cannot forgive the disgraceful message to the students of the Queanbeyan trade school in New South Wales. The minister had the gall to describe the school as ‘second rate’ in his media release. What an extraordinary message for the minister responsible for training.
Queanbeyan High School will be the site of one of the 10 trade schools to be established by the New South Wales government. The Canberra Chronicle reported on 1 August:

The Queanbeyan Trade School will involve a partnership between Queanbeyan and Karabar high schools and Queanbeyan TAFE, and will specialise in metal and engineering and automotive trades. The new trade school will have a multi-purpose trade workshop, fitted with industry-standard equipment...

It goes on to report that the trade school will benefit from strong industry and community support, which will also link students with employers who will provide them with on-the-job experience. This is a school that should be supported, not subjected to statements from a minister of the Crown that the school is second rate.

Instead of national collaboration and the fostering of a shared responsibility for meeting the nation’s skills needs, we have a program that has promoted bickering, put-downs and a wasteful use of scarce resources. This is what the government’s technical colleges program has come to: a failure to plan properly, an inability to move away from an extreme industrial relations ideology and a putting-down of those who are not prepared to cooperate with a flawed policy agenda.

The minister is also very defensive about the lack of progress—as you would be when you look at the numbers compared to the election promise—and we have noticed through the Senate estimates a lack of clarity and helpfulness in providing information about that progress. I have been asking detailed questions at estimates hearings for over a year on how these colleges are performing. For example, some of the questions asked by me and by other Labor senators were: how much funding is each college receiving; will this funding be adequate to provide high-quality senior secondary schooling and vocational training; what qualifications will the students graduate with; and how many of the expected enrolments will be additional to the current provision in existing schools? We have also been asking a range of questions about when we will see a number of these colleges opened. Unfortunately, many of the answers provided so far have focused much more on what the government hopes to achieve rather than what has actually been achieved.

As I said at the outset, the bill seeks to bring forward funding from 2008 and 2009. Funding for 2006 is increased by $62 million and for 2007 by $26 million. These increases are offset by the reduction in the allocations for the outer years—that is, after the next election—so that the funding for the quadrennium is unchanged at $343.6 million. The explanatory memorandum states that this change, or rephasing forward, of some of the funding reflects the ‘significant progress that has been made in establishing the colleges’. Frankly, if that is right, we are going to have to have a rush of activity in the months ahead.

The reality is that at the end of May this year $185 million had been committed to ATCs but only $18 million had been spent, out of a total budget of $343 million. If the money is not being spent that is usually a pretty good sign that the policy is not being delivered. Therefore, it is no wonder that the government is reluctant to provide information about the funding, operation and status of the proposed colleges. This country needs a systematic approach to promoting trades, science and technology education.
In stark contrast with the Howard government, Labor would work with states and territories to implement these changes in secondary schooling for the benefit of young Australians. Labor’s Skills and Schools Blueprint, released in September last year, outlines our program for improving the skills training in our schools. We will offer young people better choices by teaching trades, technology and science in first-class facilities. We will establish a Trades in Schools scheme to double the number of school based apprenticeships in areas of skills shortage and provide extra funding per place. We will establish specialist schools for the senior years of schooling in areas such as trades, technology and science and establish a ‘trades taster’ program so that years 9 and 10 students can experience a range of trade options which could also lead to pre-apprenticeship programs.

We will increase the number of young Australians completing apprenticeships, through incentives such as the $800 per year skills account which would abolish up-front TAFE fees. This money, which could be paid directly into a skills account for every traditional trade apprentice, could be spent on TAFE fees, textbooks or materials. We have also outlined a $2,000 trade completion bonus under which traditional apprentices would receive a $1,000 payment halfway through their training and a further $1,000 payment at the completion of their apprenticeship. These are practical and real reforms of the kind we need to develop Australian skills. The fact is that under this government, despite warnings not just from the Reserve Bank but also from industry and employers over many years, there has been a comprehensive lack of strategy, focus and priority given to training young Australians. Instead we have seen from this government an over-reliance on skilled migration. The legacy of this government is a failure to train Australians. We are experiencing a skills shortage now and all this government has to offer is an incompletely delivered and belated Australian technical college policy.

Nevertheless, given the lack of focus on technical and vocational training in this country, Labor will support the bill. We do want students to benefit from the program, despite our misgivings about the government’s ability to deliver this and its appalling record so far. However, this government should be held to account for its failure to train Australians. It should be held to account for presiding over a skills crisis in this country and it should be held to account for its failure to meet its responsibilities as the national government.

I move Labor’s second reading amendment which has been circulated in my name:

At the end of the motion, add;

“but the Senate condemns the Government for:

(a) creating a skills crisis during their 10-long years in office;
(b) its continued failure to provide the necessary opportunities for Australians to get the training they need to get a decent job and meet the skills needs of the economy;
(c) reducing the overall percentage of the Federal Budget spent on vocational education and training, and allowing this percentage of spending to further decline over the forward estimates period;
(d) its incompetent handling of the Australian Technical Colleges initiative as evidenced by only five out of twenty five colleges being open for business, enrolling fewer than 350 students;
(e) failing to be open and accountable about the operations of Australian Technical Colleges, including details of extra student enrolments, funding levels for the individual colleges, course structures and programs;
(f) denying local communities their promised Australian Technical College because of their ideological industrial relations requirements; and

(g) failing to provide enough extra skills training so that Australia can meet the expected shortfall of 100 000 skilled workers by 2010”.

Senator RONALDSON (Victoria) (10.22 am)—It is an interesting notion when the Australian Labor Party come in here, represented by Senator Wong, and give the impression to those listening that they are actually doing the government a favour by supporting this bill, the Australian Technical Colleges (Flexibility in Achieving Australia’s Skills Needs) Amendment Bill 2006. The bottom line is that the Australian Labor Party, through their intransigence, actually held up the passage of the original Australian Technical Colleges (Flexibility in Achieving Australia’s Skills Needs) Act. Indeed, they are responsible for any delays there might have been in its implementation.

Senator Wong—You haven’t spent the money from the last budget.

Senator RONALDSON—The fact that we came in here today to bring forward money is a clear indication of the success of this program.

Senator Wong—You are a joke.

The ACTING DEPUTY PRESIDENT (Senator Ferguson)—Order, Senator Wong!

Senator RONALDSON—Senator Wong can yell as much as she likes, but the Australian Labor Party were responsible for holding up the passage of this bill and were responsible for denying young Australians the opportunities for training. So do not come in here and bleat about skills training, Senator Wong, when you were responsible for holding up the passage of the original legislation and you and your colleagues—

Senator Wong—you haven’t spent the money you’ve got!

The ACTING DEPUTY PRESIDENT—Order! Senator Wong, you were heard in silence for almost 20 minutes and I would ask you to observe the same courtesy for Senator Ronaldson.

Senator RONALDSON—You were the ones who held up the passage of the original bill. This bill is actually about bringing forward money—$343-odd million of training money—because the program has been such a success. With the way you have come in here today, you would think that you were doing the kids of Australia a favour by supporting this. The fact is that these Australian technical colleges—which are classic partnerships between young people, schools, industry and general business—have been and will be an outstanding success. The fact is that we are here today because the government and the minister have moved rock after rock, against the desires of the Australian Labor Party, to make sure that we get these ATCs up and running. That is a measure of this government’s commitment and it is a measure of the constant opposition of the Australian Labor Party to any attempt by this government at nation building through skills training. This has been opposed and delayed by the Australian Labor Party.

There were comments this morning about what needs to be done with the ATCs. The bottom line is that the government has identified a clear need to increase participation in traditional skills in this country. We have been forced again to take up the slack of state Labor governments, who have wiped their hands of any responsibility for this nation’s young people—totally wiped their hands of it. And then at the 11th hour, of course, Mr Bracks recently announced some convoluted process, only in response to this government’s initiatives.
Twenty-two of the 25 colleges have been announced. The $343 million of funding remains unchanged, appropriated until 2009. Five of those colleges will be operational this year, at least 20 colleges are expected to be operational in 2007 and, when fully operational, the 25 ATCs will have at least 7½ thousand students each year. That is a quite remarkable achievement. The fact that we are here today to bring forward funding is again a remarkable achievement, and not just of this government. The people who I want to pay credit to are the people in education, industry and business—community leaders who have worked hard to make sure that these colleges get up and running.

In my patron seat of Bendigo, the Bendigo ATC, which I will talk about further in due course, has been driven by a consortium of community leaders, across all industries and all sectors, who want to make this work. I am afraid that I really am staggered by the fact that the Australian Labor Party does not want to see this work. The Bendigo operation, which will be operational next year, was driven by Mr Don Erskine, who is well known to many in this chamber. He has a remarkable group of people who have worked very hard to make sure that the ATC will be up and running next year.

Mr Acting Deputy President, as you will be acutely aware, the issue of trade skills in regional areas, such as Bendigo, Ballarat and Geelong in my home state, is absolutely fundamental to the survival of those regions. Those from country areas will know full well that we cannot tell our young people to stay, live, work and raise their families in Bendigo. As parents and communities we cannot tell them that, but what we can do is give them the opportunity to remain in the regions in which they were raised. The best way of giving them a good reason to stay is to give them employment opportunities. The ATCs are pivotal in metropolitan areas, but they are both pivotal and fundamental to the survival of regional centres. That is why they have been taken up with such gusto by people across broad political spectrums and with broad community interests.

As I have said before, educators, people from industry and people from small business know full well that the survival of those regional centres can be guaranteed only if we are able to provide our young people with skills and the opportunity to work and live in their own areas, and with the ability for us to attract decentralised industry. Companies will only come to the Bendigos, the Ballarats and the Geelongs of this world if there is a skills base. They look at the skills base and make a decision about whether the local community can provide them with long-term, skilled employees that will sustain that business. The ATC in Bendigo will enable the community, whether it is the council or other organisations that are driving that great city forward, to sell to other industries the skills that we have, to attract them to Bendigo.

I think it is quite extraordinary that we have heard the Leader of the Opposition constantly talking in platitudes about skills training issues. One of his claims recently was that, with the Howard government, there had been 10 years of chronic skills shortage. It is interesting: when Mr Beazley was the minister there were 122,000 young people in apprenticeships or traineeships; there are now nearly 400,000 young Australians being given that opportunity for their future. Am I taking great credit on behalf of the government for that? Yes, I am, but what I am also saying is that good government provides good opportunities, and it is a bit rich for Mr Beazley, who did not provide those opportunities, to be attacking a government for doing what a government should be doing. Indeed, $10.8 billion over the next four years is going into vocational training and educa-
There was an interesting comment, again by Mr Beazley, about young Australians being turned away from TAFE. The federal government does not run or own any TAFEs, as you would be aware, Mr Acting Deputy President—not one of them. But his commentary was along the lines that the government has imported 270,000 extra skilled migrants. That is actually a blatant untruth, because the figures that Mr Beazley is talking about are the dependants of those primary skilled immigrants—they are dependants. Mr Beazley, to try and make a cheap political point, has rolled them all in together, but about 120,000 or 130,000-odd are actually skilled migrants and the rest are dependants.

Mr Beazley’s shameful comment that 300,000 young Australians have been turned away from TAFE, at the same time that the government has imported 270,000 extra skilled migrants, is purely designed for domestic purposes: to say to the Australian community that the government has put skilled migrants ahead of its responsibility to train young Australians—a blatant lie, because they are not skilled migrants; they are dependants—

The ACTING DEPUTY PRESIDENT (Senator Murray)—Order, Senator Ronaldson! You know you must not use unparliamentary language. Could you please rephrase and withdraw.

Senator RONALDSON—I actually did not call Mr Beazley a liar; I said the comment was a lie, and the comment is a lie. But if there was any reflection taken—

Senator Kirk interjecting—

Senator Conroy interjecting—

Senator RONALDSON—Would you let me finish? If there was any perceived reflection on Mr Beazley, I withdraw it, but the fact that there have been 270,000 extra skilled migrants is a lie—a bold and bald lie.

The ACTING DEPUTY PRESIDENT—Senator Ronaldson, you are testing the chair.

Senator RONALDSON—My apologies. As I say, I withdraw any reflection on Mr Beazley. I thought it would be worthwhile going through the people who are associated with the Bendigo ATC. As I said, we have got Mr Don Erskine, who is the chairperson; Mr Michael McKern, who is the managing director of McKern Building Products and chair of the regional Australian Industry Group; Mr Coulter, CEO, Flowserve Pump Division; Terry Hurford, director of Morey and Hurford Builders; Graeme Sloan, CEO and director of Perseverance Corporation, a mining company; Ron Poyser, managing director of Poyser Motors; John McLean, CEO of the City of Greater Bendigo; Dr Louise Harvey, director of the Bendigo Regional Institute of TAFE—the TAFE is a partner in this; Elsie L’Huillier, executive officer of the Goldfields Local Learning and Employment Network; John Lynch, general manager of the Central Victorian Group Training Company; Darren McGregor, principal of the Catholic College Bendigo; and Helen Wee Hee, training manager of the Bendigo Sports and Entertainment Group. This very broad cross-section of people in Bendigo is committed to supporting the ATC and the Bendigo district’s young people.

The college will establish its central campus and administration centre at a high-profile site in the youth precinct of the Bendigo CBD. The programs will be delivered across the region—Bendigo, Echuca, Castlemaine, Maryborough, Rochester, Kyabram, Wedderburn, Boort and Charlton—and through subcontracting arrangements with existing schools, TAFEs, RTOs and other appropriate institutions. The college proposes to negotiate with the BRIT to ex-
tend existing hospitality facilities to the Bendigo campus. It comes at a cost of about $725,000. The TAFE has agreed in principle to enter into these negotiations, and the finalisation of that arrangement will require agreement with the Victorian government. Let us hope that they are a lot quicker in reaching those agreements than the Australian Labor Party was in the Senate in enabling this initial legislation to get through.

The college will also negotiate with the Central Victorian Group Training Company to develop a training facility for plasterers at a cost of about $125,000. Up to $455,000 has been requested for a mobile classroom, a prime mover and a trailer to enable on-site teaching and learning resources in some trades and utilising state-of-the-art technologies.

There will be the establishment of 29 centres of excellence. MOUs will be developed with employers in two industries in each of the 10 trade areas located in Bendigo and the three in Echuca, Maryborough and Castlemaine. An amount of $1,000 per rural student per year has been included to offset the cost of travel for students in outlying areas to attend work and vocational training placements. An amount of $1,000 per rural student per year is included in the cost of outsourcing delivery of the academic curriculum to small rural schools, reflecting the additional cost and limited flexibility in those schools where extra classes may need to be conducted to fit in with the student school based New Apprenticeships commitments. That is nearly $11 million of hope in the future for these kids in Bendigo.

Those 25 ATCs are about making sure that as a nation we are prepared to back the undoubted ability of our kids and young people. It is not rocket science. Why would the opportunity be taken in this place to play cheap, domestic politics with such an important issue? Why would this nation’s young people be subjected to the Australian Labor Party’s view that anything is worth a crack at? It does not matter what it is; it will be opposed.

At the end of Senator Wong’s contribution, almost as a throwaway line, she said, ‘Oh well, we’re going to support it.’ Of course they have to support it, because it is bringing money forward from out years to enable these schools to be set up now. If she thinks she will get any credit for supporting something that is quite logical, then I think she is going to be unpleasantly surprised. She will not get any support for it. Why she will not get support is the fact that these schools could have been up and running even earlier if it had not been for the intransigence of the Labor Party about allowing this initial bill to go through.

This bill is exciting because it provides opportunities. It is in the very truest sense of the word one of those great Australian partnerships. It is a partnership with Australia’s young people, who want to carve out a career for themselves and who want to make a contribution to this great nation of ours. While they are pilloried in some quarters, we should be proud of these kids. We should be proud of their ambitions and we should be supporting them at every single turn. Part of our contribution to them is to make sure they have the very best skills to ensure that their contribution can be maximised. I commend this bill to the Senate. I commend what underpins this bill to the Senate, because a nation built on skills is a nation that, in my view, is making the single biggest contribution it can make—that is, to the future of our young people.

Senator WEBBER (Western Australia) (10.41 am)—This bill, the Australian Technical Colleges (Flexibility in Achieving Australia’s Skills Needs) Amendment Bill 2006,
is yet another example of how this government talks big and delivers very little. The first thing, of course, that the government did was deny that there was a problem with skills shortages in the economy. In fact, the first thing they did when they came to office was slash the money devoted to training people in the skills we now desperately need. Next they claimed it was the responsibility of the states and territories, that the Commonwealth had absolutely nothing to do with this. Then they blamed the states and territories—something we hear all too often in this place. Finally, during the election campaign of 2004, they said that they had a solution—they finally had a solution—to the skills shortage.

Their solution was the Australian technical colleges and that they would create 24 in various locations around Australia. Two long years down the track and the government have managed to open only five colleges so far—Gladstone and the Gold Coast in Queensland, Port Macquarie in New South Wales, one in Melbourne and the latest in northern Tasmania on 31 July. All 24 colleges were meant to be up and running and offering 7,500 places by 2008. At this stage, the minister is even saying that three of the areas previously considered—namely, Ballina, Dubbo and Queanbeyan—may in fact lose their colleges because of perceived shortcomings in their applications. In two years, that is five colleges and maybe a total of 300 students!

This amendment bill is before this place because the government wants to bring forward the funding. The best defence of that that the likes of Senator Ronaldson can run in this place is that it is the Labor Party that is delaying the legislation. This is the place where everyone in the Australian community knows the government has the numbers; the other place is where everyone in the Australian community knows the government has the numbers. Therefore, it can act at will—and the last time I looked there was actually a Manager of Government Business who scheduled the passage of legislation in this place. If that is the best excuse, when you have the numbers and you cannot run this chamber, then you really need to rethink your whole approach.

The approach of the government to this issue is a perfect illustration of how this federal government operates. In the lead-up to the 2004 election the issue of skills shortages had finally started to gather some momentum, an issue that the Labor Party had been concerned about for quite some time. The Commonwealth government, after sitting on its collective hands for years, realised that it really had to do something about this. Its solution, first, was to blame everyone else for the problem and then to create a policy of building 24 Australian technical colleges to demonstrate that it had a solution. Two years on and we have five colleges. By the time of the next election, at this rate we could have seven, if we are lucky. It is little wonder, then, that the Prime Minister, as recently as 31 May this year, at the Minerals Council dinner, announced that the Australian technical college in the Pilbara had been approved. I do not believe that the Australian people would accept that delivering only 25 per cent of an election commitment from the 2004 election is at all satisfactory. That is because it is not.

The essential thrust of the policy announcement in 2004 was that the states and territories, through the TAFE system, a system that is well known to all Australians, had failed to provide sufficient training places—mainly, you would have to say, because the federal government cut funding to it, but that is obviously not of concern to those over there. So the government announced that the new Australian technical colleges would increase competition in the training sector and
that business would have much greater input. It is passing strange, then, that the government could tie itself to a policy, supposedly as one of the measures to overcome the chronic skills shortages faced by our economy, by starting from the ground up at a cost in excess of $300 million to fund an alternative training college system that may deliver its first apprentice by the year 2010—a long way from the 2004 election commitment.

Consider that. We are facing a skills shortage and, rather than dealing with it by working with the states and territories, rather than expanding TAFE colleges that are already able to offer trades training, the Commonwealth embarks on a completely different stream of training that will not see a graduate perhaps until 2010—all those wasted years. Two years since the policy was announced and not one apprentice has been delivered. So much for the government’s concern about the skills shortage: two years and only five colleges. This is a wasted opportunity for Australian industry, for the Australian labour market and, most importantly, for young Australians wanting to undertake an apprenticeship. The government has wasted millions of dollars and two years creating an alternative training system to that which is already out there and delivering apprentices. Rather than trying to strengthen or improve the current system it has simply thrown the baby out with the bathwater and started from scratch.

I have to admit that, even at the time of the announcement in 2004, there were those of us who could see where this policy was heading. It was clear that any policy that aimed to create new technical colleges from the ground up was going to take time—and, so far, we have seen just that: two years for five colleges. At this rate it will take about 10 years to deliver all 24. You cannot simply wish for these colleges to exist: there is land to purchase or lease, buildings to construct or hire, staff to hire and train, procedures and guidelines to be developed, tendering proposals to be drafted and so on. There was always going to be a significant amount of time and effort consumed in the setting up of these colleges—an entirely new system. In that sense they could be seen to be a bit like that most efficient hospital in Britain, in the Yes, Prime Minister series on television. The most efficient hospital was the one that had no patients. So far, we have 24 colleges on paper, with very few students.

Senator Conroy interjecting—

Senator WEBBER—As I say, so too with the Australian technical colleges. The amount of effort and money that had to be expended to get going always meant that we were heading towards the situation we currently face: two years, five colleges and very few students. A policy announcement at election time is one thing. The implementation of that policy when you are in government is how you will be measured. It is clear that the government was far too optimistic about how Australian technical colleges would be implemented. There is now a huge deficit in this country when it comes to skills, a deficit that those of us on this side have been concerned about for quite some time.

The Australian technical colleges that were meant to be turning out 7,500 students each and every year are so far delivering fewer than 100. Even if all the colleges are up and running within the next two years—which, you would have to say, is a big ask considering it took two years to get five of
them going—the Australian labour market will still be waiting three or more years before an appreciable number of trainees will be entering the labour market. That is simply not good enough. If the government were serious about overcoming skills shortages then they would have worked with the states and the territories to overcome the problems that they perceived with the TAFE system. If they were serious, they would have developed policies that would not require waiting years and years for a single graduate to appear. If they were serious, they would have opened more than five colleges within two years.

This is an election policy announcement that may have garnered support back in 2004 but so far has failed to deliver. It is clear that it was seen as one of the key policy announcements from the last election campaign and was mentioned by the Liberal Party director in his address to the National Press Club back in 2004 as one of the key policy initiatives of the Howard government. The director of the Liberal Party actually claimed that it was a well thought out policy that had been worked on for 12 months prior to the election. If that is the case, it is even more scandalous that, two years after the election, we are still waiting on the delivery.

I suspect, actually, that that work was all about where the 24 technical colleges would be sited for the greatest political advantage, rather than being constructive work on meeting the skills shortages needs in our economy. It is clear, to me at least, that sufficient time was spent on this aspect, but that they failed to do all the other work that was required. The reality is that the Australian people have been sold a three-legged horse; it looks like it will run until such a time as it actually has to. For all of the fanfare and the rhetoric, most of the colleges will not be operating until next year—all things being equal, that is. It is an interesting policy: it announced in one election year that most of the colleges would not start operating until the next election year and that no graduates would be delivered until the election year after that.

So the Australian people get a policy announcement in 2004 that, by 2007, most but not all of the technical colleges will be up and running, all things being equal; and, finally, by 2010, there will be some tradespeople. What a nonsensical implementation of what should be a straightforward approach to fixing a crisis in our economy! This was all brought about because the Commonwealth government had to go and set up their own system. Rather than working with the states and territories, the Commonwealth government thought they knew best. They would rather expend over $300 million to set up yet another system that, at its peak, will only deliver just over 7,500 students.

It is interesting to consider what the current shortfall of tradespeople in Australia is. Figures suggest that even at the present time we are short by something in the order of tens of thousands. At the rate that these technical colleges will be graduating people, we will never, ever address that shortfall. Little wonder then that there are over 40,000 holders of temporary work visas in Australia—there is an exercise in window-dressing going on. At most, when all 24 technical colleges are up and running, we will get, as I say, 7,500 students. We have over 40,000 skilled workers from overseas at the current time, not counting the 45,000 people who are overstaying their visas, of course—that is another issue. So we have a situation where, as a bare minimum, the Australian government know that the skills shortage amounts to something like 40,000 people as of this moment; their answer to that is to create these technical colleges that will train, at best, 7,500 students per year.
That is the same ridiculous situation that we have with doctors in this country. When the government came into office they slashed the number of training places. Years down the track we end up with—guess what?—shortages of doctors. The government’s solution was to increase the number of training places for doctors. The knock-on effect from that was reported to me during a discussion with the Perth and Hills Division of General Practice recently. The knock-on effect from the influx of students is that someone actually has to train them. So doctors, who are already in short supply, are now expected to spend valuable time training all those new medical students—yet another crisis we did not have to have.

All this demonstrates that it was the initial decision that was flawed—and so it is with the skills shortages in Australia. As I have said on numerous occasions, skills shortages do not appear without warning or lead indicators. The government’s decision back in the nineties to slash funding to TAFEs is a major contributor to the problems we now face. The solution of developing a new system from the ground up is not going to seriously address the shortages for years to come, if at all. Even blind Freddy knows that to create a completely new training system takes time—time that in the heat of an election campaign is not important but which in dealing with skills shortages is critical.

I know that the organisations that have tendered to operate the colleges will do an excellent job. My criticism of the Australian technical colleges is not a criticism of the organisations that will operate them. In fact, TAFE is involved in operating the one in the Pilbara—even though the government decided they did not want to fund the TAFE system, they are happy to work with it to establish the new technical college. Nor is my criticism of the students who will choose to enrol at the colleges. My criticism is directed fair and square at the Howard government.

This policy was always going to be difficult to implement. This policy was always going to be time consuming. It was never about delivering a real solution to the skills shortages that are being experienced in our economy. This policy was for an election campaign. It was to tell the Australian people that the government had a plan and was going to deliver. Well, the proof of the pudding is in the eating, as they say. Two years on and there are only five colleges open. Two years on and three locations are now being told that they may lose their technical colleges because the minister is not satisfied with the proposals that have been lodged. For the young people of Ballina, Queanbeyan and Dubbo the policy has so far absolutely failed to deliver. We can all hope that the remainder of the technical colleges are up and running as soon as possible and that they contribute to overcoming the skills shortages. However, based on progress to date, the Australian people are right to be concerned about this policy. Given that there is going to be an election next year, if the government comes out and announces the creation of additional technical colleges, at least the Australian people will then know what time it will take before the system is up and operating.

Senator STEPHENS (New South Wales) (10.58 am)—I rise to make a contribution to this debate on the Australian Technical Colleges (Flexibility in Achieving Australia’s Skills Needs) Amendment Bill 2006. Before commencing, I really should declare my interest, which is the fact that I spent 10 years in the TAFE system. So I do understand that TAFEs used to be resourced and had the capacity to very flexibly respond to industry needs. That is not the case any more. I have to say, I think the whole Australian technical colleges scheme is one of the great examples
of the incompetence of this government because, despite the skills shortages that the country faces, we can see, as we saw in the May budget this year, that there is absolutely nothing to address the skills needs.

There was no money for TAFE—why were we surprised? There was an overall reduction in the percentage of the budget spent on vocational education and training. There was a $13.7 million cut from a program to encourage apprenticeships in rural and regional areas, and there was the abolition of the $38½ million program aimed at getting more women in non-traditional apprenticeships such as construction and automotive trades. There was no extra money allocated in the next four years for the National Skills Shortages Strategy. So why are we surprised? It beggars belief that this government can neglect Australia’s skills development during a time of such unprecedented prosperity. This government is so out of touch that it has no idea about the hurt that Australian families are feeling now.

Labor supported the original technical colleges bill last year, and we are supporting this amendment bill in order to allow the money to be spent more quickly. But it remains the case that establishing 25 Australian technical colleges is the only answer that the Howard government has to address the chronic skills crisis that Australia is experiencing. It is important that the government seriously addresses the problems that we face now, and will face in the future, in providing the required skilled workforce. Senator Webber focused a little in her remarks on the issues in Western Australia.

Unfortunately, the Howard government has taken a long-term and very problematic approach to the issue. The act proposed establishing 25 technical colleges that would cater for up to 7½ thousand year 11 and 12 students. The government nominated 25 regions across Australia where the colleges were to be placed. In my home state of New South Wales, they were to be located in Gosford, Dubbo, the Hunter, the Illawarra, Lismore, Ballina, Port Macquarie, Queanbeyan and Western Sydney.

Since I started my term in the Senate in 2002, I have observed the Howard government incompetently administer a number of programs, but this one takes the cake. This program has been a dog’s breakfast from the start, and once again we have seen a minister making policy on the run. If we look at progress to date, of those 25 proposed colleges, five have commenced operation. On 31 July, the fifth—the Northern Tasmania College—opened. But, as Senator Webber said, most of them are scheduled for 2007.

There is a difference between having these colleges opened and actually having students attending. During the budget estimates hearings, it was revealed that some of these technical colleges are not exactly enjoying full levels of enrolment. In fact, one—Gladstone Technical College in Queensland—has a grand enrolment total of two students. During Senate estimates, Senator Wong asked Ms Johnston: ‘How many students are currently enrolled at Gladstone?’ Ms Johnston replied: ‘There are only one or two I think at the moment.’ That reflects exactly what is going on in the technical colleges process. At the time of the last election campaign, the Prime Minister said:

The technical colleges are the centrepiece of our drive to tackle skills shortages and to revolutionise vocational education and training throughout Australia.

Heaven help a revolution that has two students enrolled at one of these colleges. The Prime Minister might be good at flowery rhetoric, but the reality of the technical colleges comes nowhere near matching that rhetoric.
The concept of Australian technical colleges is another step in the government’s assault on industrial relations and education. The Australian technical colleges further privatise our education system and potentially they will damage enrolments and available courses at nearby high schools. Individual contracts and performance pay appear to be the modus operandi of the colleges.

The government talks about the fact that local industry and communities will have a leadership role in the governance of the colleges. The colleges will teach the skills required by local business. There is a real danger that the courses will become enterprise rather than industry focused, resulting in young people gaining qualifications that cannot be transported across industries. The real ideological attack is on public education and the government’s underhanded attempt to deregulate the national training system. In abolishing the Australian National Training Authority, the government is increasing the already heavy influence of peak industry bodies such as the Australian Chamber of Commerce and Industry and the Business Council of Australia.

The prospect of AWAs being forcibly inflicted upon public sector agencies, enshrined in the agencies’ very existence, and upon more Australians betrays the government’s belief that the creeping advance of AWAs is a higher political priority than training our kids for work and providing the economy with the skilled workforce that it needs.

Australia needs a more systematic approach to promoting trades and science and technology education than the government’s 25 technical colleges. If this is the best this government can do, I have no doubt Australians will look to Labor’s plan. Labor will work collaboratively and constructively with the state and territory governments, not start a federal versus state slanging match—as we have seen—to tackle the problem. Labor will provide sound training opportunities to increase the take-up of such training that establishes long-term careers and benefits to industry.

The government should have been spending the last 18 months getting the technical colleges up and running. Instead it has wasted time. It has wasted the past 10 years standing idly by as the looming skills crisis brewed right before its eyes. I am sure it is no surprise to anyone on this side of the chamber to learn that Australia is the only developed country which has actually reduced public investment in TAFEs and universities—in fact, by eight per cent since 1995. The OECD average is an embarrassing 38 per cent increase, yet the best that this government can manage when it comes to investing in knowledge is an appalling eight per cent overall decline.

On budget night we saw yet another wasted opportunity. The Treasurer could have used his $17 billion surplus to invest in the skills of our workforce. Instead he did nothing. The budget was all about the Howard government giving up on increasing productivity by not acting on this skills crisis. It was the Howard government believing that an adequate response to the skills crisis is to have some technical colleges graduate a ridiculous 350 students in 2010. It was the Howard government saying that an eight per cent decrease in public investment in universities and TAFEs is an adequate response. And it was the Howard government saying that stripping the rights of workers through its extreme industrial relations regime is an adequate response.

The Howard government would know this if some of them lived in the real world and asked some real people about it. They
should, for example, start by asking the 300,000 Australians they have turned away from university and TAFE whether it is an adequate response. Or they could ask all those workers around Australia who have been sacked and then rehired on less pay and worse conditions whether it is an adequate response. The answer is clearly no. It is not an adequate response; it is a pathetic response.

A real response would be to take up Labor’s proposals to promote skills training in our schools. Under Labor, trades technology and science would be taught in first-class facilities; a Trades in Schools scheme would double the number of school based apprenticeships and provide extra funding per place; specialist schools would be established to teach trades technology and science in senior schools; and a Trades Taster program would allow years 9 and 10 students to experience a range of trade options. We need to give our kids a go at trades in our schools. We need to get them involved early. Labor’s skills-in-schools scheme would keep them in.

Many senators would be aware that just such a scheme was announced in New South Wales recently. The New South Wales Premier, Morris Iemma, and education minister Carmel Tebbutt announced an initiative that will allow HSC students to complete school based apprenticeships one day a week. Under the plan, 10 stand-alone trade schools will be established over the next 12 months and will create hundreds of apprenticeships and traineeships and tackle local skills shortages. Students will be able to undertake industry standard training in subjects such as hospitality, health care, construction, automotive and engineering. In this way students will gain a trade qualification while completing their HSC.

The plan will see an expansion of vocational education and training programs in schools. Currently, at least 30 per cent of New South Wales HSC students choose at least one VET course for their HSC. Under Labor’s apprenticeships plan, a range of initiatives would be offered to increase the number of young Australians completing their training. These would include an $800 per year skills account, which would help to abolish up-front fees. They would also include a $2,000 trade completion bonus under which apprentices in traditional trades would receive a $1,000 payment halfway through their training and a further $1,000 payment at the completion of their apprenticeship. This scheme will aim to bolster the Howard government’s pathetic 40 per cent apprenticeship completion rate to at least 80 per cent. Labor is also committed to abolishing the Howard government’s skilled migration visa so that young Australians are given the opportunity to train first. Labor’s plan recognises that young Australians are crying out for opportunities and that Australian businesses are crying out for skilled workers, tradespeople, chefs and childcare workers.

This government has deliberately denigrated learning, particularly under the former Minister for Education, Science and Training and now Minister for Defence, Dr Nelson. He developed this technique of appealing to people who have not been to university, particularly less educated older people who grew up in a different era when very few people went to university, and sending out a message saying, ‘All you hardworking Aussies are paying for all these people in universities who don’t really contribute very much to the real world anyway.’ That message from Dr Nelson has been very overt. It has been supplemented by statements from the Prime Minister to the effect that leaving school after year 10 is perfectly reasonable.
In some cases, it is not unreasonable. Of course, in bygone times most people did. There is nothing wrong with that and there is nothing wrong with people who, 20 or 30 years ago, did leave school after year 10 and in many cases went on to develop skills on the job. But that is in the past. It certainly does not make us a productive country, and it is the wrong message to be putting out now to 15-year-olds. It is appalling that government ministers are sending out these powerful signals that are saying that learning does not matter and is really for those pointy-headed types who are not practical. As someone who recently completed a doctorate, I find that an appalling message and it is something that the Howard government will be condemned for.

If there is one thing that is going to ensure that Australia prospers and that we have a broadly based, diverse economy with a strong manufacturing sector and a strong services sector that will continue, it is going to be a profound national commitment to learning in all its forms: learning on the job, learning in TAFE colleges, learning through apprenticeships, learning in universities, learning in schools and learning in preschools. We need a national campaign to instil a much stronger commitment in our community to the values around learning.

As I have said, the Howard government in the most recent budget cut $13.7 million from an incentive program to encourage rural and regional businesses to take on apprentices. This is holding back our regions, where communities are struggling to retain trained people. Australians deserve better than this half-hearted attempt to fix our skills crisis. They deserve a coordinated effort. They deserve COAG—every state premier and the Prime Minister of this nation—getting together to fix the problem.

There is a clear choice before the electorate. There is a distinct point of difference between the do-nothing approach of the Howard government and the Labor Party’s commitment to improving young Australians’ access to and success within the workforce. It is clear this government cannot fix the skills shortage and it is obvious they have given up on it. We in the Labor Party want to see young Australians have access to affordable training, to incentives to work hard and complete their training, to employable skills and to a great future serving their own communities and taking pride in that work and the contribution they make.

That is not what we are seeing from the Howard government. We will only see it from a Labor government, and we have seen it from the New South Wales Labor government, which announced the new trade schools where each trade school will specialise in the trade skills shortages areas identified for the state. Students have the option of undertaking a school based apprenticeship, and apprentices continue their training beyond school for up to three years so they can work in licensed trades such as construction or automotive. Students will have access to specialist industry-standard facilities such as electronic calibrated lathes, commercial quality stoves and modified, safe, construction work sites. School based apprentices and school based trainees will be on the job for approximately one day each week. For the rest of the week, these students will be completing the off-the-job component of their training as well as completing their HSC subjects.

Students will get recognition for all the work they complete. A school based apprentice or trainee who undertakes part-time training in years 11 and 12 will get their qualification a year earlier. They will have access to new industry support services which will place them in jobs to complete
their training. We can see that that is a practical approach that will allow industries and local economies to benefit from having more job-ready graduates to take on work in key skills shortage areas. That is not what the Australian technical colleges are going to deliver. They will deliver a paltry number of apprentices, perhaps by 2010, and that is a disgrace.

Senator CROSSIN (Northern Territory) (11.15 am)—The main purpose of the Australian Technical Colleges (Flexibility in Achieving Australia’s Skills Needs) Amendment Bill 2006 is to bring forward funding for the establishment and operation of the proposed 25 Australian technical colleges. Funding will be brought forward from the 2008-09 years to meet expenditure in 2006-07. This amendment also includes regulation-making power for situations where funding needs to be carried forward or moved to another calendar year, thereby removing the need for amendments such as this. The total amount of the funding committed to these colleges by this government will remain the same.

The government claim the need to bring forward funding is due to the significant progress made on setting up these colleges. One, of course, would question the use of the words ‘significant progress’ in this policy area. Of the 25 proposed colleges, successful applications or agreements have been completed on only 22. Even slower is the progress on actually having them open, with only five having actual students, making up a total of under 350 students. The government’s original proposal was for 300 students at each of the colleges, not in total. I said in my speech last year on the Australian technical colleges bill 2005 that I thought it would be difficult to find 300 students for each college—supposedly doing, as they would be, both trade and Higher School Certificate studies. It would seem likely the numbers will remain below the original estimates.

Remember these are the colleges which represent a part of the government’s answer to our long-term, growing and ever-increasing skills shortage. The other part is letting in thousands of skilled migrants, where minimal requirements for checking their qualifications are imposed. Only five colleges open with only 350 students seems somewhat less than significant progress.

The proposed Australian technical college in Darwin, in Solomon, in my own electorate, seems to have had not significant progress but significant problems in putting together a proposal and getting its act together. This has been put back and back, and it seems that business involvement in education may be a bit outside of their area of expertise or ability. I understand any progress made has been largely due to the involvement of Group Training NT. I am certainly aware that Minister Gary Hardgrave had to make a flying visit to Darwin some time in the last couple of months to urge them to get their act together—probably because he wanted to save face over this announcement.

Furthermore, according to information from officers at estimates, as at 30 May 2006 only $18 million had been spent—so why the need to bring forward funding? Little enough seems to have been spent to date. It is worth noting that any financial information was not easy to draw out at estimates. DEST refused to provide any information on individual colleges. Government departments seem to be getting much more adept at hiding information from scrutiny, with the backing, of course, of relevant government ministers. The Senate Employment, Workplace Relations and Education Legislation Committee opposition senators’ report into the provisions of this bill expresses concern at the lack of financial transparency surrounding
these colleges. They comment that DEST have refused to give any funding details of the contracts actually signed to date but have provided only the overall, total figures.

So here we are with a government commitment to fund 25 colleges to turn out tradespeople to lessen our ever-growing skills shortage—a skills shortage which the Howard government knew about for years and did nothing about except complacently watch it grow and grow and get worse year by year. In fact, even worse, while they sat and watched and refused to increase funding, hundreds of thousands of young people were turned away due to a lack of TAFE places. They were told loud and long and warned about the skills shortage by industry groups and by TAFE Directors Australia and, just as now, with much legislation, they failed to listen. In their complacency or arrogance they said they knew better.

The government refused to provide any growth funding in the vocational education and training area for six of the past nine years. All they did was blame the states and territories or the workers—anyone but themselves. They are ever ready to claim any credit for any success but never, ever prepared to accept any blame for any failure in this policy area. They claimed to be having great success with traineeships and apprenticeships—unfortunately, not in the right places. Traineeships in retail trades were the main areas to get the numbers, along with hospitality, but many of these starters also failed to finish. The traditional trades languished with declining numbers over the years. This is a government that has steadfastly followed their rigid ideology of cutting funds to public education and/or attaching funding to extreme industrial relations requirements. These are then pushed through by nasty, bully-boy tactics.

We now see the results, with industry struggling to find skilled workers in the trades area. My latest information from my own city of Darwin is that the waterfront project desperately needs up to 50 more concreters and they are just not available. Again, the government reaction is not to greatly increase funds for education and training in order to upskill our population and value add to our primary production. No—what they want to do is simply import tens of thousands of overseas workers while at the same time ramming through workplace legislation that will see Aussie workers’ pay and conditions slide downhill. They think cheaper labour is the answer, not more skills and training.

We saw a recent OECD report for 2006 commenting on the low priority that the government put on training, but then this is not the first year that they have done so. For several years now the OECD has commented critically on Australia being the only developed nation to have continually reduced public spending on education and training. The Howard government’s record in spending on public education and training is, in fact, a disgrace. Public spending on higher education and TAFE has fallen in Australia by eight per cent since 1995 in real terms. The OECD average is an increase of 38 per cent.

We do not oppose the Australian technical colleges as such, as with such a mean-minded government any spending on education and training is an improvement—albeit far too little and far too late. Any additional resources going into trade training and skill development are welcome. Urgent action is needed to address our national skills shortage. However, the whole decision about the technical colleges appears to have been made initially on the run and with no consultation—another thought bubble from the Prime Minister. Ever since, it seems that neither the bureaucracy nor the stakeholders have been
able to catch up in the implementation of the idea in any really organised or convincing way.

The implementation is just like most of the changes in Indigenous education funding: poorly thought out and poorly executed. Here we are, months down the track, with only five colleges open and 350 students enrolled nationally. These students are years away from a trade and being qualified, and then there will only be a handful compared to the need. These colleges are most definitely too little and too late. The first qualified tradespeople from these colleges will not be turned out until 2010. By then the demand for skilled workers will have grown still more, so these few hundred qualifying from these colleges will scarcely be more than a drop in the ocean.

This is certainly not a sign of a successful policy idea. Had the appropriation of $343.6 million been given to already existing state and territory training bodies we could be fairly certain that a lot more than 350 additional students would be enrolled already. But, as I have said, ideology has played a major part in this whole process—the ideology of privatisation, of keeping out unions and of workers being on AWAs. There should be no room for blinkered ideology in education, which is an investment in our national future. But unfortunately that has not been the way of this government, and all education funding has been tainted with their ideology, from schools right through to tertiary education. The result is the massive skills shortage that is a major threat to our economic growth and productivity.

Australia must invest in skills training, and Labor will do that. The government have already failed badly in this area. While Labor support this bill we do so only to help, in any small way, a seriously stricken aspect of our education system. We do so to at least enable a few more young Australians to get a sound training for the future. We can only condemn the Howard government for failing to acknowledge and act earlier on the skills crisis; for reducing expenditure on vocational education and training; for the incompetent implementation of these technical colleges; for the apparent secrecy about the funding and operations of these colleges to date; for their complete failure to provide enough extra skills training to meet the future demand; and for the forecasted shortfall of 100,000 skilled workers by 2010.

We believe that a far more cooperative approach with the states and territories is needed, and far more than these 25 colleges are needed. When the Labor government is elected we will work with the states and territories. Our blueprint outlines our proposals for getting skills into schools. A Labor government would bring trades into schools in a similar way that these technical colleges do, but into all schools and not just a handful of private colleges. Students would have the opportunity to experience a range of trades in years 9 and 10 before making any final decisions. We would have specialist schools for certain trades.

We would overhaul the struggling New Apprenticeships system, or Australian apprenticeship system, as I understand it is now called. At present at least 40 per cent of apprenticeship starters do not complete their courses. Imagine if we could get those young people to complete their training. Labor would turn that around by offering a $2,000 trade completion bonus so that we would give young people an incentive to finish their trade. We would pay the TAFE fees of traditional trade apprentices and childcare trainees to encourage them into trades and childcare work. Labor’s priority is all about training Australians first and training them now—not, by contrast, doing what this government is doing: going for a quick-fix approach and
bringing in tradesmen or women from overseas with minimal checks on their actual qualifications. Unlike this government, Labor would give priority to education and training and see it as an investment in our future, not as an ideological plaything to be messed around with.

While we support this bill—it gives some crumbs of funding to vocational education and training—we condemn the government for a decade of failure in this area; for creating a skills crisis during its 10 long years in office; for its continued failure to provide the necessary opportunities for Australians to get the training they need to do a decent job and meet the skills needs of the economy; for reducing the overall percentage of the federal budget spent on vocational education and training, and allowing this percentage of spending to further decline over the forward estimates period; for its incompetent handling of the Australian technical colleges initiative as evidenced by only five out of the 25 colleges being open for business, and enrolling fewer than 350 students; for failing to be open and accountable about the operations of the Australian technical colleges, including details of extra student enrolments, funding levels for the individual colleges, course structures and programs; for denying local communities their promised Australian technical college because of their ideological industrial relations requirements; and for failing to provide enough extra skills training so that Australia can meet the expected shortfall of 100,000 skilled workers by 2010.

**Senator STERLE** (Western Australia) (11.29 am)—I rise to speak in favour of the Labor Party’s amendments to the Australian Technical Colleges (Flexibility in Achieving Australia’s Skills Needs) Amendment Bill 2006. For 10 long years the Howard government has failed to provide young Australians with the training they need to get a decent job. For 10 long years the Howard government has failed to invest in the skills Australia needs to raise productivity and sustain economic growth. For 10 long years the Howard government has continued to reduce the overall percentage of the federal budget spent on vocational education and training, and it stands condemned for the skills crisis it has created. Neglecting Australia’s skills development is an act of gross incompetence by the Howard government that will hurt the Australian economy and hurt it hard.

A more appropriate name for this bill would be the Australia Technical Colleges (Sorry, We Buggered up the Costings on the First Act) Amendment Bill 2006, because all it does is bring funding forward for the proposed Australian technical colleges from 2008-09 to 2006-07. This bill does not create one additional training place or apprenticeship or even increase the level of investment in Australia’s skills base over the forward estimates by one cent. All this bill does is allow the Howard government the opportunity to address the fact that it botched the costings in the original act. The skills shortage Australia faces is the biggest barrier to future economic growth and improved productivity, but the Howard government has botched its one and only policy response to this problem.

But do not take my word for it. In the Australian Industry Group’s overview of the Howard government’s last budget, Heather Ridout had this to say:

... it is disappointing that more progress has not been made on the big nation-building goals of skills and innovation.

... investments in skills, innovation and infrastructure are required to build the competitiveness of Australian business and to assist in rebalancing the economy as the current minerals boom begins to fade.
Everybody knows that Australia’s economic prosperity will not continue without investment in skills; everybody knows that we must invest in Australian skills through strong and effective education and training programs; and everybody knows that the Howard government’s record in addressing this vital public policy need is nothing short of a disgrace.

Under the Howard government, Australia is the only developed country in the world to reduce public investment in TAFEs and universities over the last decade. Public investment in our TAFEs and universities by the Howard government has fallen eight per cent since 1995. The average public investment in postsecondary education for the rest of the industrialised world over that time shared an increase of 38 per cent. We are the only country in the OECD where public expenditure on postsecondary education in universities and TAFEs has been falling. To think that government members and senators have the hide to come into this parliament and bang on about what a wonderful job the Howard government is doing! This is not just a disgrace for the Howard government; it is a tragedy for Australia and, unless we dedicate a greater effort and priority to learning, we will continue to fall behind the rest of the world.

But the focus and investment has to be genuine, constructive and engaging. It should not be about simply playing politics, which sadly is what the Howard government is guilty of with these technical colleges. It appears that the main reason for the Howard government establishing these colleges is to force workers into Australian workplace agreements. Because the Howard government is obsessed with smashing unions, it has created these greenfield sites to prevent collective bargaining. Why else is it that the only reference to an industrial instrument in the entire summary of employment arrangements for Australian technical colleges is the reference to individual contracts? The Howard government will set up these colleges and effectively force teachers to enter into Australian workplace agreements, whether or not they want to. So much for freedom of choice! At the Howard government’s insistence, all staff employed at an Australian technical college must be offered an individual contract. If a local college does not want to implement the government’s extreme industrial relations agenda then it will be cut off from the program.

The minister has failed to explain what enforcing an extreme industrial relations agenda has to do with training our future tradespeople. If it is not to ideologically pursue Australian workplace agreements, why not just provide the funding to institutions already in place, which are mainly TAFE colleges? It could be that, if the Howard government simply invested what it should in the TAFE system, it would not make for nearly as effective photo opportunities for marginal backbenchers.

When the Prime Minister announced the creation of the Australian technical colleges in his speech on 24 September 2004, he said that they would be ‘the centrepiece of our drive to tackle skills shortages and to revolutionise vocational education and training throughout Australia’. Let us examine this so-called revolutionary centrepiece against the numbers. At best, when all of these colleges are up and running at full capacity, which will not be until around 2010, they will produce approximately 7,500 tradespeople a year. If we put that figure into perspective, 7,500 students represent only two per cent of all Australian students in years 11 and 12. That is 20-odd colleges to cater for only two per cent of the relevant student population.
There is another figure we can compare this so-called revolutionary centrepiece to. According to the Howard government’s own Department of Education, Science and Training, 34,200 young Australians were turned away from TAFE in 2005 alone and 34,100 were turned away in 2004—the year of the Prime Minister’s policy speech—and yet the Howard government’s so-called revolutionary response to turning away 34,000 young Australians from TAFE in one year alone was to establish a parallel system of colleges that may produce 7,500 tradespeople by around 2010. To make matters worse, according to figures from the National Centre for Vocational Education Research, 33,500 new apprentices quit their courses in the September 2005 quarter while only 33,100 completed them. Far from being revolutionary, this is a totally inadequate response to a crisis which everyone acknowledges is imposing severe constraints on our future economic capacity.

It seems amazing to me that the government can find the funds to create a parallel system of colleges when we know that for years there has been a huge underspend in the technical and vocational education area, particularly on enabling our TAFE system to meet the unmet demand. Wouldn’t this money be better spent on projects that are already working on the ground instead of trying to establish an alternative, parallel TAFE system? After 10 long years, you would think the Howard government would have had the time to develop a more detailed plan than this to address Australia’s skills needs. It appears to me that it is making it up as it goes. This is policy on the run—just a paragraph in a campaign speech for the Prime Minister with no real planning for our future.

Australia deserves better than this. That is why the Australian Labor Party have already released a series of policy initiatives to give Australia’s skills base the investment it deserves. Last September Kim Beazley put out Labor’s skills blueprint. Labor have announced that we would overhaul the failed new apprentices scheme, and we will not import foreign apprentices while Aussie kids are being turned away from training. Labor have also announced that we will return fairness to IR laws and the shop floor.

Labor knows that action must be taken now to encourage people to complete their apprenticeships. That is why Labor will invest $170 million to abolish up-front TAFE fees and create a trade completion bonus of $2,000 per apprentice. This bonus will encourage more apprentices to complete their training in the traditional trades by paying them $1,000 halfway through their training and a further $1,000 at the completion of their apprenticeship. If this policy is successful in only halving the current drop-out rate, it will put an extra 10,000 qualified tradespeople into our workforce each and every year—far more than the Australian technical colleges will produce. Unfortunately, by contrast, we have a government that is incapable of implementing the one policy it has.

But Mr Stuart Henry, the member for Hasluck, does not seem to think so. In his speech in the second reading debate on this bill in the other place on 21 June 2006, he had this to say:

This bill is sheer good news. It does not affect the overall budget of $343.6 million for the program; it merely brings forward funding which had been allocated to the 2008-09 financial year so that it can be available in 2006-07.

So according to the member for Hasluck it is good news that the Howard government would introduce a bill into parliament about training that contains no additional funding—none at all! The member for Hasluck is easily pleased. The source of the member for Hasluck’s delight might better be found later in his speech when he said:
... in my own electorate the Australian technical college Perth South is set to commence in February 2007 and proposes to operate as a multicampus, non-government senior secondary college in Maddington and Armadale with a satellite campus based in Rockingham. My colleague the member for Canning and I were very pleased to be present for the signing of the Perth South ATC funding agreement by the Minister for Vocational and Technical Education, the Hon. Gary Hardgrave, at the ATC site in Maddington earlier this month—a great occasion for the local community.

I am sure I will see the photo of this event in his next newsletter. You would think from the member for Hasluck’s rapture that this college will be the only training centre in the region. It is not. The member for Hasluck’s photo opportunity buddy, the member for Canning, did make such claims in his second reading debate speech on this bill in the other place on 15 June. In that speech, the member for Canning claimed:

... the industrial strip in the Kwinana region is calling out for a technical college in that area ...

Mr Randall appears to be completely unaware that the Howard government’s Perth South Australian Technical College will overlap the area covered by Challenger TAFE.

Challenger TAFE has 11 industry training centres, including the WA Applied Engineering and Shipbuilding Training Centre and the WA Wool Technology Training Centre, with campuses and centres at Fremantle, Henderson, Murdoch, Peel, Rockingham, Heathcote Cultural Centre and Kwinana. The centres are closely aligned to the needs of industry. They are focused on targeting their training and employment services for the wider community, including for diverse and in many instances disadvantaged groups. Challenger TAFE’s Peel Campus is located on the site of Western Australia’s first co-located school, TAFE and university campus, in Mandurah. Challenger TAFE offers skills training in over 140 careers, ranging from aquaculture to welding. And yet the Howard government has decided that it needs to create a separate Australian technical college that duplicates some of the functions of Challenger TAFE and overlaps its geographic area.

I am baffled as to why the Howard government would want to set up an institution in competition to Challenger TAFE, which is an excellent institution. It must be that the Howard government has no respect for the good work that Challenger TAFE does. I am sure that if the Howard government provided the funding for the Perth South Australian Technical College to the Challenger TAFE it would not make for as good a photo opportunity. The headline would only read ‘Howard government provides long overdue investment to TAFE to meet unmet demand’, which does not make for nearly as good propaganda.

If we look at the comments made by Mr Don Randall, the member for Canning, in his speech in the second reading debate on this bill in the other place on 15 June, we can get an appreciation of the government’s logic in introducing this bill. In that speech Mr Randall made the bold claim:

The 24 Australian technical colleges will concentrate on skills, not alternative type arrangements such as we cop in the TAFEs now—aromatherapy, flower arranging and transcendental meditation courses.

Now, I searched through the Challenger TAFE website and I could not find a single reference to transcendental meditation courses. What I found were references to certificates courses in aluminium fabrication, electrotechnology and wool classing. To be fair to the member for Canning—and I must be fair—I did find a reference to flower arranging in Challenger TAFE’s certificate in floristry course. But if Mr Randall wants to denigrate the small business owners who
struggle to make a living for their families as florists in his electorate—hardworking people like Barbara who runs Barbara for Flowers in the suburb of Byford in the heart of his electorate—then be it on his head. What a tool! Mr Randall further disgraced himself by claiming:

As a result of the states having dropped the ball on training in their TAFEs, the federal government has had to fill the vacuum. The 24 Australian technical colleges will fill this vacuum in training.

As I explained earlier, 34,200 does not go into 7,500. I have tried many times but I cannot make it go in. If the member for Canning honestly believes that the 7,500 trade people these colleges will produce in 2010 in any way makes up for the 34,200 young Australians that were turned away from TAFE last year alone, then I suggest that the only vacuum is the one inside the member for Canning’s head. But wait, there is more. The member for Canning finally stuffed his other foot into his mouth when he said:

… teachers in the local TAFEs in my area tell me that there are more teachers and more administrators in the TAFEs than there are students … and, wait for it—

… they get paid exorbitant wages and generally end up with a car …

What an absolute drongo! If it is too many staff getting paid too much money that the member for Canning is worried about then I am sure the Howard government’s insistence on the use of AWAs will ensure that the few teachers in these new colleges will be paid very poor wages. The travesty is that pork chops like the member for Canning were ever allowed near a classroom. At least in the parliament he is not doing damage—

Senator Ferris—Mr Acting Deputy President, I rise on a point of order. I think that Senator Sterle just used comments about the member for Canning which were unwise and, I suspect, outside standing orders. I know that you were speaking with the Clerk but I ask you to have a discussion with the people at the table and ask Senator Sterle to withdraw those remarks.

The ACTING DEPUTY PRESIDENT (Senator Watson)—Yes, it is true, I was speaking to the Clerk, because I think the honourable senator is going very close to offending standing orders and I draw his attention to that.

Senator STERLE—Thank you, Mr Acting Deputy President. I do not disagree that money should be brought forward in the budget to provide training for young people. However, I have to challenge the motives of the government and the lack of preparation and consideration of the needs of young Australians it has shown with this policy. If there has been a need to provide greater training, why has it taken 10 long years after the election of the Howard government to do anything about it? Australia will only continue to prosper on the basis of genuine skills, knowledge and capability. When governments consider the photo opportunity needs of marginal members over the needs of those who are marginalised in our society, democracy fails.

The ACTING DEPUTY PRESIDENT—We may have to review Hansard, because I think you referred to a member in the other place as a ‘pork chop’ or something, which is unfortunate and outside standing orders—

Senator Ferris—Rude and crude and quite unnecessary!

Honourable senators interjecting—

The ACTING DEPUTY PRESIDENT—Order! I think the matter is such that I might have to refer it to the President.

Senator IAN MACDONALD (Queensland) (11.48 am)—Even for someone of Senator Sterle’s limited ability, that speech
was really an embarrassment to all of us in this chamber. To use words like ‘drongo’ and ‘pork chop’ to advance his argument simply reflects more on the speaker than on the people he was accusing. Mr Randall, to whom he was referring, leaves Senator Sterle for dead when it comes to representing his constituents and doing a good job for the people of Western Australia. Senator Sterle’s speech was obviously written by the union to which he is beholden for his position here and he could not even say his jokes without reading them from the text prepared by the union. Totally in contravention of standing orders, Senator Sterle read every single word of his speech, even the jokes that one would have hoped anyone with a modicum of wit could have done spontaneously.

I do not want to spend my speech reflecting on the embarrassment of the speech before mine but I just highlight Senator Sterle’s argument against the Australian Technical Colleges (Flexibility in Achieving Australia’s Skills Needs) Amendment Bill 2006. Do you know what his argument is? It is that all the teachers that work there will be forced into AWAs. That is what Senator Sterle says this bill is about. It is to force teachers to take AWAs. There was nothing about the skills shortages in Australia which desperately need attending to. I am sorry that Senator Sterle is leaving, because if he were to stay and listen he might learn something about the bill and the skills shortages.

He might want to reflect on when this skills shortage started. It was in those 13 long years of Labor control of this country when unemployment rose and when it was made so difficult for employers to take on apprentices. That is when the skills shortage that we currently have started. It was never a big issue in Labor days because unemployment was so high that there were a lot of skilled people unemployed in those days. Labor simply could not get it right. Business was strangled by the unions, and inept government at federal level and the unemployment level meant that there was no shortage of skilled labour. You were very lucky if you could get a job, whether you were skilled or otherwise. That is Labor’s legacy when it comes to skills and workplace relations.

We are in a position now where, because of the great work of Peter Costello and John Howard, we almost have over full employment in this country. Business in all forms is booming and there is a definite employment shortage in most parts of Australia and certainly a huge skills shortage—and I want to highlight a couple of those later on. Senator Sterle’s commentary seemed to be an attempt to attack the Western Australian Liberal members of parliament in the House of Representatives. If that is the best that the Labor Party can do—to try to attack the great work that all of those Liberal MHRs from Western Australia are doing—then I feel for the Labor Party. Not only will they make no inroads against the sitting Liberal members, I predict, but my understanding is that there will be a couple of Labor seats in Western Australia that will fall to the Liberal Party again at the next election. When they put up people like Senator Sterle to try and run the battle we know they are running up the white flag.

This bill is a wonderful news bill. It is all about bringing forward the funding for the Australian technical colleges from the 2008-09 funding year to 2006-07. What a wonderful thing to have an amending bill for. The whole process has gone much more quickly and smoothly than was even anticipated by the promoters and those who initiated this wonderful program of the Howard government. We have to bring forward the funding because the technical colleges have progressed at such a great rate and we need the money earlier. To date, the Australian government has announced 21 successful techni-
cal college proposals. Four of them—in Gladstone, Eastern Melbourne, the Gold Coast and Port Macquarie—have already commenced operations. Another, in northern Tasmania—your state, Acting Deputy President Watson—will open this month. Most of the others are scheduled to open in 2007. Australian technical colleges will be up and running in North Brisbane, Adelaide South, Bendigo, Bairnsdale-Sale, Perth South and, I am delighted to add, North Queensland.

I am concerned, as are all others on this side, about the lack of skilled labour in Australia. As I said, the lack of skilled people really relates back to the Labor days, when they did nothing about this and discouraged apprenticeships and employment opportunities. Recently, my Liberal Party Senate colleagues from Queensland and I were in Charleville, in south-western Queensland—a little town with 3,000 or 4,000 people, right out in the west. If you go a bit further, you reach Cunnamulla and then Birdsville, so it is really right out there. Would you believe the big problem in that town is the lack of skilled people in the meat processing industry? That little town has two wonderful meat processing factories in operation. The first is operated by a group called Western Exports. They slaughter goats. They cannot keep up with the demand for goat meat around the world. They export all of their product to the USA. Exports to the USA are tariff free—another benefit of the free trade agreement with the USA.

Of the goats that are processed through that factory, 70 per cent are farmed and 30 per cent are feral. That processing plant suffers for only one reason: they cannot get labour to work in the factory. They have advertised everywhere. They currently employ 150 people; they need another 50. Of the 150 people currently working there, 10 families are from Vietnam. They are in Australia under section 457 visas. The meat processing plant management want more people. From memory, they have arranged for another 10 employees to come to their town. Regrettably, because of spoilt-brat unions’ operations, I think you would say—unions very closely scrutinise all of the section 457 invitees to Australia—the process in dealing with the ones who are desperately needed to keep this processing plant going has been very slow. I have spoken to the minister about it. She understands the need, and her department is working through the applications. It is a slow process because the checking has to be very careful.

All of the people coming in are skilled people, because we do not have skilled meat processing workers in Australia who are able to do the job. The section 457 visa holders are paid the standard wage that all of the, you might say, home-grown Australian processors, whom they work with side-by-side in this factory, are paid. They get something like $37,000 a year. It is a great industry, a great employment generator for south-west Queensland, a great Australian enterprise, and it is harmed because we cannot get people to actually work in the processing factory.

In my inspection of the plant not only did I see a few Vietnamese people—of course, there are mainly Australian born and bred workers—but I was delighted to see a significant number of Indigenous people working in the factory as skilled boners and slicers. Some of the product is slaughtered so that it is halal and can be used in Islamic communities in the United States, where the product goes. It is a great industry, suffering only because we cannot get the labour from within Australia to those places.

I congratulate the owner of Western Exports, Neil Duncan—a guy who had a vision, some enthusiasm and a bit of courage and took the step of building this new processing
plant. I wish him all the best. I will certainly be doing what I can to help him get the additional labour that he needs. These Australian technical colleges may, in time to come, help with his problem. The ATCs are a good initiative of the government and will perhaps into the future help us with this skills shortage.

The good news story from Charleville does not stop there. Almost right next door to the Western Exporters processing plant is another processing plant, operated by United Game Processors and a Mr John Burey. They process kangaroos and wild pig—boars. Again, they cannot keep up with demand. They have orders mainly from Europe. Germany is their biggest customer in the wild pig area. A lot of the kangaroo meat goes to Europe. Would you believe, Mr Acting Deputy President, that Russia is Australia’s No. 1 kangaroo meat importer and they imported over $11 million worth of Australian kangaroo meat in 2004, making it, according to the Moscow Times, the largest recipient of Australia’s exports? I am told the majority of this meat was sold in eastern Russia for use in sausage processing.

Exporting kangaroo meat has been going on since 1959 in response to interest from the European game meat industry. Kangaroo skins and furs are exported in large numbers to markets in Europe, the United States and Asia. We export kangaroo meat to 21 countries around the world. I love kangaroo meat. It is very healthy. It is lean and, when cooked properly, it will surpass in my humble opinion any other meat product. My wife is one of those who always object to, as she says, eating the national coat of arms; she will not eat kangaroo or emu. But kangaroos are at times of the year in plague proportions. They are very carefully regulated by the Queensland environment authorities, supported by the Commonwealth environment authorities. It is a great industry. There is no problem with the sustainability of the kangaroo population. Not only does it provide a very healthy meat for Australians but it also employs a lot of people in western Queensland.

I have mentioned that there are 150 people employed in the processing plant in Charleville, but there are many more employed in other areas of the industry. I am sorry—150 in the goat factory and about 50 in the kangaroo and pig factory at the moment. But Mr Burey suffers, as does his neighbour, from the inability to get qualified, skilled people working for him. His constant problem in operating his business is how to say very nicely to people who want the product: ‘Sorry. I can’t supply you.’ It is a great problem to have, and his other problem is getting the skilled labour so he can supply the product that is needed from his area.

In addition to the people employed in those processing plants—the wild pig and kangaroo one and the next-door one processing goats—and the labour created in that small western town, there are any number of shooters, transport operators and other people involved in that business which creates employment in western Queensland. Because I think, as a nation, we need to help as much as we can those small country towns so they remain in existence, I totally support the work being done there. I congratulate both of the processors. I wish them all the very best for the future. They are great Australian enterprises that we need to support. I think this bill deserves support. It is a great bill to be supporting—one that has shown we made a mistake about when we would need the money. We have to bring forward the money that is needed, and I urge senators to support the bill.

Senator GEORGE CAMPBELL (New South Wales) (12.04 pm)—I also want to make a contribution in relation to the Australian Technical Colleges (Flexibility in
Achieving Australia's Skills Needs) Amendment Bill 2006 before the chamber. I must say it is not surprising to hear at least one of the senators on the other side of the chamber get up and make the accusation that the Hawke-Keating government is to blame for our skills crisis. After all, the government have made a feature out of blaming the Hawke and Keating governments for everything that has gone wrong while they have been in government, despite the fact they have been in government for 10 years. If something goes wrong it is still the fault of the Hawke-Keating government. I did not hear Senator Ian Macdonald go back to 1983 and tell us about the contribution the current Prime Minister made to unemployment in this country when he was the Treasurer—11 1/2 per cent unemployed, and with a much smaller labour market than today.

I did not hear Senator Macdonald talk about the contribution the Hawke and Keating governments made in the eighties to structurally changing the nature of our economy and our workforces that made the workforces more productive, created greater flexibility, and provided the opportunity for our manufacturing sector to get into export markets and grow exports of elaborately transformed manufactures from something like about three per cent at the end of the eighties to some 18 per cent in 1996 when this government came to power. I did not hear Senator Macdonald tell us that those ETMs have now dropped back to about 3 1/2 per cent under this government. All of the sacrifice the workforce made in the eighties and nineties to change the nature of the Australian economy has been sacrificed under this government. We have gone back virtually to where we were in the mid-eighties. He was very keen to blame the Hawke and Keating governments for the skills crisis. Anyone with any modicum of commonsense would know that that is absolute nonsense.

The reason we have a skills crisis in this country today is that when this government came to power in 1996 it introduced a series of what can only be described as mickey mouse responses in trying to deal with getting people into apprenticeships. We had traineeships. We had New Apprenticeships. They changed the rules every couple of years or every 18 months. They destroyed the stability of the apprenticeship system over that period of time. We know that you cut funding to TAFEs by some eight per cent and that 300,000 fewer people now are able to access our TAFE system than was the case in 1996. It was a deliberate strategy by the government to cut funding to TAFE when they came to office in 1996 which has resulted in TAFE not being able to accommodate those people.

The reality is that we know we are going to lose something like 150,000 tradespeople out of the industry over the next 10 years, and we know under this current government there will be around only 30,000 new tradespeople trained to replace them. Those are the facts of life. That is the crisis that has been bubbling away in our economy for a considerable period of time. This government sat around on its hands for three or four years knowing this situation was developing and it did nothing to address the issue. Belatedly at the last election we got this proposal for 25 technical colleges, of which I understand only five are up and running. We made the point at the time the announcement was made by the Prime Minister that, even if they got all the colleges up and running in the first year, no tradespeople would come out of them until 2010-11. Even in terms of the proposal before the Senate, the impact on our economy and on the skills shortages will be minimal in the short term.

I understand this bill is to bring forward the funding, to get these colleges up and running much quicker, and the Labor Party has
indicated it will support it. In terms of the contribution that these technical colleges are going to make to dealing with our skills crisis, no-one in the Australian economy should hold their breath waiting for it to happen quickly, because it will not. There are plenty of examples around of other facilities that could have been utilised that would have got skills training up and running much more quickly than this proposition that was put before the people by the current Prime Minister.

The reality is we have a skills crisis in this country today which can be sheeted home to this government for its neglect of a critical issue and the deliberate cut to the funding of the TAFE system, which was the best placed of all to deal with the rapid training and skilling-up of young Australians. What have we seen emerging as a result of this? The advent of section 457 visas, supposedly to bring skilled migrants into the country to try and deal with the skills crisis. On this side of the chamber, we have raised numerous issues with the Minister for Immigration and Multicultural Affairs, Senator Vanstone, about the fact that many of these migrants are not skilled. They are not being brought in to deal with skills shortages. They are being used as an additional labour force. Many of them are being employed in low-skill jobs and unskilled jobs, despite the fact that we are being told they are here to deal with the skills crisis.

I would be the last one to stand up in this place and oppose migrants coming to this country. I was a migrant myself back in 1965. With the goodwill of the government, they paid the £10 to get me here, so I cannot complain at all. I think they got a reasonable return on their investment over the years! I have nothing against migrants coming in. It is a question about the rules under which they come into the country and how they are processed, and whether they are being used in order to build our society or whether they are being used to supplant people in this country getting access to training, picking up skills and being able to fill those jobs. I suspect it is the latter.

We have already seen the scramble that the minister for immigration is in at the moment over the section 457 visas. They are trying to make policy on the run to deal with the myriad issues that have been raised in relation to the way in which those visas are being exploited by unscrupulous labour hire companies to get cheap labour into this country and to exploit labour from other countries to deal with our skills crisis. That is also denying young Australians the opportunity to get training in the skills area, to get apprenticeships and to get themselves onto a career path that will sustain them in the longer term.

There has been very little or nothing done about developing policies and strategies that will substantially increase the pick-up of young people— and I am talking about young people in the 16- to 20-year age group— into the apprenticeship system and skill them up for jobs in sustainable industries. All the focus again, as is always the case with this government, has been on short-termism. These technical colleges, in my view, will not radically alter those sets of circumstances. And we will again condemn a whole generation of young people to having to operate at the bottom end of the labour market, when they could have had the opportunity of being trained in skills that would have equipped them for much more rewarding, satisfying and higher paying jobs.

The issue of skills is a critical one for our economy. But this government could not even introduce the technical colleges proposal, albeit with the deficiencies it has, without playing politics with it. They had to tag on industrial relations requirements for the staff of those colleges as part of the deal.
They had to use the introduction of the colleges to get out there and force their ideological agenda on industrial relations on the poor unfortunates that are going to be employed in those colleges training young people. They could not resist the opportunity to do that. They had to take the opportunity to whack the potential employees of those colleges, in order to try and promote the take-up of their industrial relations system, and turned them into a battleground. Instead of giving primary focus to getting people employed in those colleges, to getting the colleges up and running and to getting our young people trained, the government had to go back and use the process of introducing them as part of the elements driving their industrial relations agenda. That is unfortunate because I think it has, in a number of areas, retarded the ability to get some of those colleges up and running faster than they otherwise would have been.

As I said, the Labor Party have indicated that we will be supporting this bill. But I want to make a number of points about what Labor have said we will do in this area—because we actually have some credibility in the area of training and development of skills. We are committed to creating a modern TAFE system. We are committed to making the TAFE system work and ensuring the system works in the best interests of all those people in our community who need access to that training. Labor’s blueprint will offer some real solutions. We will be offering young people more choice by teaching trades, technology and science in first-class facilities rather than in Dickensian workshop environments. We will be establishing a Trades in Schools scheme to double school based apprenticeships in skills shortage areas. We will be establishing specialist schools for senior years in trades, technology and science. We will be establishing a Trades Taster program for year 9 and 10 students to experience a range of trade options. We will be introducing a trade skills completion bonus to ensure that young people are encouraged not just to enter into the trades but to complete them and to walk away with their papers. And we will be opening up a skills account for them to assist them with their fees, their books and their equipment for the traditional trades.

Labor actually does have policy solutions in hand that will address the skills crisis. Unfortunately, the problem has been allowed to wander on so long that it is not capable of being addressed overnight; it is not capable of being addressed in the short term. It is going to take a considerable amount of resources and energy being put into this sector—first to reverse the trend and then to see the development and growth of skilled workers coming out of that process. This government’s agenda, through the technical colleges, will not go anywhere near addressing those issues. Labor’s program will reverse the trend that is occurring now, will start the process of seeing growth in the development of skilled workers and will eventually resolve the skills crisis that currently faces this country.

Senator COLBECK (Tasmania—Parliamentary Secretary to the Minister for Finance and Administration) (12.20 pm)—It is normally my practice to thank senators who have made a contribution to the debate. But I think today, given some of those contributions, I can merely acknowledge them—particularly the contribution of Senator Sterle, which would be one of the most embarrassing presentations that I have seen in my time in this place. It was on a particularly embarrassing day for the Labor Party, when their leader does not have the self-discipline and strength to ignore a jibe from a government backbencher. It shows poor leadership, and that was followed by Senator Sterle today.
The presentations by opposition senators here today really demonstrate that they just do not understand what the Australian technical colleges are all about. The opposition are more about the process of the system than they are about the students within the system. One of the reasons that I am so enthusiastic about an Australian technical college is the opportunities that it will provide for students who go through that system into the future. I am one of those who completed an apprenticeship in the 1970s. I went through trade training, through the traditional TAFE process, with people who had generally left school at grade 10. A lot of those people never had the opportunity to complete grade 12 to get that additional qualification that would give them access to tertiary or higher education into the future. They would have to go back and do that subsequent to their trades.

It really is a new innovation in education. And for Labor in particular to be so steadfastly stuck in the past in relation to traditional trade training—and trade training is what this is all about—is quite a significant thing. The Labor Party wants to stick with the old way of doing things through TAFE. It is interesting to note that in most states TAFE is in fact a significant partner of the Australian technical colleges. The Australian technical colleges are buying services from the TAFE system. What this is about is a new way of doing things. It is about providing the training that industry wants and also providing opportunities for students into the future so that once they have completed their trade training, once they have moved into their trade, they have the opportunity to move on to further education. It is about real opportunities for students, not just about the system.

It is also a pity that Labor are not prepared to accept—and I can understand them not being prepared to accept—the role that the Keating government played in the current skills shortage. They cannot deny that that is the case. The ‘recession that we had to have’ put a lot of people out of work and took a lot of work and business away from industry and businesses around the country. Once the economy started to turn up, the demand for labour started to increase and, of course, the demand for trainees and training then started to increase.

I can give a very good example of that. The construction industry in Tasmania was decimated through the nineties, partly through the actions of the Field Labor government, which cut the government construction budget significantly; it took $40 million out of that budget when it came to government in the early 1990s. But, to give it credit, the Field Labor government was looking at dealing with a significant budget problem. The ‘recession that we had to have’ absolutely knocked the life out of the construction industry in Tasmania. It was not until late 2002 or early 2003 that the construction industry in Tasmania started to revive, on the back of the economic growth of the country and the decision to purchase some new ships to ply the Bass Strait trade which was supported by the Australian government with the Bass Strait Passenger Vehicle Equalisation Scheme. The impact of that growth in demand is clearly demonstrated by apprentice numbers in the carpentry and joinery trade in Tasmania. In 2002, there were 150 apprentices being trained in carpentry and joinery in Tasmania. Last year there were 700. That is a 450 per cent increase in the number of apprentice carpenters and joiners. The demand that came out of the industry has driven the growth in demand and training for apprentices. Carpentry and joinery is one of the trades that will be part of the Australian technical college based in northern Tasmania.

At this point, I will pay tribute to the efforts of Michael Ferguson and Mark Baker,
who did enormous work in supporting the introduction of an Australian technical college in northern Tasmania. In fact, without the work of Mark Baker the likelihood is that there would not be a campus of the Australian technical college on the north-west coast in Burnie. That is a significant achievement by one member of the government in grasping the nettle. As a trained apprentice carpenter himself, Mr Baker understood the need, he understood the process and he grasped the opportunity. He went out and created for the north-west coast of Tasmania a campus for an Australian technical college. Mr Baker deserves the credit, and the congratulations of his constituents, for doing that.

Given what the opposition speakers have said, one might have thought that nothing was happening as far as the Australian technical colleges go. The reality is that this is all about bringing forward the funding for the legislation—

Senator Wong interjecting—

Senator COLBECK—Yes, Senator Wong, I am watching the time. There are a few points I have to make yet; I am sure you understand. This is about bringing the funding forward for the Australian technical colleges. I think that needs to be recognised. As I said, this is not a duplication of existing arrangements. It is about providing opportunities—except, might I say, in New South Wales, since the New South Wales government has actively refused to be involved in the Australian technical colleges. That refusal is reflected in the trade training in Australian school based apprenticeships in New South Wales: since 1996, there has not been one Australian based apprenticeship commencement in New South Wales.

The Labor Party talk about politics, but they might also talk to their state colleagues who have been actively working against the introduction of the Australian technical colleges. Then, when the Labor Party start talking about the rate at which the colleges are being rolled out, they might understand that there is a real opportunity for the Labor state governments to come on board and assist the rollout of the technical colleges, which will make a difference not only to trade training but also to the opportunities for students who go through the system in the future. I think that is probably one of the most important elements of this whole process. This bill is a reflection of the government’s commitment to providing opportunities for young Australians choosing to take up a traditional trade and a long-term response to the needs of industries and regional communities. I commend the bill to the Senate.

The ACTING DEPUTY PRESIDENT (Senator Watson)—The question is that Senator Wong’s amendment be agreed to.

Question negatived.

Original question agreed to.

Bill read a second time.

Third Reading

Senator COLBECK (Tasmania—Parliamentary Secretary to the Minister for Finance and Administration) (12.28 pm)—I move:

That this bill be now read a third time.

Senator WONG (South Australia) (12.28 pm)—I want to make a couple of points in relation to the Australian Technical Colleges (Flexibility in Achieving Australia’s Skills Needs) Amendment Bill 2006. I have indicated to the parliamentary secretary that we would like to get this bill through before 12.45 pm, so I will be try to be brief.

There was a suggestion made, by Senator Ronaldson, I believe, that any tardiness—and clearly there has been delay in the delivery of the Australian technical colleges—was somehow due to the Labor Party. It is amazing how much power we appear to have
without being in government. I want to make it very clear that the relevant shadow minister, Ms Macklin, put quite clearly our position on the bill on 15 June 2005 in the debate in the lower house. She said that Labor, despite our concerns about the lack of strategy and investment the government has undertaken with vocational education and training, would be supporting this bill. So, to come in here and somehow say, despite the fact that Labor indicated on 15 June 2005 that we would support it, that Labor are responsible for the government’s failure to deliver the policy in meaningful terms in the time frame is, frankly, laughable.

It is the case that the Senate did refer the bill to a committee for clarification of some of the detail, but that is a part of the legislative review process that we still undertake in this chamber, despite the fact that the government obviously is seeking to truncate that since it has got the numbers in the Senate. The reality is that the government knew this legislation would be passed. The opposition have indicated that, as I said, from the time that the motion for the second reading of the bill was moved. Government senators, including Senator Ronaldson, have no excuse for blaming Labor for any delays in planning and implementing this program. Frankly, it does nothing more than reveal the government’s failure to deliver the policy in meaningful terms in the time frame is, frankly, laughable.

It is the case that the Senate did refer the bill to a committee for clarification of some of the detail, but that is a part of the legislative review process that we still undertake in this chamber, despite the fact that the government obviously is seeking to truncate that since it has got the numbers in the Senate. The reality is that the government knew this legislation would be passed. The opposition have indicated that, as I said, from the time that the motion for the second reading of the bill was moved. Government senators, including Senator Ronaldson, have no excuse for blaming Labor for any delays in planning and implementing this program. Frankly, it does nothing more than reveal the government’s failure to deliver the policy in meaningful terms in the time frame is, frankly, laughable.

The government claims that the ATCs are going to resolve a significant proportion of Australia’s skills crisis. The government’s own election promise was that there would be 25 colleges enrolling 7½ thousand students. This is in the context of the Australian Industry Group indicating a shortage of 100,000 skilled workers. So you can see the disparity—even in ambition, this government has failed to deliver. With respect to implementation, the situation is that, of the 25 promised, on the most recent figures the opposition have been given, there are just five colleges in operation, enrolling about 350 students in total. Industry says we need 100,000; the government promises 7½ thousand through this program and 25 colleges; to date, what have they delivered? Five colleges with 350 students, two-thirds of which are in one Australian technical college.

For government senators to come in here and say, ‘This is fantastic and it’s all your fault, Labor, because you didn’t pass it,’ is completely baseless. It is clearly not based in fact. It seeks to completely ignore the fact that it is the government’s failure to implement this program which is the significant problem. As I said, there is a shortage of 100,000 skilled workers. The government has promised 7½ thousand, and it is actually delivering 350, two-thirds of which are located at one college.

On the program and how much has been expended to date, which is a pretty good indication, generally, of how a program is progressing, the most recent figures provided to
the opposition on the public record through the estimates process show that $18 million has been spent out of $185 million committed to ATCs, and out of a total budget of $343 million over four years. So you spend $18 million of your flagship program, the thing that is going to revolutionise technical training, and you come in here and tell the world that Labor is to blame for the fact that you cannot spend the money in a program that is already inadequate. Frankly, it is ridiculous.

Finally, because people keep wanting to talk about the past regarding who did better on training, I want to make this point. The current Leader of the Opposition, when he was the responsible minister in 1992, provided an additional $720 million over three years to grow the vocational education and training system, which is about $925 million in today’s dollars. This growth in funding increased the Commonwealth’s share of total recurrent funding from approximately eight per cent in 1992 to more than 25 per cent in 1996. So, in government, Labor increased the Commonwealth’s share of total recurrent funding in this area massively.

When the Howard government came to power, in the 1996-97 budget there was a reduction in VET grants, there was an abolition of real-growth funding and a reduction in training expenditure of $420 million. In 1997-98, the Howard government abolished the stand-alone National Skills Shortages Strategy. In 1998, the 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 reality is that, if you look at the record on training and funding of training under this government, it is marked, particularly early on in its term, by a very unfortunate tendency to attack aspects of funding in this area, to reduce VET grants, the abolition of growth funding and the abolition of the National Skills Shortages Strategy. We are now reaping what you sowed then. Our economy is now reaping what you sowed then. To come in here and suggest that somehow you are not responsible for it is, frankly, an abrogation of responsibility as the national government.

One of the arguments that is used by those on the other side is that there is a shortage of skilled workers because the economy is doing too well. I say this, and I think most Australians know this: we have a shortage because this government has failed to sufficiently and strategically invest in vocational training. We do have sufficient people potentially in the labour force in this country. We have over two million people who are either officially unemployed, underemployed or not in the labour force for various reasons. We need to ensure that those people get access to training in order to deal with our skills crisis.

I also make the point that the most recent figures from the National Centre for Vocational Education Research showed that at the end of last year there were 389,000 new apprentices in training. This compared to 390,700 in 2004 and 393,500 in 2003. In other words, the most recent figures show the lowest number of Australians in the New Apprenticeships scheme since 2003.

The number of apprentices in recent times is actually lower than it has been in the last three years, at a time when our skills crisis is intensifying and the skills shortage is increasing. The government do not let the facts get in the way of a good political rant. The reality is that they are pretty sensitive about this because they know that they have not had their eye on the ball when it comes to this issue. We are enjoying the best terms of trade in almost my lifetime, certainly in the last 30 years. World commodity prices and world economic growth are at historically
high levels. We should be leveraging this time of prosperity to build for the future—to build for those times which may not be so good if there is a slowing in the world economy. We should be leveraging it; we should be investing in education and training, research, R&D and innovation. These are the things we should be doing.

Instead, this government has been more interested in short-term political solutions; it has not been interested in dealing with the skills crisis in any meaningful way. What it has been interested in is making political points. Perhaps that is most exemplified by its willingness to put at risk a range of projects, certainly in this area—and I mentioned one of them—because of its own obsessive ideological agenda when it relates to industrial relations. We have projects which are supported by schools and TAFEs with a strong record in training, we have projects such as the one I mentioned in my speech in the second reading debate which cannot get funding through this program not because there is any problem with training, not because there is not demand and not because industry does not want them. Why? Because this government wants to impose an extremist industrial relations agenda even in those areas where clearly the national economy is crying out for more investment and training.

People in Australia have come to understand what is important to this government. It is not about investment in the future and it is not about investment in the productive capacity of our economy. What they are interested in is short-term political fixes and what they are obsessed with is an ideologically driven agenda that has been around for 20 years and which they have managed to ram through because they have the numbers in the Senate.

As I said at the outset, we will not stand in the way of funding because we believe that even some investment is better than none when it comes to vocational training. We have made that clear since June last year, and the government’s attempt to blame everybody else—Mr Keating, Mr Hawke, opposition senators and the strength of the economy—for the skills crisis, which is a direct result of their failure to change, simply shows the government’s desperation.

Senator COLBECK (Tasmania—Parliamentary Secretary to the Minister for Finance and Administration) (12.40 pm)—I will make a couple of quick points to finalise. In relation to the Labor Party’s comments with respect to funding, the Australian government’s funding for VTE in 2006 will be $2.5 billion, which is an 85.2 per cent real increase on funding since 1996. The allegations obviously flow thick and fast in an attempt to put the Labor Party’s slanted view of the world, but the facts stand in stark contrast to that. Senator Wong does not appear to understand the difference between total commitments for funding agreements signed so far, which are in excess of $250 million, and cash flow. The commitments relate to funding until the end of 2009. The senator is suggesting we should be providing funding in advance instead of providing it in accordance with the agreed payment schedules. The funding is being provided to the institutions as the need arises, in accordance with good financial management practices. Up to $65 million will have been spent within the next few weeks.

Question agreed to.

Bill read a third time.

BUSINESS
Rearrangement

Senator COLBECK (Tasmania—Parliamentary Secretary to the Minister for Finance and Administration) (12.42 pm)—I move:
That intervening business be postponed till after consideration of government business order of the day no. 8 (Trade Practices Amendment (National Access Regime) Bill 2006).

Question agreed to.

TRADE PRACTICES AMENDMENT
(NATIONAL ACCESS REGIME) BILL 2006

Second Reading

Debate resumed from 28 February, on motion by Senator Sandy Macdonald:

That this bill be now read a second time.

Senator STEPHENS (New South Wales) (12.42 pm)—The Trade Practices Amendment (National Access Regime) Bill 2006 changes the regime under which a service provider can obtain access to an infrastructure facility. The purpose of the bill is to seek to ensure access to infrastructure where elements of natural monopoly exist to enhance competition and restrain monopoly behaviour while encouraging investment in infrastructure. The Productivity Commission reviewed the regime some four years ago and this bill is the government’s second response to the Productivity Commission’s recommendations. I say second response because the government has already indicated its support for the Productivity Commission’s recommendations. I say second response because the government has already indicated its support for the Productivity Commission’s recommendations. However, we have learnt from this government that ‘there’s many a slip twixt the cup and the lip’, to quote Shakespeare, and this is exactly what has happened in the most significant element of the bill—the pricing principles for evaluating a declaration of access under part IIIA.

However, before looking at this question and other aspects of the bill, I want to outline Labor’s vision for reform of this crucial section of the Trade Practices Act. The perennial dilemma for a nation governed by a federal system is that there are competing interests between different spheres of government. The horns of the Australian dilemma are that on one hand the economy is truly national in structure and targeted at international competitiveness, but on the other the core business of the states is in regulated sectors of the economy. The result is that, while the underlying economic reality favours a national regulatory system for all but intrastate commerce and trade, the political economy of the federation tends to encourage the states to set up their own regulatory structures.

The obvious success of the Hilmer reforms is that they gave birth to the idea of a truly national competition policy. The less obvious failure is that in practice this goal has proved to be elusive. Rather than creating a unified regulatory structure, the Hilmer reforms have spawned a legion of 22 regulators at different levels of government and in different sectors. Market access regulation has become an entangled web held hostage not just to federal-state tensions but to internal disputes at state level over ministerial responsibility. This was seen most clearly in the creation of the national energy regulator, which was created as a compromise to ensure that state energy ministers might not be held hostage to the decisions of state treasurers. The original Hilmer vision was that state price market and access regulators for nationally significant natural monopoly infrastructure would evolve into a national regulatory regime.

The national access regime has three components under part IIIA of the Trade Practices Act. Under the current regime, the Treasurer, any responsible state or territory minister or any other party can apply to the National Competition Council to have a monopoly facility declared essential. The National Competition Council then makes a recommendation to the responsible minister, and the applicant has a right to appeal the minister’s decision in the Australian Competition Tribunal. Once declared, access arrangements, including price, can be negoti-
ated between the facility owner and those seeking access, and the arrangement is registered with the ACCC. If the parties cannot agree, the ACCC arbitrates. The result of the arbitration can be reviewed by the tribunal, and the tribunal’s decision can be appealed in the Federal Court. Alternatively, the owner of a monopoly facility may set out the terms of access for any party wishing to gain access. This undertaking is then registered with the ACCC.

A major, outstanding issue relates to clause 6 of the competition principles agreement. Clause 6 states that the Commonwealth’s access regime is not intended to apply to essential facilities in a state or territory where a conforming state access regime is in place unless the National Competition Council determines the scheme is ineffective. The state regimes were expected to eventually make themselves subject to the declaration regime in part IIIA. This has happened very rarely. Certification of state market arrangements has also rarely been used because these regimes do not meet the minimum standards of the TPA. What has happened is that the states have set up their own regimes that often entrench the natural monopolies. I note that some state regulators fiercely contest this, and it is true that some regimes are reasonable.

Still, the result is clear—the original dream of a national market access regime has failed miserably. Prospective market entrants simply are not prepared to take on the legal power of state governments. The current arrangements are a mere formal compliance with the Hilmer vision enshrined in the competition principles agreement under COAG that Labor Prime Minister Paul Keating created. The spirit of the Hilmer program remains a distant dream.

This story remains largely untold. There is a lack of appreciation in the policy community that proponents or financiers of major infrastructure projects have to deal with a number of regulators and regulatory regimes. The national access regime is a case in point. There are state regulators, industry regulators, the National Competition Council and potentially also the ACCC to deal with. It is not just an issue of unnecessary compliance burden through regulatory duplication; there is also the issue of inconsistent regulatory frameworks and the concomitant disincentive to invest in the face of heightened risk of regulatory failure.

This has occurred under the Howard government. It accords with a generic theme of the Howard government being a high-cost government for business. It is open to Labor to highlight that the government has, albeit unintentionally, presided over a rather frightening increase in the compliance burden on business. This has become a central tenet of the Business Council of Australia’s approach.

The key focus should be unifying the competition policy architecture. In this regard there are two important issues. The first relates to the diffuse roles of the national regulators—the ACCC, the Australian Competition Tribunal and the National Competition Council. The second relates to the state based price and access regulators, including sectoral specific arrangements. In relation to both areas the fundamental question to be asked is: ‘What scope exists to both harmonise and rationalise the regulatory framework?’ The primary policy goal is simple: to reduce the compliance burden. But there is also the ostensibly subsidiary but philosophically significant goal of seeking to ensure that all these arrangements are structured to combat social exclusion in a coordinated way. This bill fails to capture the true vision, Labor’s vision, of a unified competition policy infrastructure.
The bill changes the existing regime in the following ways: it includes a new objects clause that decision makers will need to have regard to; pricing principles embodied in part IIIA of the Trade Practices Act are to be determined by the Commonwealth minister; the threshold for the application of the regime is raised to include only projects of national significance; new arbitration arrangements and appeal procedures are provided for; it restricts access to the federal legislative regime to where no effective state access regime exists; it provides immunity from the regime where a government service is provided by competitive tendering; and it includes new target time limits, procedures for consultation and reporting of decisions.

A new objects clause is inserted into part IIIA to provide for greater certainty for infrastructure owners, access seekers, investors and other interested parties. The bill also requires decision makers under part IIIA to have regard to the objects clause when making their respective decisions. This is intended to promote consistency and provide guidance in relation to each decision maker’s approach, thereby enhancing regulatory accountability. This is a positive development that Labor supports. But the objects clause could hardly be described as bringing a hard edge to the legislation. This interpretive provision could have included much stronger pro-competitive language. There is no mention of restraint on monopoly behaviour, for example. I will return to a discussion of the pricing principles after dealing with other elements of the bill.

Firstly, the threshold for the application of the regime is raised to include only projects of national significance. The government has agreed to amend the ‘promote competition’ declaration criteria contained in section 44G(2)(a) to ensure that access declarations are only granted when the expected increase in competition in an upstream or downstream market is not trivial. Labor supports this. Secondly, regarding the new arbitration arrangements and appeal procedures, the bill provides that the commission will be given the discretion to conduct multilateral hearings in arbitrations following notification to the parties to the dispute and, consistent with the provisions of the telecommunications access regime in part XIC of the Trade Practices Act, the commission will also be given the discretion to grant interim arbitration determinations.

The arbitration provisions will be amended to make it explicit that, when arbitrating a dispute, the commission can require a service provider to permit interconnection to its facility by an access seeker. Consistent with the appeal rights applicable to other access routes provided under part IIIA, this bill establishes rights to merit review by the Australian Competition Tribunal in relation to decisions made by the commission about access undertakings and access codes.

The Productivity Commission also recommended that the arbitration provisions of part IIIA should be amended to provide for two-sided information disclosure requirements involving both the access provider and the access seeker. The access seeker should be required to provide sufficient information, including technical and commercial requirements, to enable the access provider to respond to the request for access. The provider of the declared service should be required to provide sufficient information to an access seeker to facilitate effective negotiation on the terms and conditions of access. This should include information on the availability of the service, including any reasons why the service is not available on the conditions sought by the access seeker; an offer of the terms and conditions of access to the service; and sufficient information, such as the costs of operating the facility and providing the service, to enable the access seeker to make a
reasonable judgement on the basis of which
the terms and conditions of access were de-
termined. This information should be pro-
vided within 28 days of the access seeker
submitting its request for access to the ser-
vice provider.

This was not accepted by the government,
which deemed that such information re-
quirements were impractical. Rather than
applying a generic regime, they preferred an
industry-specific regime. The government’s
rejection of this key Productivity Commiss-
ion finding, recommendation 8.1, is highly
questionable. Prima facie, the Productivity
Commission’s recommendation is pro-
competitive and feasible. Labor calls on the
government to reconsider this aspect of the
bill.

The bill amends the Trade Practices Act to
explicitly prevent the commission from ac-
cepting an access undertaking or access code
where a decision is in force that a state or
territory access regime is an effective access
regime. This removes the incentive for in-
dustry gaming through forum shopping, and
Labor supports this. The bill introduces a
mechanism to enable the commission to
grant immunity from declaration for services
to be delivered by government-sponsored
infrastructure where the construction and the
operation of the facility is to be awarded
through a competitive tendering process.
Again, Labor supports this.

The bill applies a number of non-binding
target time limits to various decisions under
part IIIA and introduces legislative provi-
sions for public input on declaration and cer-
tification applications, and proposed access
undertakings. The bill places additional obli-
gations on ministers, the council and the
commission to publish reasons for their deci-
sions or recommendations. As the govern-
ment’s key adviser on the regime, the council
will be required to report annually on the
operation and effects of the regime, includ-
ing on specific matters identified in the bill.

Then we come to the vexed question of
pricing principles. In its formal response to
the Productivity Commission report Review
of the national access regime, the govern-
ment agreed that statutory pricing principles
should be established in relation to part IIIA
in order to provide guidance for pricing deci-
sions and to contribute to consistent and
transparent regulatory outcomes over time,
as well as certainty for investors and access
seekers. However, the bill did not enshrine
the principles in legislation. It is proposed
that these pricing principles are to be deter-
mined by the Treasurer and specified in regu-
lation. The Australian Competition and Con-
sumer Commission will be required to take
into account these principles when making a
final determination on an access dispute and
when assessing a proposed new or varied
access undertaking or access code.

Relegating the pricing principles to a
regulation is a significant watering down of
the previous position taken by the govern-
ment. According to industry sources, Treas-
ury appears to be seeking greater flexibility
on the setting of the principles. Labor sought
to have this bill and the issue of the pricing
principles considered by the Senate commit-
tee, which has now reported. The outcome of
the inquiry was unanimous support of or-
ganisations making submissions for the pric-
ing principles to be in the legislation. This is
a major development. The infrastructure sec-
tor has told the government its preferred
model, as enshrined in the bill, is deficient.
So strong was the argument by the sector that
all senators on the committee—government,
opposition and minor parties—agreed and
recommended that the pricing principles be
in the act. The government has been criti-
cised by the infrastructure sector and its own
senators, which is a highly embarrassing set-
back for the government.
The decision to not include the pricing principles in part IIIA would involve consequences. Firstly, it greatly diminishes the principle of certainty that the industry has been seeking for both existing and future infrastructure investment. Secondly, because part IIIA effectively acts as a model access regime for industry-specific access regimes, removing the pricing principles from part IIIA permits greater divergence across industry-specific access regimes, rather than a consistent approach. Making the pricing principles a matter for ministerial discretion is poor policy. It does not foster regulatory transparency and opens the government to the possibility of capture by the sector. It is open for Labor to consider amending the bill in the Senate to include the pricing principles. The government should have first sided with Labor and the Productivity Commission, but in the end reason prevailed.

Labor had its own form of pricing principles that was moved in the House of Representatives. This involved the notion that regulatory risk was seen as an element of commercial risk rather than as a separate category. Labor still holds this position but will not seek to delay the passage of the bill by insisting on its amendment. After all this, government took four years to respond to the Productivity Commission recommendations and it has taken 14 months for the bill to get to this point in the parliamentary process, which is hardly a strong sign of commitment by the government to trade practices reform. But it is not surprising. This government’s record on trade practices reform is a bit of a blank page. Where is the bill for criminal sanctions for cartels, which is so urgently needed? Where are the promised changes to section 46 of the Trade Practices Act? Then there is the government’s flawed Dawson bill, which still hangs in abeyance. While not declining to give the bill a second reading, I move the second reading amendment standing in my name:

At the end of the motion, add “but the Senate condemns the Government for:

(a) delaying the introduction of this bill for almost 3 years since the Productivity Commission report was released;
(b) failing to amend Part IIIA of the Trade Practices Act 1974 to include the pricing principles in the bill;
(c) failing to produce a single, clear and pro-competitive legislative framework for infrastructure regulation; and
(d) failing to advance meaningful reform of the Trade Practices Act 1974”.

Senator WEBBER (Western Australia)

(1.01 pm)—Before commencing my contribution, I seek leave to have Senator Murray’s remarks incorporated in Hansard.

Leave granted.

Senator MURRAY (Western Australia)

(1.02 pm)—The incorporated speech read as follows—

Although the Australian Democrats support the Trade Practices Amendment (National Access Regime) Bill 2006, there are still aspects concerning the national infrastructure access regime we have serious concerns about, and which still need to be addressed by the Government, particularly in light of recent actions by the Treasurer.

The Trade Practices Act is increasingly being seen as the enemy of small companies or new entrants to markets, and that is not the effect it was supposed to have when it was first passed. These amendments address issues of timeliness in decision making and set out the criteria to be taken into account in those decisions. However, it is increasingly clear that there are further matters to be addressed by this Government and the State governments, in relation to competition regulation in particular in relation to large infrastructure.

In a perfect world all strategic infrastructure would be provided by the Government at either a
State or Federal level, but this has not been the case for a long time. I accept that there are times when a public/private arrangement has merit. I also accept privately funded infrastructure which is well-regulated can provide a good outcome for the public and users.

The regulation of competition in Australia is through a system of certification and declaration and it has, in some respects, worked well. The companies themselves can apply for certification of infrastructure, two companies can negotiate a contract for use of certain infrastructure at a commercial rate, and if these two avenues fail then the Australian Competition and Consumer Commission and the National Competition Council can ‘declare’ the infrastructure.

And if one party does not like the declaration they can apply to the Minister for a decision. But more on that later. And if all these avenues are exhausted then they can resort to the Federal Court.

In a recent battle over rail lines in the northwest of Western Australia, the smaller mining company Fortescue Metals Group Ltd or FMG applied for access to the larger BHP Billiton’s rail line to transport ore from a proposed mine site in the area. FMG has not yet exploited the site because it took the sensible approach that a guarantee to transport access was essential prior to exploiting the area. The National Competition Council found that FMG should have access to the rail line.

The NCC’s decision was appealed to the Treasurer and it sat on his desk for 90 days, and lapsed because he did not make a decision. Nobody knows his reasons for not making a decision (he doesn’t have to provide any if he doesn’t actually decide anything) and now FMG must pursue its rights through the courts, at great expense and delay.

During the recent Estimates session, Mr Feil, Executive Director of the NCC pointed out the complexity of competition regulation in Australia, and highlighted for the Committee the fact that there are different avenues at Federal and State level that companies can utilise in relation to access to infrastructure. These different avenues mean that forum shopping between the state and federal systems, and forum shopping between different competition regulators is available, all of which slows down and confuses the decision making process.

In light of these complexities the Australian Democrats are pleased that the Treasurer is considering the creation of a national regulatory regime for infrastructure.

We note that in the OECD Economic Survey of Australia released recently, that it said

The time taken for regulatory decisions should be closely monitored especially where it is likely to impinge on export performance.

This advice needs to be taken seriously, especially in light of the Treasurer’s failure to make a decision for 90 days in relation to the FMG matter—that is 3 months, which is half the time recommended by the recent COAG agreement that an appropriate timeframe for such decisions should be 6 months.

However, this bill does not address such a streamlining, but I was heartened by Senator Minchin’s comments at Estimates that there could be a COAG consideration of the problem to try and bring about streamlining competition regulation nationally.

At the same Estimates hearing, Mr Feil pointed out that Part IIIA of the TPA applies to both interstate and intrastate state-owned and privately owned assets. He said that there are 3 routes open to companies in relation to competition questions. One is the State specific route, the other two are national and it is the choice of the asset owners, applicants and governments which they choose.

This also leads to forum shopping which I do not agree with, and which I see as an impediment to the speedy and cost-effective resolution of competition questions. It ensures that those with the deepest pockets will win the competition battle; that new players can effectively be excluded and in the long run, they can be bought up by the big players, when their patience and their pockets are exhausted.

I was disappointed to hear at Estimates that the fact that even though the Western Australian government facilitated the building of the BHP rail line which is now ‘privately owned’ by BHP, the taxpayers contribution to this private asset was not a matter which the NCC took into account when making its decision.
In his own words Mr Feil said
The contribution the state made some time ago in facilitating the construction and planning of the railway line was reflected to a degree in the state access regime, so the quid pro quo was some conditions for third party access and a number of other things including royalties. As it turns out, the state access regime does not appear to have provided the degree of access that perhaps at the time parties thought might have occurred but it is very hard to read exactly what the trade-offs were. So we treat this as a fresh application for an asset that is essentially privately owned....

He went on to say
I do not think it is necessary or appropriate to consider how much the state government or the people of WA might have contributed some time in the past.

From that one can gather that if you are large enough, even if you gained concessions from the Government at either a state or federal level at public cost a long time ago, those are not matters which are considered relevant to the decision making of a competition regulator.

That simply seems wrongheaded to me.

Let me again put my views on the record. I do not agree with infrastructure monopolies in private hands. I do agree with private owners getting a full commercial return. I do agree that the new entrant must fund or help fund additions to the infrastructure if that is required.

If a rail line was built because the public let it be built, through taxpayer provided easements, facilitation, and concessions, it was built in the public interest not the private interest, and should be shared.

If taxpayers have helped facilitate or fund a piece of infrastructure which is now in private hands, then shouldn’t the company have to repay in dollars the actual competitive advantage it now enjoys? And at the very least, provide access, at a commercial rate, to competitors?

It is clear from the evidence of the NCC at Estimates and in light of FMG’s ongoing application for access to rail lines, that a workable national competition policy which inhibits forum shopping and promotes real competition must be hammered out between the States and Federal government sooner rather than later.

The proposed amendments to the Objects clause provide guidance to the ACCC/NCC in making determinations in relation to infrastructure ensuring ‘economically efficient operation of, use of and investment in the infrastructure’ and to provide for a ‘consistent approach to access regulation’.

The Democrats note that the Objects clause proposed in this bill takes into account economic efficiency but does not address one of the Democrats key concerns in National Competition Policy, that is, the need for an objects clause which addresses market conditions or behaviours that may impede the emergence of ecologically sustainable industries, business and business processes.

The Democrats support the aspect of the Objects clause which provides a framework to encourage a consistent approach to access regulation in each industry.

This amendment addresses a key concern of the Democrats with regard to the methodology and ideology that is applied to the decision making by the regulator. It is also obvious, that given the limited amount of jurisprudence in the area, such matters need to be spelt out in the Act.

The objects clause is intended to promote consistency and provide guidance in the decision making process, which the Democrats hope will enhance regulatory accountability.

Some of the submissions to the Economics Legislation Committee were concerned that these objects were adding a further layer for consideration, and in fact would not provide clarity. The argument was that it would mean juggling a number of considerations without any firm idea of which consideration should take precedence.

That is a pessimistic view of the matter and the inclusion of considerations of economically efficient operation and investment in infrastructure are important guides for the competition regulator.

In relation to the ‘declaration’ of certain infrastructure there is a further criteria of determining whether the service would ‘promote a material increase in competition in at least one market whether or not in Australia’. This amendment
enshrines in legislation the way in which the regulator currently interprets the requirement.

My difficulty with this amendment is not that it changes the way in which the regulator works, but it brings me to my ongoing difficulty with declarations. The Australian Democrats do not believe there is a role for the Treasurer, who is the Minister in competition regulation matters. This has been borne out by his recent behaviour in relation to FMG and BHP Billiton.

If the regulator is making the decision against certain criteria, which are the same criteria that the Minister will apply in making his decision (if he bothers to make a decision), then how can the outcome be different?

It can be different if the Minister is lobbied so extensively that he changes the outcome of the declaration. It makes a mockery of the role of the regulator and it is a waste of taxpayers’ money. It also creates further delays, which impede the effectiveness of other provisions of this bill which provide for time lines within which the regulators must make decisions.

And what about the Ministerial decision-making process being private not public? That is contrary to good due process.

If large transnational companies do not like a declaration from the regulator, then they know that they can go to the Minister and with the various carrots and sticks available to them, possibly get him to change an outcome.

Given the number of politicians (of all political persuasions) who have jumped from various Parliaments into the arms of large infrastructure providers, investment banks and other corporations I do not think that I am being unduly cynical when I am wary of the role of Ministers in these matters.

Either you have faith in your regulator and the frameworks you are setting in place by legislation, or you need to work harder on your legislative drafting.

Just as the Health Minister no longer has a final say in determining which drugs are available in Australia, then I think the Minister should not have a role in this. If the companies do not like the decision of the regulator then, in other matters, appeals to the Federal Court should sort out the matter.

Many of the amendments proposed in this bill increase the transparency of decision making, provide time lines for decision makers and increase accountability through publication of reasons.

These are all matters on which the Australian Democrats have campaigned long and hard in the past, so the Senate will not be surprised that we support these amendments.

It ensures that those applying for access to infrastructure are able to identify, with some certainty we hope, the amount of time it will take for the decision to be made. This increases certainty for investments and forward planning for businesses.

The bill also proposes that the regulator can seek public comment on a recommendation regarding a declaration. The Democrats have always advocated a public interest test—one that takes into account the social and environmental impacts along with the economic impact of certain behaviours.

Previously the public interest test has been construed very narrowly and has been under-utilised. This amendment appears to mean that public interest is of some concern to the Coalition. Public interest is an all encompassing term. The Democrats are cautiously optimistic that this provision will go some way to providing the possibility for a better assessment of all the relevant facts.

This bill also provides for the publishing of reasons by the NCC, the ACCC and the Minister. However this amendment has serious limitations which have become clear since the Treasurer failed to make a decision in relation to FMG and BHP. In that case he made no decision, he let the application lapse, so in that circumstance there was no requirement to provide reasons because there was no decision. That was technically within the letter of the law, but few would suggest that it was the way in which people envisaged the Trade Practices Act working.

The Australian Democrats support these amendments to the TPA but looks forward to the Coalition addressing obvious shortcomings in the national competition policy as soon as possible.
Senator WEBBER (Western Australia) (1.02 pm)—Twelve months ago tomorrow, on Thursday, 11 August 2005, the Senate Economics Legislation Committee held its hearings into the Trade Practices Amendment (National Access Regime) Bill 2006, so it has taken 12 long months for us to finally debate this legislation and for Senator Stephens and me to have the opportunity to make our contributions. Initially, I want to place on record my thanks to the people who appeared before the committee and particularly to the committee chair, Senator Brandis. As has been alluded to, our hearing on this piece of legislation was probably an example of what Senate committees do well. Industry came to the committee and pointed out some concerns that they had with this piece of legislation. Some suggested improvements. There was no partisan view about how those improvements should be made, and there was good, old-fashioned, bipartisan discussion—in fact, tripartisan discussion, because Senator Murray from the Australia Democrats was there as well—and sensible public policy was recommended.

Senator Stephens—Commonsense.

Senator WEBBER—As Senator Stephens has just said, commonsense prevailed. That sensible public policy was around the issue of pricing principles. Part of the significant evidence that the committee heard at the time was from AusCID, the Australian Council for Infrastructure Development. They gave us probably the most persuasive evidence about the need to insert pricing principles. In evidence, one of their representatives, Dr Mundy, informed the committee of their view. He said:

... as far as general pricing principles are concerned, economic regulators such as the ERA—from my home state of Western Australia—the essential services commissions of Victoria and South Australia, IPART, the Queensland Competition Authority and the ACCC have been undertaking pricing decisions of one type or another for a long time, and there is significant academic literature on this.

In other words, the way of dealing with pricing principles was well known to regulators and there was significant literature that we could look at on how those principles would be interpreted. There was discussion, therefore, about the best way of inserting those principles—whether it should be, as the Productivity Commission recommended, which Senator Stephens has mentioned, within the legislation itself or whether it should be done by regulation.

AusCID went on to point out that it may well be the government’s reasoning that it is much easier to draft a regulation and easier to get it before the parliament; although, having said that, with the government having the numbers in both chambers, legislation being introduced could hardly be seen to be difficult these days. AusCID conceded that the government may have chosen this path for ease. However, their real point was the need for certainty. Dr Mundy went on to say:

The real point is certainty, and it needs to be understood that the investments we are talking about for which certainty is required have asset lives best understood in decades. People are investing today—that was 12 months ago—in assets that may last 50 or 100 years, so they need to understand very much what the policy principles are that are going to govern activities. Regulators are always going to have to make decisions, no matter how these words are set out or where they are set out. In regard to the issue about where they sit, in our view it is preferable that they are contained within the primary statute. It seemed to be the view of industry, no matter which sector we heard from, that the best way of providing that certainty was for the pricing principles to be in the primary statute.
Sometime after the committee conducted its hearings, there was a meeting of the Council of Australian Governments where they also discussed the issue of pricing principles. All Australian governments agreed that pricing principles needed to be a priority and they agreed on the framework where they should be contained. So, for the life of me, I cannot understand (a) the delay in bringing this legislation to this place and (b) the reluctance to address the issue of inserting pricing principles within the legislation at the time.

When the committee heard from officers from the various departments, the only real reason we were given for the lack of willingness to insert the principles within the primary statute was the need—as the chair, Senator Brandis, put it at the time—to balance certainty and flexibility. However, it seems to me that when every industry representative involved in this discussion appears before a committee chaired by a member of a government that likes to boast of its links and responsiveness to industry and says that doing these things by regulation does not provide sufficient certainty to enable the significant investment this country needs to meet its infrastructure needs in the future then a responsive, responsible government would do what industry needs and what COAG has recommended—that is, to insert the principles in the primary statute.

Senator SANDY MACDONALD (New South Wales—Parliamentary Secretary to the Minister for Defence) (1.08 pm)—The government would like to thank those honourable senators who participated in the debate on the Trade Practices Amendment (National Access Regime) Bill 2006. This bill implements the government’s response to the Productivity Commission’s review of the national access regime. The regime provides an avenue by which firms can seek access to services provided through infrastructure facilities owned and operated by others. Importantly, the regime seeks to enhance the competitiveness of the Australian economy by promoting the efficient investment in and the use of infrastructure facilities of national significance. At the request of the government, the Productivity Commission conducted an inquiry into the operation of the national access regime. The commission supported retention of the regime and recommended a number of enhancements. The government accepted the majority of the recommendations, agreeing that scope exists for improvements to the regime including to clarify its objectives, promote more efficient investment in and operation of infrastructure, establish more timely and less costly regulatory procedures, and enhance the transparency and accountancy of decision-making processes under the regime.

The changes contained in this bill result from a robust consultation process that we have heard about. The changes are also consistent with the proposals of the export infrastructure task force report, released by the Prime Minister in June of last year. The task force examined the number and complexity of access regimes across Australia and made recommendations aimed at streamlining processes where appropriate. Significantly, this bill takes steps in the same direction. I also note that this bill is consistent with the underlying principles governing infrastructure regulation that were agreed to by the Council of Australia Governments in February this year as part of the new national reform agenda.

The government is committed to effective and efficient regulation and targeted laws. The bill we have before the Senate has been the subject of extensive consultation with industry and stakeholders consistent with our red tape commitments. There is a very high level of support for this bill by those stakeholders. The amendments that the ALP sug-
gests need to be made—inserting the pricing principles into the Trade Practices Act 1974—have been effected in the other place and in this bill before the Senate. The Australian government has always recognised the need for effective infrastructure regulation and certainty in respect of the same. This is what this bill helps to achieve: a positive development that, I am pleased to say, is supported by the ALP. I note the leadership of this government in talking at COAG to continue moving forward with simpler and more consistent national regulation for significant infrastructure.

Finally, I was pleased to see that submissions provided by a wide range of industry stakeholders to the Senate Economics Legislation Committee during this inquiry were, as we have heard from Senator Webber, highly supportive of the bill, as was the committee itself. I note also the positive responses to this bill reported in the media following its introduction into parliament. In conclusion, this bill forms a key part of the government’s Trade Practices Act reform agenda, announced during the previous term, to benefit Australian consumers and businesses. This agenda also includes implementation of the government’s response to the Dawson committee’s review of the competition provisions of the Trade Practices Act, development of measures to afford additional protection to small business under the Trade Practices Act and to further clarify the misuse of market power provisions, and the development of proposals to introduce criminal penalties for serious cartel conduct.

I welcome the proposed improvements to the national access regime as contained in this bill, including the minor amendments moved by the government in the House of Representatives. I am hopeful the government will receive the support it needs to implement these important improvements to the regime. I commend the bill to the Senate.

Question negatived.
Original question agreed to.
Bill read a second time.

Third Reading

Senator SANDY MACDONALD (New South Wales—Parliamentary Secretary to the Minister for Defence) (1.13 pm)—I move:

That this bill be now read a third time.

Question agreed to.
Bill read a third time.

Sitting suspended from 1.14 pm to 2.00 pm

MINISTERIAL ARRANGEMENTS

Senator MINCHIN (South Australia—Minister for Finance and Administration) (2.00 pm)—I table for the information of senators a revised ministry list, reflecting the appointment of the Minister for Human Services, the Hon. Joe Hockey MP, as the Minister Assisting the Minister for Employment and Workplace Relations—an outstanding appointment. His role will be to assist in successfully implementing workplace relations reforms. This appointment is in addition to his current portfolio responsibilities. I seek leave to have the document incorporated in Hansard.

Leave granted.

The document read as follows—
<table>
<thead>
<tr>
<th>TITLE</th>
<th>MINISTER</th>
<th>OTHER CHAMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prime Minister</td>
<td>The Hon John Howard MP</td>
<td>Senator the Hon Nick Minchin</td>
</tr>
<tr>
<td>Minister Assisting the Prime Minister</td>
<td>The Hon Gary Hardgrave MP</td>
<td></td>
</tr>
<tr>
<td>Parliamentary Secretary to the Prime Minister</td>
<td>The Hon Malcolm Turnbull MP</td>
<td></td>
</tr>
<tr>
<td>Minister for Trade</td>
<td>The Hon Mark Vaile MP</td>
<td>Senator the Hon Helen Coonan</td>
</tr>
<tr>
<td>(Deputy Prime Minister)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parliamentary Secretary (Trade)</td>
<td>The Hon De-Anne Kelly MP</td>
<td></td>
</tr>
<tr>
<td>Minister for Foreign Affairs</td>
<td>The Hon Alexander Downer MP</td>
<td>Senator the Hon Helen Coonan</td>
</tr>
<tr>
<td>Parliamentary Secretary (Foreign Affairs)</td>
<td>The Hon Teresa Gambaro MP</td>
<td></td>
</tr>
<tr>
<td>Treasurer</td>
<td>The Hon Peter Costello MP</td>
<td>Senator the Hon Nick Minchin</td>
</tr>
<tr>
<td>Minister for Revenue and Assistant Treasurer</td>
<td>The Hon Peter Dutton MP</td>
<td>Senator the Hon Helen Coonan</td>
</tr>
<tr>
<td>Parliamentary Secretary</td>
<td>The Hon Chris Pearce MP</td>
<td></td>
</tr>
<tr>
<td>Minister for Finance and Administration</td>
<td>Senator the Hon Nick Minchin</td>
<td>The Hon Peter Costello MP</td>
</tr>
<tr>
<td>(Vice President of the Executive Council)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Leader of the Government in the Senate)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minister for Health and Ageing</td>
<td>The Hon Tony Abbott MP</td>
<td>Senator the Hon Santo Santoro</td>
</tr>
<tr>
<td>(Leader of the House)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minister for Human Services</td>
<td>The Hon Joe Hockey MP</td>
<td>Senator the Hon Rod Kemp</td>
</tr>
<tr>
<td>Minister Assisting the Minister for Workplace Relations</td>
<td>The Hon Gary Nairn MP</td>
<td>Senator the Hon Eric Abetz</td>
</tr>
<tr>
<td>Special Minister of State</td>
<td>The Hon Richard Colbeck</td>
<td></td>
</tr>
<tr>
<td>Parliamentary Secretary</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minister for Transport and Regional Services</td>
<td>The Hon Warren Truss MP</td>
<td>Senator the Hon Ian Campbell</td>
</tr>
<tr>
<td>Minister for Local Government, Territories and Roads</td>
<td>The Hon Jun Lloyd MP</td>
<td>Senator the Hon Ian Campbell</td>
</tr>
<tr>
<td>Minister for Ageing</td>
<td>The Hon Tony Abbott MP</td>
<td>Senator the Hon Santo Santoro</td>
</tr>
<tr>
<td>Parliamentary Secretary</td>
<td>The Hon Santo Santoro</td>
<td>The Hon Tony Abbott MP</td>
</tr>
<tr>
<td>Attorney-General</td>
<td>The Hon Christopher Pyne MP</td>
<td></td>
</tr>
<tr>
<td>Minister for Justice and Customs</td>
<td>The Hon Philip Ruddock MP</td>
<td>Senator the Hon Chris Ellison</td>
</tr>
<tr>
<td>(Manager of Government Business in the Senate)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minister for Communications, Information Technology and the Arts</td>
<td>Senator the Hon Helen Coonan</td>
<td>The Hon Peter McGauran MP</td>
</tr>
<tr>
<td>(Deputy Leader of the Government in the Senate)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minister for the Arts and Sport</td>
<td>Senator the Hon Rod Kemp</td>
<td>The Hon Peter McGauran MP</td>
</tr>
<tr>
<td>Minister for Immigration and Multicultural Affairs</td>
<td>Senator the Hon Amanda Vanstone</td>
<td>The Hon Philip Ruddock MP</td>
</tr>
<tr>
<td>Parliamentary Secretary</td>
<td>The Hon Andrew Robb AO MP</td>
<td></td>
</tr>
<tr>
<td>Minister for Defence</td>
<td>The Hon Dr Brendan Nelson MP</td>
<td>Senator the Hon Ian Campbell</td>
</tr>
<tr>
<td>Minister Assisting the Minister for Veterans’ Affairs</td>
<td>The Hon Bruce Billson MP</td>
<td>Senator the Hon Ian Campbell</td>
</tr>
<tr>
<td>TITLE</td>
<td>MINISTER</td>
<td>OTHER CHAMBER</td>
</tr>
<tr>
<td>-------</td>
<td>----------</td>
<td>---------------</td>
</tr>
<tr>
<td>Defence</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parliamentary Secretary</td>
<td>Senator the Hon Sandy Macdonald</td>
<td></td>
</tr>
<tr>
<td>Minister for Industry, Tourism and Resources</td>
<td>The Hon Ian Macfarlane MP</td>
<td>Senator the Hon Nick Minchin</td>
</tr>
<tr>
<td>Minister for Small Business and Tourism</td>
<td>The Hon Fran Bailey MP</td>
<td>Senator the Hon Nick Minchin</td>
</tr>
<tr>
<td>Parliamentary Secretary</td>
<td>The Hon Bob Baldwin MP</td>
<td></td>
</tr>
<tr>
<td>Minister for Employment and Workplace Relations</td>
<td>The Hon Kevin Andrews MP</td>
<td>Senator the Hon Eric Abetz</td>
</tr>
<tr>
<td>Minister for Workforce Participation</td>
<td>The Hon Dr Sharman Stone MP</td>
<td>Senator the Hon Eric Abetz</td>
</tr>
<tr>
<td>Minister for the Environment and Heritage</td>
<td>Senator the Hon Ian Campbell</td>
<td>The Hon Warren Truss MP</td>
</tr>
<tr>
<td>Parliamentary Secretary</td>
<td>The Hon Greg Hunt MP</td>
<td></td>
</tr>
<tr>
<td>Minister for Agriculture, Fisheries and Forestry</td>
<td>The Hon Peter McGauran MP</td>
<td>Senator the Hon Eric Abetz</td>
</tr>
<tr>
<td>(Deputy Leader of the House)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minister for Fisheries, Forestry and Conservation</td>
<td>Senator the Hon Eric Abetz</td>
<td>The Hon Peter McGauran MP</td>
</tr>
<tr>
<td>Parliamentary Secretary</td>
<td>The Hon Sussan Ley MP</td>
<td></td>
</tr>
<tr>
<td>Minister for Families, Community Services and Indigenous Affairs</td>
<td>The Hon Mal Brough MP</td>
<td>Senator the Hon Rod Kemp</td>
</tr>
<tr>
<td>Minister Assisting the Prime Minister for Indigenous Affairs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minister for Community Services</td>
<td>The Hon John Cobb MP</td>
<td>Senator the Hon Rod Kemp</td>
</tr>
<tr>
<td>Minister for Education, Science and Training</td>
<td>The Hon Julie Bishop MP</td>
<td>Senator the Hon Amanda Vanstone</td>
</tr>
<tr>
<td>Minister Assisting the Prime Minister for Women’s Issues</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minister for Vocational and Technical Education</td>
<td>The Hon Gary Hardgrave MP</td>
<td>Senator the Hon Amanda Vanstone</td>
</tr>
<tr>
<td>Parliamentary Secretary</td>
<td>The Hon Pat Farmer MP</td>
<td></td>
</tr>
</tbody>
</table>

Each box represents a portfolio. **Cabinet Ministers are shown in bold type.** As a general rule, there is one department in each portfolio. Except for the Department of the Prime Minister and Cabinet and the Department of Foreign Affairs and Trade, the title of each department reflects that of the portfolio minister. There is also a Department of Veterans’ Affairs in the Defence portfolio and a Department of Human Services in the Finance and Administration portfolio.

*Honourable senators interjecting—*

**The PRESIDENT**—Order! When the chamber comes to order we will start question time.

**QUESTIONS WITHOUT NOTICE**

**Telstra**

Senator CROSSIN (2.01 pm)—After that, you would think it was the comedy hour. I have a question for Senator Coonan, the Minister for Communications, Information Technology and the Arts. I refer the minister to the collapse of Telstra’s discussions with the ACCC on the rollout of the fibre broadband infrastructure. Is the minister aware of the comments of Liberal MP Peter Lindsay, who stated this week that Telstra’s
decision to abandon its fibre plans was a disaster? He stated:

As much as others argue that broadband can be provided without fibre-to-the-node, true broadband cannot be provided without it.

He went on to say:

Australians deserve top shelf broadband and that can only be delivered by fibre optic cable. Without it we will be held back.

As the minister responsible for this mess, has the minister informed Mr Lindsay that she has no plan to bring fibre broadband infrastructure to Australia? When will the minister stop making excuses and show some leadership on this important issue?

Senator COONAN—I thank Senator Crossin. At least you have to give her some marks for trying. The government is very disappointed with Telstra for pulling out of talks with the Australian Competition and Consumer Commission about the proposal for a fibre-to-the-node network. But, of course, it had proposed to roll out fibre only in populous metropolitan areas—not even in Senator Crossin’s home city of Darwin. Had they done it in the places they had nominated, which were five of the major capital cities, it would have been welcome. For Telstra to pull out at the last minute when discussions were almost complete is, of course, counterproductive. Telstra had been saying that there were very few issues left to be resolved and that they were 98 per cent of the way there. Yet on Monday they completely reversed their position and outlook on the progress and have apparently decided not to proceed, although I understand that is not entirely certain either.

The reasons provided by Telstra for doing so certainly do not stack up. Telstra cited the ACCC’s alleged unwillingness to recognise actual costs. But in fact they have to set access prices. The ACCC is required by law to take into account the costs of the investment and the legitimate commercial interests of anyone who is going to make that kind of investment.

The important thing is that Australians are not entirely dependent on fibre; there are alternatives. Consumers in metropolitan areas and large regional centres should shop around with Telstra’s competitors, nine of whom are already offering ADSL2+ high-speed broadband. It is an option that many consumers are unaware of, and they should actually go and see whether or not anyone is offering an alternative to Telstra. If Telstra ultimately refuses to move to high-speed broadband, then those looking for such services should consider those alternatives.

As well as ADSL2+ broadband, many metropolitan consumers can consider cable broadband and wireless broadband options. Pay TV cable networks pass 3.7 million premises in the cities, offering high broadband speeds. Wireless broadband is also available in all capital cities and offers speeds of up to two megabits, expected to rise to 12 in the coming years. Telstra announced today that its 3G rollout is ahead of schedule, and that will provide very fast speeds.

The competitive rollout of high-speed broadband infrastructure which is taking place will be complemented by a $1.1 billion investment in the Connect Australia package, together with a $2 billion Communications Fund—which, I note, Labor was prepared to rifle for some ill-founded plan of their own.

I have had a conversation with Mr Lindsay. I think you will find that he has revised his view, because he did not realise that the fibre proposal was going to go only to populous parts of major capital cities. On that basis, he has revised his view.

Senator CROSSIN—Mr President, I ask a supplementary question. I suppose as long as it goes to Townsville and does not get to
Darwin, things are okay. Is the minister aware of yesterday’s editorial in the *Herald Sun* that said, ‘The Telstra mess is a national disgrace’ and ‘The government must demonstrate leadership’ because ‘too much is at stake to allow this unproductive farce to drag on’? Isn’t the *Herald Sun* right to say that the minister has failed to show any leadership whatsoever on this matter?

**Senator COONAN**—I can understand that it is very difficult to understand all of the implications of broadband policy, and it may be difficult for editors of the *Herald Sun* to quite understand the intricacies of competition and the rollout of broadband; but Senator Crossin should know a bit better. The Labor Party proposal for broadband is now in a total shambles. It was predicated on Telstra rolling out a fibre network and pinching $2 billion from the Communications Fund, putting it all, once again, on the Treasury credit card. They have no plan for the future and absolutely nothing to offer the Australian people in telecommunications.

**Employment**

**Senator FIFIELD** (2.07 pm)—My question is to the Minister for Finance and Administration, Senator Minchin. Will the minister inform the Senate of the July labour force figures released today by the Australian Bureau of Statistics? Is the minister aware of any independent views about policy measures required to maintain low unemployment and a strong economy?

**Senator MINCHIN**—I thank Senator Fifield for that pertinent question. I would indeed be happy to comment upon today’s release by the ABS of the July labour force figures. I am pleased to report that, in the month of July, more than 50,000 new jobs were created in Australia. Full-time employment rose by 27,100 jobs and part-time employment rose by 23,600. Most spectacularly of all, the unemployment rate in this country fell to 4.8 per cent—its lowest level since 1976; a 30-year low in unemployment. We have now had 35 consecutive months of unemployment below six per cent, which of course would have been unimaginable in the early 1990s when Labor presided over 11 per cent unemployment rates. Unemployment fell despite the seasonally adjusted participation rate actually increasing to its highest level on record—65 per cent. Of course, it is always interesting to compare our performance on unemployment with the performance of other developed countries, particularly in Western Europe.

**Senator Sherry**—Do you want to do that on interest rates? Do you want to give us a comparison on interest rates?

**The PRESIDENT**—Order, Senator Sherry!

**Senator MINCHIN**—France’s unemployment rate is 9.1 per cent, Germany’s is 10.9 per cent, and the Euro area in general has an unemployment rate just under eight per cent. It is very interesting that the countries that stand out as having the lowest unemployment rates—the UK, the US, New Zealand and Australia—are those with the more flexible labour markets. It is noteworthy—and I ask the Labor Party to take note of this—that, in the four months since our Work Choices legislation came into effect, there have been over 159,000 new jobs created. So, far from resulting in the mass sackings that Labor assured us would occur, the removal of unfair dismissal laws has so far resulted in more jobs being created.

There is a very clear message from these results: if you do want to keep generating jobs and prosperity, you cannot do it through more regulation and more legislative restrictions on Australia. We can only do it through openness and flexibility, so we can compete with the rest of the world. Indeed, on that theme, UK Labour Prime Minister Tony
Blair made a very good speech recently, talking about the need for strong leadership in what is a rapidly changing global environment.

Senator Sherry—Can we have the interest rates?

The President—Senator Sherry, come to order!

Senator Minchin—In this very important speech, Mr Blair said:

Indeed, around the world, a division is opening up, almost as pivotal as the traditional left and right, and that division is what I would characterise as: “open versus closed”.

The response to globalisation can be free trade, open markets, investment in the means of competition: education, science, technology. Or it can be protectionism, tariffs, tight labour market regulation, resistance to foreign takeovers.

That is a very important distinction that Mr Blair has drawn attention to, and I think the Labor Party should read his speech very carefully. Labor’s opposition to WorkChoices, the misleading claims and the glib promises to tear up our laws really are just knee-jerk reactions to the demands of Labor’s union bosses. We know that. They ought to listen to Mr Blair. He said:

In this battle—“open versus closed”—those on the “open” side of the argument will meet fierce opposition. Yet the “closed” side of the argument in truth has nothing to offer a nation except the delusion that the tide of change can be turned back; or alternatively a weaker version of the same delusion, namely that hard choices can just be evaded.

Thankfully for our country, the coalition government has faced up to those hard choices and made the right decisions for Australia’s future.

Distinguished Visitors

The President—Order! I draw the attention of honourable senators to the presence in the President’s gallery of a delegation from the Republic of South Africa, led by Mrs Tshivhase MP, Chairman of the National Parliamentary Portfolio Committee on Social Development. On behalf of all senators, I welcome you to Australia and, in particular, to our Senate.

Honourable senators—Hear, hear!

Questions Without Notice

Broadband Services

Senator Lundy (2.11 pm)—My question is to Senator Coonan, Minister for Communications, Information Technology and the Arts. Does the minister recall her media release attempting to defend her claim that no-one is complaining about metropolitan broadband speed in Australia? Why did the minister claim that the number of Australians with access to ADSL broadband is ‘growing exponentially’ as carriers enable more and more exchanges under the Metropolitan Broadband Connect program? Can the minister confirm that this program was announced in the 2005 budget? Is it not true that, 18 months after it was announced, the program has been found to be an abject failure, with barely any of the $50 million allocated to it having actually been spent? Will the minister now apologise to Australians in metropolitan areas for misleading them about the impact of this program on their broadband access?

Senator Coonan—I thank Senator Lundy for the question. As you would expect, the only card that the Labor Party has to play in this broadband debate is to misrepresent what I have said. I have clearly said that, even in the absence of any metropolitan fibre network proposal by Telstra, Australians living in inner metropolitan areas can already access—

Senator Chris Evans—Oh, it’s ‘inner’ now? When did it become ‘inner’?
Senator COONAN—faster broadband speeds of between 12 and 18 megabits per second if they can access the ADSL2+ platform or the cable networks which run past around 3.7 million Australian homes.

Opposition senators interjecting—

Senator COONAN—I did say that. These are the same people who would have benefited from Telstra’s fibre-to-the-node network—which was what the conversation was all about—which, it is important to remember, would have been rolled out to the most populous parts of five capital cities, Sydney, Melbourne, Brisbane, Perth and Adelaide, within five years from the date of commencement. The government’s longstanding policy of encouraging competition in telecommunications has delivered metropolitan consumers a choice of broadband provider and a choice of speeds. At least nine service providers already offer ADSL2+ in over 400 exchanges across metropolitan and some regional areas, and there are plans to extend these services with the installation of another 500 exchanges as competitors see an advantage with Telstra not proceeding with their fibre opportunity.

For the information of the Senate and those listening, service providers offering ADSL2+ include Adam Internet, Amcom, iiNET, Internode, OnTheNet, People Telecom, RIA, TPG and TSN. ADSL2+ and cable networks enable service providers to deliver a rich mix of data services to users, including high-quality video, audio, voice and text. In fact, ADSL2+ is the very technology that Telstra’s fibre network would have delivered to homes in some parts of the five capital cities. But even without a fibre network, the number of Australians with access to ADSL2+ technology could massively increase—and I have heard Senator Lundy say this in estimates—if only Telstra would flick the switch on its equipment and stop capping the speeds of its broadband services. However, as I have said previously, Australians do not necessarily have to wait for Telstra to resolve this matter. Painting a bleak picture of internet speeds is positively misleading. Around four million Australians have already connected to broadband, which is hardly an indictment of the broadband landscape.

That the Labor Party have the gall to attack this government on the provision of telecommunication services in this country is simply astonishing. These are the people who backed a plan just a few years ago to get the Australian taxpayer to pay $5 billion for dial-up internet. Having everybody stuck on very low speeds of dial-up internet would have been nice, wouldn’t it? Their latest fling is to pinch the $2 billion in the Communications Fund. Labor’s policies in this area are non-existent. They are an absolute farce and an absolute disgrace.

Senator LUNDY—Mr President, I ask a supplementary question. While the minister continues to live in denial, perhaps she could tell the Senate if she is aware of the recent comments of prominent metropolitan Australian and PBL chairman, James Packer, that Australia’s broadband performance is ‘embarrassing’? In light of this comment, does the minister stand by her claim that no-one in metropolitan Australia is complaining about broadband speeds? In other words, should Mr Packer and all the others just shut up and stop complaining?

Senator COONAN—That seems to be a slightly different question, and I would love to answer it. But what I wanted to say to finish my previous answer was that the metropolitan broadband black spots program—
pose to themselves. It is clearly not in accordance with the standing orders. The minister is required to answer the question asked of her.

The PRESIDENT—I hear your point of order. Senator Coonan, you have 48 seconds to complete your answer and I remind you of the supplementary question.

Senator COONAN—Thank you very much. I know that this really upsets the Labor Party. The government’s metropolitan broadband black spots program is being rolled out. For Senator Lundy’s information, Telstra are in fact participating in filling these black spots around metropolitan areas. The Labor Party needs to get down to doing a bit of hard work in this area and understand what it is saying before it flings around allegations that it has no hope of substantiating.

Migrant Workers

Senator FIERRAVANTI-WELLS (2.18 pm)—My question is to the Minister for Immigration and Multicultural Affairs, Senator Vanstone. Will the minister advise the Senate about the benefits of skilled workers to the Australian economy? Is the minister aware of any policy alternatives to filling labour shortages in Australia?

Senator VANSTONE—I thank Senator Fierravanti-Wells for the question. There has been some recent publicity—and it has been raised in this chamber—on the issue of 457 visa holders working in restaurants in Canberra. Senator Lundy has shown a particular interest in this and has been quite outspoken on it. In my view, she attempted to score some cheap points on this matter in the Senate on 8 February when she said:

... the Howard government seems to be encouraging exploitation.

It was all our fault, apparently. We investigated the claims—we said we would. Where they were proven, some people or companies are being prosecuted. It is true that there were problems with the salaries of seven Filipino chefs. We sanctioned the employers who were in breach. We found new sponsors for the majority of the Filipino chefs who wanted to keep working, and they are now working in Canberra keeping Canberra businesses up and running.

But Senator Lundy and the Labor spin machine and their union mates claim that 457 visa holders are responsible for driving down pay and conditions for Australians. The facts are that the Labor Party wants to deal in fear on these matters and what we want to deal in is the facts. This issue being raised meant that the office of workplace safety wanted to conduct a broader audit of Canberra restaurants. It is a bit like the matters of Rau and Alvarez, where I said, ‘If there is one problem, there might be more; let’s go and have a look and clean it up.’ The office of workplace safety in Canberra said, ‘Let’s go and have a look.’ So they did.

They found 48 restaurants in Canberra underpaying or not providing appropriate entitlements to employees. But how many of these 48 restaurants had 457 visa holders on their books? Only six of the 48 restaurants that were underpaying in Canberra had 457 visa holders in them. How many employees did the audit find were being underpaid? There were 164. How many of them were 457 workers? Absolutely none. Why is that? It is because the Filipino 457 visa holders had the courage to raise the issues in a way that others did not. Because it was investigated and because they were not indentured, this audit was undertaken.

Senator Lundy interjecting—

The PRESIDENT—Senator Lundy, come to order!

Senator VANSTONE—Senator Lundy, who has been a bystander and a parasitic commentator in this matter, said that without the involvement of the union and of federal
Labor in parliament, these vulnerable workers—these poor Filipino people who could not do this themselves—would have remained unrepresented, underpaid and exploited. That is not true. The government began investigating this matter because the visa holders raised it with the government—not because the Labor Party raised it; not because the union movement raised it; but because the workers raised it. Seeing a good story, Senator Lundy, in a parasitic fashion, jumped on. She wanted her moment in the sun.

Senator Lundy interjecting—

The President—Senator Lundy, come to order!

Senator Vanstone—What has happened is that, because we had some Filipino workers who did have the courage to go and dob in employers who were doing the wrong thing, a further audit has been done. And what have we found? In the restaurant and catering trade—guess what? Australian workers are being underpaid. What did the union movement do about that? Why, when workers in restaurants in Canberra were being underpaid, did Senator Lundy not raise the issue of Australian workers?

Opposition senators interjecting—

Senator Lundy—Until you got involved, the Office of Workplace Services weren’t doing anything.

The President—Order! Senator Lundy, I have asked you three times to come to order. I ask you again: come to order. Senators on my left, cease interjecting across the chamber.

Senator Chris Evans—Mr President, I rise on a point of order. Twice Senator Vanstone has referred to Senator Lundy as parasitic. I am not usually very sensitive about these issues and neither is Senator Lundy, but, given that you are concerned about uproar in the chamber, it seems to me that that might explain why there is some uproar. You have twice chosen to ignore that. As I said, I do not generally raise points of order about descriptions, but you might think about how they might impact on behaviour in the chamber.

The President—If Senator Vanstone uttered those comments and they are unparliamentary I will ask her to withdraw, but I could not hear anything for the noise. Also, Senator Evans, I hope you were not reflecting on the chair. I do not think that would be your intention, would it?

Senator Chris Evans—I raised a point of order. You can choose how you would like to rule on it. That is the point I make.

The President—You were saying that I should have ruled. I did not hear it. I could not hear it for the noise, honestly.

Senator Chris Evans—I do not know why you could not hear it, because the rest of the chamber did. I understand that sometimes the acoustics in here vary. I do not question that you did not hear it, but I have now brought it to your attention. I have asked you to rule on it.

The President—I have already said that if Senator Vanstone used unparliamentary language I would ask her to withdraw it. I did not hear what she said because there was so much noise in the chamber.

Senator Vanstone—On the point of order: I have been in this place before when people on the opposite side have done what I regard as a particularly scummy thing when you have not heard; they have said, ‘I didn’t say that. I don’t remember.’ I did say she was a parasitic commentator. If you regard that as unparliamentary—

The President—I do.

Senator Vanstone—I will withdraw it.
The PRESIDENT—Thank you.

Senator VANSTONE—Nothing more than that.

Senator Conroy—Mr President, I rise on a point of order. I noticed that while you were on your feet, trying to call the chamber to order, you had some trouble catching Senator Vanstone’s attention, as she was clearly not addressing the chair. You were on your feet for some five or 10 seconds, waiting until Senator Vanstone actually started to address the chair. My point of order is: could you ask the minister to address the chair.

The PRESIDENT—Quite frankly, that is a bit rich coming from you, Senator Conroy, who completely ignore my calls for you to come to order. Senator Vanstone, would you return to the question, please.

Senator VANSTONE—I was just making a point about Senator Lundy’s contribution to this. I have something to say about my concern about the racist overtones that have come into this debate as a consequence of the Labor Party’s comments. If Senator Fieravanti-Wells would like to ask about the racist overtones, I would be happy to discuss them. I think this is—(Time expired)

Senator FIERRAVANTI-WELLS—Mr President, I ask a supplementary question. The minister referred to alternative policies. Can she explain to the chamber why she will not be implementing the alternative policies referred to in her answer?

Senator VANSTONE—I will indeed explain. There are alternative policies that seek to focus on foreign workers. The meaning of ‘foreign worker’ is other people, not us. For a multicultural, immigrant country to talk about foreign workers instead of skilled migrants is to use a pejorative. It is in fact racist. This is the old Beirut, Bombay, Beijing attitude coming back—none of the Blackpool, Birmingham and Bristol. Nobody minds if you come from Blackpool or Bir-

Senator Wong interjecting—

Senator VANSTONE—There is no way that this government will change its non-discriminatory immigration policy and its skilled migration policy, which brings into this country the skills Australia needs. You brought people in to put them on welfare queues. We bring them in to build Australia.

Senator Wong interjecting—

The PRESIDENT—Order! Senator Wong, come to order. Senator Vanstone, address your remarks through the chair.

Broadband Services

Senator CONROY (2.27 pm)—My question is to Senator Coonan, the Minister for Communications, Information Technology and the Arts. Does the minister recall claiming on The 7.30 Report this week: ADSL 2 plus has speeds on average about 12 megabits up to 18, even 23, depending on some circumstances.

Is the minister aware of a report released by Citigroup that finds that it is physically impossible for ADSL2+ to deliver these kinds of speeds on a mass-market basis and that a more realistic average speed for this technology is three megabits? Can the minister explain to the chamber what she is doing to remedy her appalling ignorance of the technical issues in her own portfolio? Will the minister also apologise for misleading the Australian people about what ADSL2+ is capable of delivering?

Senator COONAN—Thank you to Senator Conroy for the question. One of the really interesting things about the speeds that Senator Conroy talks about in his question is that he seems to be terribly confused about them. He says that we need six megabits, then he says 10. When I said the other day that some
ADSL platforms were capable of 12, he said that we need 100. He is all over the place. He does not have a clue. The important thing is that the only card that Senator Conroy has to play is to try to mislead people as to what I have said.

As I have clearly said, even in the absence of any metropolitan fibre, the network proposed by Telstra which was to go to the most populous parts of five capital cities, Australians living in the inner metropolitan areas can already access faster broadband speeds of between 12 and 18 megabits per second if they can access the ADSL2+ platform. Not everyone can. This also applies if people can access cable networks, which run past 3.7 million Australian homes. These are the people who were being referred to in the footprint of what could have been the Telstra fibre rollout, which would have been rolled out, of course, just to the most populous parts of five capital cities.

The government's longstanding policy of encouraging competition in telecommunications has delivered metropolitan consumers a choice of broadband providers and a choice of speeds. That is absolutely undeniable. At least nine service providers—I have referred to some in this chamber already—offer these speeds in over 400 exchanges, with another 500 to come on. I will say a few of them again: Adam Internet, Amcom, iiNet, Inter-node, OntheNet, People Telecom, RIA, TPG and TSN. If those firms are making misrepresentations about the speeds they offer, that might be a matter for the ACCC, but my information is that these speeds are available in the way that I indicated.

ADSL2+ and cable networks enable consumers to access a rich mix of data services, including high-quality video, audio, voice and text. ADSL2+ is the technology, of course, that Senator Conroy would have been relying on for part of his plan to try to rob the $2 billion telecommunications fund and to put in some plan that relies on a non-existent Telstra rollout.

The problem with the Labor Party is that they do not understand what this technology does, how you can enable it, whereas this government has the Broadband Connect program where we have enabled over 1,000 additional exchanges with ADSL equipment enabling customers to access services up to 1.5 megabits a second and a large number of new wireless providers offering services, some well into the megabits per second range. There is increased competition in satellite, with services now dropped to as low as $29.99 a month. More than 110,000 customers have been connected through the HiBIS program. More than 700,000 additional premises have been enabled. I can just go on and on. I do hope Senator Conroy will continue to ask these questions.

Senator CONROY—Mr President, I ask a supplementary question. I again refer the minister to the Citigroup report. Is the minister aware that the report finds that 'Australia will have to wait until 2012—for true broadband—given delays on regulation and build unless the government decides to intervene'?

As the minister for communications, when will the minister stop making excuses and finally take responsibility for ensuring that Australians have access to world-class telecommunications infrastructure and, like Labor, develop a plan to deliver fibre broadband for Australia?

Senator COONAN—I am sure that Australians are very glad that they are not waiting for Labor’s plan, which depends on Telstra’s plan, that would not have started till 2009 and still relies on copper to the home to deliver any service. In fact, Senator Conroy is completely wrong about Australia and broadband. You only have to look at the OECD league table to see that our broadband
take-up is growing at the fifth fastest rate in the world, faster than the US, the UK, Japan, Korea, Canada, France, Germany and many others. This is hardly a broadband backwater. The only backwater in the broadband debate is the fact that the Labor Party always looks backward, never forward, and has not a clue about how to deliver a future for telecommunications.

Home and Community Care

Senator PAYNE (2.34 pm)—My question is to the Minister for Ageing, Senator Santoro. Will the minister outline to the Senate the progress on the renegotiation of the Home and Community Care agreement with the states and territories? Further, will the minister inform the Senate of reaction to proposed improvements in the delivery of community care to those who are frail aged or have disabilities?

Senator SANTORO—I thank Senator Payne for her question. I wish to acknowledge the valuable work that the senator does in her role as co-chair of the Parliamentary Friends of Dementia group, a policy area that is a vital concern to my portfolio. Today I want to continue in the grand tradition that I have established this week of telling the Senate how well I get on with my interstate Labor ministers. On 26 July in a meeting with my state ministerial colleagues I was pleased to announce that I had secured cabinet approval for up to $30 million of new HACC money to be made available nationwide.

This new HACC money will provide additional funding to those states and territories that implement the reforms outlined in a new strategy for community care, The Way Forward, a strategy which was put forward in August of last year by my predecessor, the Hon. Julie Bishop. These reforms are very significant because they will make it easier for clients to access services and information, improve national consistency in eligibility and assessment of services and reduce overlap and duplication in the administration that is sometimes involved in HACC.

Senators, of course, would know that HACC is the largest of the community care programs, providing services to over 750,000 Australians who need that sort of care within the community. It also assists people with disabilities. The HACC program has total funding of around $1.5 billion in 2006-07, with the Commonwealth contributing 60 per cent of that, close to $900 million, and the states contributing the rest. I wish to stress that this extra $30 million in new money, outside of the budget, is not required to be matched by the states—something that they appreciated very much. However, the additional funding will only be made available to those states and territories who achieve certain milestones in the implementation of The Way Forward. Also, the additional funding recognises the one-off cost associated with implementing the reforms. I am happy to say that my ministerial colleagues in state Labor governments welcomed my announcement and recognised it as yet another example of cooperation between the states and the federal government, cooperation which was amply demonstrated at the recent COAG agreement meeting and the meeting before that.

Senator Payne asked me: what was the reaction to that announcement? As I have mentioned, the reaction was strong and very favourable. I will just quote one. I was pleased to read comments on 27 July from Carers Australia, who welcomed the increase in HACC funding by saying:

This is good news. We congratulate the Minister on an encouraging outcome for the 750,000 Australians who receive services as part of this program—that being the HACC program.
In 1995-96 the Commonwealth provided $423.2 million for HACC services, and over the last 10 years the Howard government has more than doubled that amount to a total of $928.4 million in 2006-07. What this increase in funding clearly shows is the Commonwealth government’s commitment to providing increasing community care for our aged, our frail and our people with disabilities, particularly in their homes and in their communities.

DISTINGUISHED VISITORS

The PRESIDENT—Order! I draw the attention of honourable senators to the presence in the President’s gallery of a delegation from Argentina, led by His Excellency Jorge Taiana, Minister for Foreign Affairs, International Trade and Worship. On behalf of all senators, I wish them a very warm welcome to Australia and, in particular, to our Senate.

Honourable senators—Hear, hear!

QUESTIONS WITHOUT NOTICE

Fuel Prices

Senator FIELDING (2.38 pm)—My question is to the Minister representing the Treasurer, Senator Minchin. Given that high petrol prices fuelled the latest interest rate hike, does the government agree that its stubborn refusal to cut petrol tax by 10c a litre means it is also responsible for the interest rate rise?

Senator MINCHIN—in a word, no. We do not agree with that, Senator Fielding. I think if you read the full Reserve Bank statement on monetary policy, you will see that its decision on interest rates was very much one that took account of the underlying inflationary pressures that exist not only in this economy but in most of the world’s economies. That is why most central banks have been tightening monetary policy. It is certainly true that the significant rise in the world price of oil—which affects every single country—is going to have some inflationary impact. No doubt, the sorts of dramatic increases in oil prices that have occurred are going to flow through to the prices that we pay.

Fortunately, there is a paradox in that the extraordinary demand for oil in the booming economy of China—and, to a lesser extent, India—has of course had a big impact on the prevailing price of oil. It is taking some time for the oil industry to respond to that significant demand, and that is why you are seeing prices as they are. But for many years China has been exporting deflation to the world because of the dramatic impact it is having on prices for manufactured products. So there are two impacts: from the boom in the Chinese economy and from its capacity to supply the world with very cost-effective manufactured products. On one hand, we suffer; on the other, we benefit.

I note that Senator Fielding is putting forward the proposition that the federal government should simply cut the excise by 10c. I do respect Senator Fielding’s genuine concern for Australian families and we share his concern for the impact on family budgets of the price of petrol. But it is our very strong view that the price of petrol is a function of world oil prices and that, in our response to this phenomenon, we must avoid knee-jerk populist responses. I would not necessarily accuse Senator Fielding of advocating a knee-jerk populist response, but we do regard fiddling with excise at a time like this as a knee-jerk populist response. Indeed, I believe in giving credit where it is due, and I do give credit to Mr Beazley and the opposition for not pursuing that path. I commend them for not falling for the two-card trick of advocating cuts in excise.

I remind Senator Fielding of our record on this matter. We did cut the excise, of course. Back at the time that we introduced the GST,
the excise was cut by some 6.7c. Then, in the following year, we ended Labor’s indexation of excise and further cut the excise by 1½c. The fact is that excise is being reduced in real terms every year because of the end of that indexation—as a result of our decision to the end the indexation. The government are obviously having a look at what responsible and sensible measures we can take in response to the pressure on Australian families. We have eliminated as an option a reduction in the excise. You would have to cut the excise by some 10c for it to make any difference. Senator Fielding and the opposition know full well that would be at a cost to revenue of somewhere between $3 billion and $4 billion a year. The measures we have already taken have reduced excise revenue by some $2.3 billion a year. 

(Time expired)

Senator FIELDING—Mr President, I ask a supplementary question. Given that there were concerns last year, when the income tax cuts were given, about raising inflationary pressures, wouldn’t it have been more advisable to look at providing income tax cuts as well as petrol tax cuts, especially when you were looking at tax cuts—to take the inflationary pressures off interest rates?

Senator MINCHIN—That of course would have been an option, Senator Fielding, through you, Mr President. But we believed that in the interests of the overall economy and the welfare of Australian families, in the interests of ensuring that Australians get fair reward for the work that they do and to ensure that our tax system remains internationally competitive, our effort—to the extent possible—should be put into reducing income taxation and increasing family payments. I think you would agree that they were sensible and important reforms. We do think that fiddling with the excise rate in response to fluctuations in world oil prices is the wrong thing to do. Ipso facto, you are suggesting that when world oil prices decline, you should be increasing excise. That would be a silly approach to policy. We think the right thing to do was to reduce the tax burden on Australian families. That has, of course, made it easier for them to pay for the higher petrol prices which we now experience.

Defence: Jezzine Barracks

Senator IAN MACDONALD (2.44 pm)—My question is to Senator Ian Campbell, the Minister representing the Minister for Defence—and, I guess, vicariously through him, the Parliamentary Secretary for Defence, Senator Sandy Macdonald. The minister would be aware that the Prime Minister visited Townsville a week ago last Monday to make a very significant announcement in relation to Jezzine Barracks in Townsville. Will the minister elaborate on the federal government’s commitment to the preservation of the Jezzine Barracks site? Further, is the minister aware of the positive response by the coalition in Queensland to the Prime Minister’s generous offer within three hours? Is the minister aware of whether the Queensland state government has responded to the Prime Minister’s very generous offer of additional money for Jezzine Barracks?

Senator IAN CAMPBELL—I thank Senator Ian Macdonald for a question that concerns his home base of Townsville; his Senate electorate office has been located there for 16 years. He takes a very close interest, along with his colleague Peter Lindsay, the member for Herbert, in matters to do with the ongoing economic, social and environmental development of Townsville.

Senator Macdonald is right: on 1 August the Prime Minister announced that 87 per cent of the Jezzine Barracks site will be handed back to the community. It will be a phenomenal asset for Townsville. It will complement significant works done around
that foreshore to make it a very friendly place for not only Townsville residents but also the growing number of visitors who come to Townsville to enjoy one of North Queensland’s true jewels in terms of the natural wonders of that magnificent part of the country.

The Prime Minister announced that 87 per cent would be vested as a gift to the Townsville council. The Commonwealth will retain Jezzine House as a residence for the senior military commander in Townsville—obviously a post that people would fight for, because it is a fairly pleasant place to reside. Also, the 31st Royal Queensland Regiment precinct will become the home for a relocated Army history museum. That will become a tremendous tourist precinct for Townsville.

The Prime Minister also announced a $10 million grant to a new community trust which will help to invest in the upgrade of this magnificent site. He made that $10 million grant on the condition that the money is matched by the Townsville City Council. We have also offered a further $10 million subject to matching funds from the Queensland government. So, effectively, the Commonwealth’s money can be leveraged to as high as $40 million on top of the already very valuable land that we have handed over. This creates a fantastic opportunity for North Queensland and a fantastic opportunity for Townsville—potentially $40 million of investment.

As I said, it does rely on the Townsville City Council matching that $10 million and the Queensland government matching the further $10 million. Until I came to the chamber for question time, we had not heard any news at all about the Queensland government’s contribution. We had in fact heard within three hours of the Prime Minister’s announcement that the coalition have promised that they would match the Commonwealth’s funds. I am glad that Senator Macdonald asked that. We have yet to hear any news about the Townsville City Council. I join Senator Macdonald in urging those two governments, the state and local governments, to match these funds. It is a fantastic opportunity for Townsville, which is developing so well. The amount of money potentially available, if the Queensland government match the $10 million and the Townsville City Council match the other $10 million, will be $40 million. I congratulate Senator Ian Macdonald and Senator Sandy Macdonald on their hard work, as well as the work done by Peter Lindsay, the local member.

As I said, it does rely on the Townsville City Council matching that $10 million and the Queensland government matching the further $10 million. Until I came to the chamber for question time, we had not heard any news at all about the Queensland government’s contribution. We had in fact heard within three hours of the Prime Minister’s announcement that the coalition have promised that they would match the Commonwealth’s funds. I am glad that Senator Macdonald asked that. We have yet to hear any news about the Townsville City Council. I join Senator Macdonald in urging those two governments, the state and local governments, to match these funds. It is a fantastic opportunity for Townsville, which is developing so well. The amount of money potentially available, if the Queensland government match the $10 million and the Townsville City Council match the other $10 million, will be $40 million. I congratulate Senator Ian Macdonald and Senator Sandy Macdonald on their hard work, as well as the work done by Peter Lindsay, the local member.

**Telstra**

**Senator FORSHAW (2.49 pm)—** My question is to Senator Coonan, the Minister for Communications, Information Technology and the Arts. Can the minister confirm that two of the 5,000 payphones to be cut by Telstra this year will come from the Wollongong TAFE campus? Is the minister aware of these comments by a student, Ms Denise Temple:

I am a single mother with two small children and a grandchild. I do not own a mobile phone and do not have the funds to support one. I am at the mercy of Telstra; the removal of public phones will leave me unable to contact my children, grandson and the people that care for them. This is extremely unnerving as it will result in my inability to fulfil my education, reducing opportunities for further employment.

What does the minister have to say to students like Ms Denise Temple? Why has the minister given Telstra a green light to hang up on people like Ms Temple who depend so much upon Telstra payphones as a lifeline?

**Senator COONAN—** I thank Senator Forshaw for raising a sensible issue about payphones. The government has taken a very proactive view of understanding what are
universal service obligation payphones and what are otherwise profitable payphones in a revamped policy that relates to them. I am very happy to outline to the Senate what may be available to Senator Forshaw’s constituent.

Rather than hanging up or giving green lights, the government are actually on the side of consumers, and in June this year we increased Telstra’s obligations in relation to the removal of payphones. We also increased the responsibilities of the regulator, ACMA, in monitoring Telstra’s obligations. Telstra is now required to undertake much more formal and stricter consultation processes. It is required to identify all of its universal service obligation payphones in regional and rural areas and to rewrite its USO standard marketing plan for payphones that sets out clearly what its obligations are. Considerable progress has now been made with these initiatives.

It is very important that people look on Telstra’s website for the payphone locator to see whether the payphone that they may have a concern about is a USO payphone or not. It is relevant to know whether there is more than one payphone in any particular area and it is certainly relevant to know what you can do about it. Telstra and ACMA have each now established hotlines to take inquiries about payphones. ACMA has also developed internal procedures for escalating and managing any complaint about a removal. I certainly urge Senator Forshaw’s constituent to make a complaint to the appropriate place and have those issues looked at.

The important thing about educational institutions, seeing this is the particular issue raised, is this: if Telstra has earmarked an unprofitable payphone for removal and it is a USO payphone, restrictions apply. Telstra is required to make payphones reasonably accessible to all Australians no matter where they live or work, or study in this case. For educational institutions there are further options whereby Telstra will consult with the institution and discuss options for any payphones surplus to its USO obligations and requirements, such as the possibility of rental phones. In a number of cases educational institutions have utilised these options to maintain unprofitable payphones on campus that are surplus to Telstra’s USO requirements.

We all know that payphones are vital for people in certain parts of rural and regional Australia where they may not be able to use a mobile phone, and we have put in place very stringent requirements to ensure that payphones are reasonably available to all Australians irrespective of where they live. In particular, if it is a USO payphone the requirements have been considerably strengthened. Before Senator Forshaw asks his supplementary question, I urge him to urge his constituent to take the proper procedures to complain about it.

Senator FORSHAW—Mr President, I thank the minister for the compliment, if not the answer. It is nice to receive pleasantries from a fellow labour lawyer. I ask a supplementary question. Why has the minister allowed Telstra to rip payphones out of schools, TAFEs and universities? Why will the minister not require Telstra to keep these payphones? How many more Australians will have their safety put at risk and be cut off from family and friends before the minister finally acts to stop Telstra’s attack on our most vulnerable citizens? Minister, how do you expect Ms Temple to make a call to the hotline if there is no payphone available for her to use?

Senator COONAN—I suppose I should ask rhetorically why Senator Forshaw, after 10 years in this place, cannot understand the first part of the primary answer to his ques-
tion, and has to ask the same one again. The really interesting thing about this is that, if Australians had to live with Labor’s plans on telecommunications, payphones would be about all they had because they would have no broadband, no modern form of communications and we would be living in the horse and buggy days of telecommunications, and you would need a payphone on every street.

Iraq

Senator BOB BROWN (2.55 pm)—My question is to the Minister representing the Prime Minister, Senator Minchin. Is the government aware of the growing opposition in Australia to our continued involvement in the occupation of Iraq? After the Lieberman debacle in Connecticut, how is the Prime Minister planning to put a decent distance between himself and President Bush? Is the Prime Minister going to respond to the majority feeling of Iraqis that the foreign occupation ought to end?

Senator MINCHIN—The government determines its foreign policy on its own terms and in what it believes is Australia’s overall national interest. Your question is clearly and obviously premised on this nonsensical notion that the Greens and others perpetrate that we just do what Mr Bush wants us to do. That is your view. It is a stupid view, it is a wrong view and it is insulting to this government. This government acts in what it believes to be Australia’s national interests. We have from the outset believed that it was the right thing to do to remove the butcher of Iraq, Saddam Hussein. We have no regrets at all about our involvement in the removal of that butcher who massacred thousands of his own people, who had a war with Iran and who invaded his neighbouring country Kuwait. He was a disgrace to the international community, and the coalition of the willing did absolutely the right thing.

Yes, it is a pity that the UN would not itself enforce its own resolutions in relation to Iraq. It required the coalition of the willing to do that job. It was an important job to do. Having done that, we have taken very seriously our responsibility to assist that country develop a democracy. It is a real struggle for that country. It is people like you, Senator Brown, who should be getting behind the democrats in Iraq to help them build their democracy. That is why we are there: to help them build a democracy in their country so they can decide who governs them and not have it imposed by totalitarian dictators. I thought Senator Brown might support such a position. That is our position; we are proud of our participation in ensuring, with other coalition partners like the United States, Britain, Japan, the Netherlands and others, that the people of Iraq have a chance to build a prosperous democracy. We will stay there to see that job done.

Senator BOB BROWN—Mr President, I ask a supplementary question. I ask the Minister representing the Prime Minister: is it not true that hundreds of bodies are being dumped each week in Baghdad either with drills through the skull or decapitated, depending on which of the butchers of Baghdad is at work? Is it not a fact that the butchery currently occurring in Iraq is greater than at any time since this Prime Minister came to power, including the period of Saddam Hussein?

Senator MINCHIN—The violence that exists in Iraq is exactly the reason why the coalition of the willing, including Australia, should not cut and run, and we will not cut and run.

Telstra

Senator STEPHENS (2.59 pm)—My question today is to Senator Coonan, Minister for Communications, Information Technology and the Arts. I again refer the minis-
ter to the removal of Telstra payphones at the Wollongong TAFE campus. Is the minister aware that students at the campus have serious concerns about their safety because there has been a rape and bag snatchers near the campus and that the removal of Telstra payphones from the TAFE campus will force students to walk a significant distance through a dark and isolated part of the campus to reach alternative payphones? Doesn’t this show that payphones play an important security role for the most vulnerable in our community? Why is the minister putting community safety at risk and doing nothing to stop Telstra from cutting those phones?

**Senator COONAN**—Thank you to Senator Stephens for the question. I think the issue of payphones and consumers’ rights are absolutely critical, but it is farcical to suggest that, if there are several payphones, it is not an appropriate program to remove some that are simply not needed. There are many that are, and that is why the government has taken a very strong stand in relation to Telstra’s proposal to remove phones to ensure that any under the universal service obligation are very clearly identified and that all Australians have reasonable access to a payphone.

I thought I said in answer to Senator Forshaw’s question that, in relation to payphones near educational institutions, security and safety can be an issue. It may be that they are universal service obligation phones, but they may not be. The important thing to do is, instead of complain about it, go and see what can be done about it, because there are some options. Telstra will consult with the institution to discuss options for any payphones that may be surplus to its USO obligations. If phones are USO phones they cannot be removed. If phones are surplus to USO obligations, Telstra will consult and will look at options to ensure that the needs of people using those facilities are met—assuming, of course, they do not have mobile phones. The advent of mobile phones and the penetration of mobile phones have meant that a lot of payphones are simply not used as much as they were a number of years ago.

The important thing here is that there are some options. Those options should be investigated. The government have looked at this issue very carefully. We take very seriously the rights of consumers in relation to payphones and we will continue to do so.

**Senator STEPHENS**—Mr President, I ask a supplementary question. I am glad to hear that the minister takes those responsibilities seriously, because the local member for Wollongong has written to both the minister and Telstra seeking some clarification about the USO provisions of this phone. In the light of the value of the phone, why won’t the minister, having had this raised with her, include this phone under the Telstra universal service obligation and why is the minister making the most vulnerable in our community pay for this ideological obsession about privatising Telstra?

**Senator COONAN**—This is just getting too silly. I have answered this question as a very serious matter that affects consumers and I have given information that will assist consumers, particularly in relation to educational institutions. What I do want to say is that, of course, with what the Labor Party was going to offer this country, you would only have a payphone; you certainly would not have a mobile phone because they turned off the analog spectrum. You could not even have a mobile phone. You would have had a 40-kilobit dial-up internet service and you would have blown $5 billion for the consumer. You cannot trust Labor—certainly not when it comes to telecommunications.

**Senator Minchin**—Mr President, I ask that further questions be placed on the Notice Paper.
QUESTIONS WITHOUT NOTICE: 
TAKE NOTE OF ANSWERS

Answers to Questions

Senator CONROY (Victoria) (3.04 pm)—I move:

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

Yet again we have seen the sheer incompetence and arrogance of this government in action in the chamber today. On serious issues to do with public safety, they say: ‘Just write a letter to Telstra. I’ve turned it away from my office.’ On major issues of administration, this minister does not even know what is going on in her own portfolio. In her answers she said, ‘Telstra are working with us on the metropolitan broadband black spots.’ Yet, if you go to the minister’s own website, under registered Metro Broadband Connect service providers, there is one company only, Allegro, producing wireless on the Gold Coast. Go to the minister’s website to look for registered Metro Broadband Connect infrastructure providers. Guess how many companies are registered infrastructure providers under the program the minister is claiming is saving Australia from broadband black spots? Zero registered providers. Yet the minister stands up in this chamber, misleads the Australian public and misleads this chamber by saying Telstra are registered. Not according to her own website.

The minister appeared, famously, in a Kempish—the word made famous by that senator and good friend Senator Rod Kemp—style performance on The 7.30 Report. When Kerry O’Brien asked a couple of straightforward questions the minister came out with one of the doozies of all lines. She said Australians in metropolitan areas ‘should be reasonably happy with their speed of broadband’. My emails have gone into meltdown. The ABC have a poll going and their emails are going into meltdown. Channel 7 have asked: ‘Are you happy with your broadband speeds?’ They are going into meltdown with the size of the response, with, overwhelmingly, 70 to 80 per cent of Australians saying, ‘We are not happy with the speed of our broadband in Melbourne inner suburbs, in metropolitan and outer suburbs and in regional and rural Australia.’

So what does the minister do? She issues a quiet little press release yesterday afternoon to try and cover up for the fact that she is so out of touch and so arrogant. She just slipped it out and did not circulate it to many people. It is entitled ‘Conroy misses the point on broadband in Australia’. It says:

Senator Conroy has completely misrepresented comments I made yesterday in relation to broadband services in Australia.

I was not even on the 7.30 Report. I have just read to you from the transcript: ‘Australians should be happy’. The minister goes on to say:

My comments were in relation to broadband speeds available in inner metropolitan areas of many of Australia’s capital cities. That is right—if you can get a latte you can get fast broadband in this country, and if you can’t that’s just tough.

Senator Coonan needs to get a grip on the technological issues in her portfolio, the administration of her portfolio and, heaven forbid, she gets some vision in her portfolio to deliver Australia into the 21st century of infrastructure in broadband. It is not just the Labor Party saying, ‘Get on board Labor’s plan to take Australia into the 21st century.’ The Herald-Sun editorial says:

The Telstra mess is a national disgrace ... Yesterday, with some justification, the Government was accused of simply tinkering around the edges to satisfy its rural electorate rather than showing leadership.
That’s right—this government’s telco policy has always been ‘pork-barrel the National Party and don’t worry about the rest’. The Herald-Sun goes on to say:

This is not good enough. The Government must demonstrate leadership and decide if it can achieve its aims by working with the existing Telstra management. Too much is at stake to allow this unproductive farce to drag on.

Hear, hear to the Herald-Sun. It is not just the Herald-Sun; it is the Age as well. It says:

For all the complexities of costings and philosophical differences over policy, responsibility for this critical national infrastructure begins and ends with the Government.

The government found $3.1 billion for a trust to look after rural communication users, read pork-barrelling for National Party electorates courtesy of Senator Joyce, who proudly says that is exactly what it is for. The Age goes on to say:

It must not neglect the main game, which is the fibre network that a Government taskforce found would create benefits worth up to $30 billion. The big question now is what is the Government’s plan to ensure this vital investment in Australia’s prosperity is made?

The answer is nothing. (Time expired)

Senator ADAMS (Western Australia) (3.09 pm)—As far as Senator Conroy goes with his fibre to the node, he is fully aware that it was only ever going to be in the large metropolitan areas. It was not suitable to go out into regional and rural Australia. It is important that Senator Conroy realises that the government will be working in partnership with industry and other key stakeholders to use the $1.1 billion Connect Australia package to develop sustainable and strategic communications infrastructure throughout Australia. It may well be that the best way to address these issues is by using a substantial part of the Broadband Connect funding to stimulate the development of significant new broadband infrastructure. Importantly, any network that the government makes a significant investment in will have appropriate access arrangements to ensure that sustainable broadband competition is able to continue to develop in regional areas.

Labor used to preside over a cosy duopoly in telecommunications but, under the competitive regime that this government has fostered, consumers have been the winners. Prices have fallen by around 20 per cent and there are now around 100 telecommunications companies to choose from. With the expression of interest process for Connect Australia as a first step, the government has completed an expression of interest process to test the feasibility of an infrastructure based approach and to inform the design of any subsequent program. There were more than 70 expressions of interest received and the government is currently evaluating the results of this process. I can assure you that I have strongly supported one expression of interest from the area I come from in Western Australia.

The government is also confident that we will see some very exciting infrastructure projects grow out of this funding to leverage projects worth much more than the contribution being put forward by the taxpayer. There could be a mix of fibre, copper, satellite and wireless solutions to deliver quality, high-speed internet services to areas where the competitive market simply will not go. Importantly, these projects will be developed on top of the significant infrastructure based competition already occurring in competitive metropolitan and major regional markets.

I will also comment on the payphone issue that was raised by those members opposite. Telstra’s plans to remove up to 5,000 payphones were first revealed earlier this year, and I made a speech about them. Telstra is already a quarter of the way through this rationalisation program, but it has become ap-
parent that in most cases the removals are where there are already multiple payphones at one site. It is important to note that there are more than 60,000 payphones in Australia and, given the significant growth of mobile phone use, it is not surprising that the use of payphones has dropped. However, payphones continue to be an important community service for many people, and that is why the government regulates Telstra to ensure that payphones are reasonably accessible to everyone in Australia.

Telstra cannot just remove payphones where it feels like it. There are at least 7,500 unprofitable payphones and two of those are being removed from my community. As far as we are concerned they are not used, so why should they stay there and be maintained? Telstra cannot remove these other phones because of the universal service obligation. On top of this there are tens of thousands of profitable payphones which will remain in operation. Obviously there are surplus payphones in Australia that are not necessary for Telstra to meet its community service obligations, especially where there are multiple payphones at one site. But the government will not allow Telstra to leave communities completely stranded without payphones, and Telstra cannot do this under the law.

We are committed to maintaining the USO and it will not be watered down. In fact, in June this year the government actually increased Telstra’s obligations in relation to the removal of payphones, and it also increased the responsibilities of the regulator, ACMA, in monitoring Telstra’s obligations. Telstra is now required to undertake stricter consultation processes, identify all of its USO payphones in regional and rural areas, and rewrite its USO standard marketing plan for payphones. Considerable progress has already been made with these initiatives.

**Senator STEPHENS** (New South Wales) (3.14 pm)—I too would like to take note of answers to questions asked of Senator Coonan today. I believe that those people in voter land who watched question time and heard the responses of the minister to the questions put to her will be desperately disappointed and quite worried that the future of telecommunications infrastructure and the decisions about how things are to be pursued are in her hands. It seems that Australia is missing the boat. While countries all around the world are recognising that their national telecommunications infrastructure is vital to their national interests, both social and economic, the government here has completely lost the plot.

We saw Senator Coonan the other evening on *The 7.30 Report* making the ludicrous claim that no Australian is unhappy with broadband access in Australia. I looked at the Yahoo!7 website before I came to question time today and, at that stage, there were over 2,700 responses to a poll and 67 per cent of voters said that they were not happy with available broadband internet speeds, and I can understand why. My experience of living an hour down the road is of a ludicrous internet service, and I have spoken about it here on many occasions. The fact is that if you are just a little outside of a main centre you cannot access a broadband service at all.

Australia needs something that is much more reliable and much more appropriate to the 21st century. We need a fibre-to-the-node network if we are to ensure our future prosperity, but the Prime Minister and Senator Coonan mistakenly believe that copper is the answer for Australia. We are up the creek without a paddle at this stage, and we are being outdone all around the world. Our competitors like Korea, Japan, Hong Kong, Singapore, Canada and the US have moved towards fibre optics, but what has happened in downtown Australia? Nothing. A signifi-
significant section of the existing copper based infrastructure in Australia resides in areas where it will not be economically viable to upgrade to a fibre based information highway. There is only the government to take leadership on this issue, and that is what we are not seeing from the minister or from the Howard government. Once again, they are failing Australians everywhere, especially in regional Australia.

What are the messages that are coming from the market? First of all, Telstra today reported its worst annual result since the government sold out Australia and sold off Telstra nine years ago. Today we heard that Telstra’s annual net profit fell 26 per cent from $4.3 billion to $3.18 billion. It fell by $1 billion. Yesterday Telstra announced that it was pulling out of its $4 billion fibre network rollout. What is the result of all of this incompetence from the Howard government? Today we hear that members of the government themselves are calling for Telstra’s CEO, Sol Trujillo, to be sacked because he does not have the right attitude to the government, or, to put it another way, he will not do the government’s bidding. It is a very depressing state of affairs.

I asked Senator Coonan about the Telstra payphone at the Wollongong TAFE college. I understand that perhaps Senator Coonan has not actually been to the Wollongong TAFE campus. It is a very sprawling campus. It is very dark at night and there are very serious issues about people having access to payphones, and that same issue translates to universities, school campuses and other tourist places, which are the places that Telstra has targeted its removal of payphones. The real reason is, as Telstra itself says, that its payphone business now loses about $30 million a year—that is, about 55 per cent of the telco’s 30,000 payphones lose money. That is what it is about; it is about Telstra saving money, and the universal service obligation can be damned.

Senator TROOD (Queensland) (3.19 pm)—What a complete embarrassment! This debate on taking note of answers was opened by Senator Conroy, a man who is reported in The Latham Diaries as having said, when offered the shadow ministry for telecommunications: ‘I don’t know anything about communications and I couldn’t care less.’ Isn’t that entirely typical of the way in which the Labor Party have approached this matter of communications? They have done it on the basis of putting someone in the shadow portfolio who knows nothing about it and cares less, and isn’t that apparent in the development of the Australian Labor Party’s policy towards communications?

For the 13 years that the Labor Party was in government, there was an abject failure to address the issues that Australians needed addressing in relation to telecommunications. We had a quiet and comfortable telecommunications duopoly between Telstra and Optus, about which the Labor government of the time failed to do anything at all. Labor did nothing to plan for the introduction of digital television and radio to Australia. It did nothing to fix failures in relation to services in country areas. It did nothing about the development of pay television. Australia was one of the last industrialised countries to acquire pay television. The Labor government prevented people in regional and rural areas from getting access to increased radio services in various ways. There was about as much development of telecommunications policy during 13 years of Labor as there was development in the science of astronomy during the early Middle Ages, and that is precisely where Labor remains at the moment.

Senator Stephens happily drew attention to the alleged failure of this government to
do anything about the development of telecommunications services and alleged that we had actually ‘lost the plot’. Perhaps the other countries would not be as far advanced as she alleges they are if it were not for the fact that we lost so much time in the development of telecommunications in this country as a consequence of the Labor Party failing to deal with the issues that should have been dealt with in 13 years of government. We have been left with a situation where we have to play catch-up.

The government since 1996 has done a remarkable job in trying to redress the failures of that early period. It has tried to introduce a telecommunications regime for Australia that brings us to a position where we are getting closer than we have ever been to the standards that apply elsewhere in the world. The Labor Party fails continually and is yet to provide us with a credible policy that will see the continuation of that policy when and if it ever returns to government—one hopes that is never. By contrast, in the period we have been in government I think we have made remarkable progress in developing a significant telecommunications regime in this country. We now have nine or so competitors in the marketplace, all seeking to provide services to Australians. They have provided infrastructure—ADSL 2, for example—with speeds of up to 19 megabits per second. Four hundred data service lines have been installed, with a promise of 500 new data service lines in the future. High-speed cable networks are being developed.

My colleague Senator Adams made reference to criticism that the Telstra network would only serve the capital cities, raising the question of what would happen to the rest of Australia—that is, the provincial, rural and country areas—and suggesting that it was going to be left out in Telstra’s proposal. We have a regime now that promises in the not too distant future to address these failings and provide the services that Australians desperately need and are anxious to use for business and personal purposes. In addition to that we have a much more effective competition regime. We have a much more deregulatory regime; this is essential to telecommunications, where the technology is changing rapidly, where there is necessary oversight from a regulator and where there is a need to sometimes address the bottlenecks. (Time expired)

Senator LUNDY (Australian Capital Territory) (3.24 pm)—I would like to respond to Senator Vanstone’s tirade, attacking workers, unions and me. I believe it is misguided. Senator Vanstone ought to be thanking Labor and the unions for pointing out how the 457 visa scheme was being rorted and how the Office of Workplace Services was allowing it to happen. But I suppose it is politically difficult for Senator Vanstone to attack the Office of Workplace Services and the extreme Work Choices legislation, so the next best thing was to come in here and personally attack me. The fact is that the department of workplace relations and the Office of Workplace Services were responsible for sitting on the complaints brought to them by these workers. They did absolutely nothing; there was no sign of any activity from the minister. In fact there was dead silence. Rather than gracefully conceding that intervention through parliament actually got the thing moving, Senator Vanstone has managed to score the biggest political own goal that I have ever seen her score by saying that it was not just skilled migrants who were being ripped off but 164 other restaurant workers as well. This proves the whole point to me: if the issues were not raised in parliament and the Office of Workplace Services was not embarrassed into conducting these investigations then nothing would have happened. I believe there would never have been an investigation, and I do not believe that the in-
vestigation would have been broadened to cover other restaurants as well. I thank Senator Vanstone for making this point so clearly on our behalf.

I suggest that Senator Vanstone is trying to distract us from her embarrassment and the Howard government’s embarrassment that exploitation of hospitality workers is far more widespread in restaurants—as she conceded today—than has been previously estimated. I think her disgusting personal attack on me was completely unwarranted, and I ask her to apologise. She should come down to the chamber now and do so. This government’s poor management of the 457 skilled migrant visa scheme and the incompetence of the Office of Workplace Services has been completely exposed through this. While the minister is not responsible for DEWR and the Office of Workplace Services—and I can understand her frustration with them—she is responsible for ensuring that standards for workers here under the 457 visa are maintained.

I note the government has acted in the bill before this place, where greater sanctions are applied to employers if the conditions of a visa are knowingly and recklessly breached. This is a response to the problems that were being experienced. Previously, employers doing the wrong thing under the 457 skilled migrant visa scheme could only be sanctioned by not being allowed to sponsor those migrant workers ever again. So that in itself, through the minister’s own legislation, is proof that the government knows it has a big problem here. It would not have known the extent of this problem if this issue had not been raised in parliament. So I am shocked at the sheer front of a minister who is clearly exposed and embarrassed by the extent of exploitation that I presume either the minister for industrial relations or OWS would have had to make public eventually. If they had not, we would have extracted the fact that there were 164 workers underpaid or 48 in breach of the award conditions in Senate estimates come November. Instead she has tried to shield herself and her government’s embarrassment by launching this pathetic, personal attack.

Workers do need to be brave. They do need to step forward and make complaints. They do need to join unions. But I find the hypocrisy disgusting. It is hypocritical for Senator Vanstone to suggest that unions ought to do more, when it is this government that has passed extreme industrial relations legislation designed specifically to remove the capacity of unions to go into these workplaces in the first place and to remove the awards—the minimum conditions—that these hospitality workers rely on and upon which the findings of these underpayments were based. Without these awards we would not be able to stamp out this exploitation, and that is the system of industrial relations that the Howard government stands for. It is extreme and it will deny the protections that we have been able to enforce by raising these issues in parliament and by embarrassing the government. (Time expired)

Senator NETTLE (New South Wales) (3.29 pm)—I rise to take note of the answer Senator Lundy just spoke about—the answer Senator Vanstone gave to a question asked by Senator Fierravanti-Wells. She was addressing the issue of migrants in her answer and, towards the end of her answer, referring to the Labor Party, she said, ‘You let them in to sit on welfare queues.’ She is the minister for multiculturalism. I was astounded to hear the minister make that comment in question time today. The minister should be retracting that comment and apologising to the migrant community of Australia, who hold high positions, who have contributed so much to our community and who have made us the wealthy, diverse country that we are so that we can celebrate our multiculturalism. To
have the Minister for Immigration and Multicultural Affairs making that comment was absolutely astounding to me.

Just this week I have had representations—as I know many other members of parliament have—from the Australians for Lebanon group. These Lebanese migrants who have come to Australia are doctors, lawyers and members of parliament, and they have contributed so much to our community. I was absolutely astounded to hear the minister who is responsible for multicultural affairs making these kinds of comments. I call on the minister to retract the comment she made in question time today and to apologise to the migrant community.

Question agreed to.

MATTERS OF PUBLIC IMPORTANCE

Telecommunications

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

The Australian Government’s complacency on the roll-out of broadband infrastructure is holding back the Australian economy as evidenced by:

(a) the OECD, the World Economic Forum and the World Bank all recognising Australia’s status as a broadband backwater;

(b) media leaders from Fairfax and PBL identifying Australia’s antiquated broadband infrastructure as a constraint to their business; and

(c) the collapse of Telstra’s plans to construct a fibre to the node network leaving Australia without a pathway to a fibre based upgrade of Australia’s broadband infrastructure.

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

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

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

Senator CONROY (Victoria) (3.33 pm)—I rise to speak on a matter of public importance: Australia’s status as a broadband backwater and the refusal of the minister to even acknowledge the existence of the problem. In a week in which Australia’s antiquated broadband infrastructure was on the front pages of every newspaper in Australia, the Minister for Communications, Information Technology and the Arts was staunchly insisting that there was really no problem. Senator Coonan stated that Australians in metropolitan areas—and she named them; she said, ‘Sydney, Melbourne, Brisbane, Adelaide and Perth’—should be reasonably happy with their speed of broadband. She then stated that painting a bleak picture of internet speeds in Australia is misleading and that around four million Australians already have been connected to broadband, which she said was hardly an indictment on the state of broadband in Australia. That is Senator Coonan’s view of what is going on in her own portfolio.

It is difficult to know what the minister was more out of touch with—the voting public or the reality on the ground for Australia’s broadband infrastructure. The voting public was certainly none too impressed with the minister’s comments. In fact, her comments were jarring enough for the Age newspaper to ask its readers what they thought of the minister’s comments on a forum on its website. The torrent of complaints that reached this site in the next 24 hours was extraordinary and at times quite amusing. More than 100 readers wrote in to express their disgust at the minister’s statement. The readers were furious. It is instructive to read directly from
a few of them just to demonstrate the arrogance of this government and this minister and how they have lost touch with ordinary Australians. Here are some of the quotes:

Coonan obviously lives inside a perspex bubble, tucked in the back of a cave, hidden under a large rock.

Another stated:
Helen Coonan is completely out of touch. I vehemently disagree with what she said.

Another stated:
EVERYBODY is complaining about our laughably poor broadband: the IT industry, academia, the business sector, and these obscure people known as “the Australian public” to whom the Howard government never listens.

Another stated:
We’re complaining. Coonans not listening!!! Governments not acting!!!

Another simply said:
I. AM. COMPLAINING.

The message for the minister on this bulletin board was clear: it is time to start listening to the IT users of Australia and to provide some leadership to remedy Australia’s status as a broadband backwater. These complaints were not merely out of self-interest. These voters did not just want faster broadband to help them play video games or download movies. Instead, these voters understood the national significance of Australia’s backwards position on broadband. One reader made an astute comment on the broader national implications of the minister’s comments:

How are we as a country planning to remain competitive if we are chained to outdated technology? Helen Coonan can try to convince the public that all is well but in reality we are going to be left far far behind the rest of the world if a high-speed broadband system is not built. And it must be soon.

This reader is exactly right. That is what this debate is about. Australia will be left behind the rest of the world, unless the country receives a significant new investment in broadband infrastructure. If we do not receive this investment, the Australian economy will be the loser. This is not a dramatisation of the issue. Broadband is important. Broadband is a critical enabling technology that is currently driving substantial productivity gains around the world. True broadband will not only make Australian businesses more efficient than they already are but also open up completely new ways of operating—through things like VoIP, IPTV and virtual private networks. True broadband is also a crucial tool for the commercialisation of Australian intellectual property and content. True broadband will be the highway that Australian ICT and digital content companies use to deliver their products to the international marketplace. How many times in Australia have we heard the cry from all sides of politics, “If only we could commercialise our brilliant IP; if only it did not always have to go offshore to be developed”? Here is the first step in making sure that we can end that cry.

True broadband gives Australian knowledge economy companies the chance to break down the tyranny of distance and to connect with the global economy on an equal footing. True broadband is the infrastructure we need to stimulate the development of high-end digital content and other knowledge economy businesses in Australia. The federal government’s own broadband advisory group has stated that next generation broadband could produce economic benefits of up to $30 billion per annum to Australia. However, while Australia remains a broadband backwater, these benefits will remain unrealised. Unless the government recognises that Australia has a problem and then develops a plan for remedying this situation, these potential benefits will remain a dream. The minister is so out of touch, not just with the voters but
also with the reality of Australia’s broadband performance, that she is continuing to ignore the problem. If the minister cared to look, she would see that the reality on the ground for the state of Australia’s broadband infrastructure is grim indeed.

Contrary to the minister’s comments, the situation is bleak. Do not take my word for it; listen to the chorus of international surveys deriding Australia’s broadband performance. The OECD ranks Australia 17th out of 30 countries for the take-up of 256K broadband. Despite growth off a low base, Australia’s relative position did not change from the previous year. The World Economic Forum ranks Australia 25th in the world in terms of available internet bandwidth; in addition, it ranks Australia’s network readiness at 15th and falling. A recent World Bank study confirms that Australia’s average ADSL speed, barely one megabit, is one of the slowest in the world and is behind countries like Britain, at 13 megabits; France, at 8.4 megabits; Germany, at 6.8 megabits; Canada, at 6.8 megabits; and the United States, at 3.3 megabits. That is right; we are struggling along at the bottom of the pack with, at best, a one-megabit average.

Prominent Australians who are suffering as a result of this situation have also expressed their concern. James Packer, Executive Chairman of Publishing and Broadcasting Ltd, recently described Australia’s broadband position as ‘embarrassing’. He further stated that there is a huge consumer demand for online video that is being held back by Australia’s antiquated broadband. Fairfax—publisher of the Age, the Sydney Morning Herald and the Financial Review and who has a very good website—in its submission to Senator Coonan’s media reform discussion paper, states that the encouragement of broadband is a critical element in Australia’s overall media policy. The submission goes on to state:

... internet speeds are slower and internet pricing is more expensive, than many other developed countries.

So, even if the minister will not admit there is a problem, plenty of other people, both in Australia and overseas, are willing to tell it like it is.

To remedy this situation and to bring Australia back into line with our international peers, Australia needs a massive investment in broadband infrastructure; Australia needs a national fibre-to-the-node network. Despite the minister’s furious spin, Telstra’s antiquated copper network will not be able to deliver the type of bandwidth that Australian businesses and consumers will need in a knowledge economy. This fact was rammed home in a recent report prepared by Tim Smeallie for Citigroup. This report evaluated the fallout of the collapse of the Telstra-ACCC FTN discussions. The report was clear about the technological limitations of Telstra’s existing copper network and ‘mis-guided reliance on ADSL2+ as a technology substitute for fibre’. That quote does not just blow a hole in but completely sinks the minister’s vision for a copper based future for Australian broadband. The report states:

It is physically impossible for ADSL2+ to deliver 24Mb/s on a mass market basis. Our analysis suggests a realistic average speed of approximately 3Mb/s assuming an average copper loop length of 2km.

A three-megabit solution for Australia’s broadband infrastructure needs is what Senator Helen Coonan, Prime Minister John Howard and the federal coalition government have on offer for Australia. When our international peers are moving to 20-, 30-, 50- and 100-megabit broadband infrastructure, the mob on the other side of the chamber want to tie our hands and feet together at three megabits. The Internet Industry Association noted recently that 80 per cent of
Australians would need to have access to at least 10-megabit broadband by 2010—that is, 80 per cent of Australians will need to have access to at least 10-megabit broadband in four years time—in order to keep Australia competitive with our overseas rivals, and the minister is trying to tell us that Australia only needs three-megabit ADSL2+. Clearly, Telstra’s antiquated copper network is not up to the task. The reason that Telstra’s copper network is not up to the task is well identified and described by Citigroup’s technical experts. Citigroup finds:

... distance from the exchange, cross talk, home set-up [reduces speeds by up to 50%], and sub-sea backhaul.

The implications of forcing Australia to rely on ADSL2+ are clear:
Speeds <5Mb/s are insufficient to deliver high quality video products such as IPTV, Video on Demand and Replay TV.

These are the things that people want—the things that people in this country are crying out for—but we have a government that is saying: ‘You don’t really want that. You don’t really need true broadband. You don’t really need to be able to do fast downloads and videos or IPTV. You don’t need video on demand or replay TV.’ That is the government’s position. Citigroup concludes by saying, ‘We will have to wait until 2012 for true broadband, given delays on regulation and build, unless the government decides to intervene.’ That is right—Citibank, that doyen of socialism in the world, the largest investment bank in the world, says what is blindingly obvious to everybody in Australia except the government: government needs to step in and fix this mess.

While this out-of-touch minister is complacently advocating a do-nothing copper future for Australian telecommunications, our international competitors are rapidly moving to an optical fibre world. Countries like Korea, Japan, Hong Kong, Singapore, Canada, the United States and Germany are all currently rolling out optical fibre based networks that are even faster than Telstra’s proposal. Our international competitors understand that fibre is the future. Fibre based technology is taking off around the world, with 52.4 per cent growth in fibre connections in Korea last year. Japan already has 4.6 million fibre-to-the-home broadband subscribers. The case for a fibre future for Australia is clear.

There is one lonely voice on the government side from a member who understands, and that is the Liberal MP Mr Peter Lindsay. In comments reported by the media yesterday, Mr Lindsay stated that Telstra’s decision to abandon its fibre-to-the-node plans as a result of government policy was a ‘disaster’. Mr Lindsay, the lone person in the coalition who understands this debate—do not worry about the minister—went on to state:
As much as others argue that broadband can be provided without fibre-to-the-node, true broadband cannot be provided without it. Australians deserve top shelf broadband and that can only be delivered by fibre optic cable. Without it we will be held back.

I have to say that Mr Lindsay is 100 per cent right. But, as the minister indicated in question time today, she has had Mr Lindsay brought in and she has corrected his views. Poor Mr Lindsay. It is a horrible thought.

Australia does need top-shelf broadband, and this can only be delivered by fibre optic cable. Australian broadband users can only hope that Mr Lindsay is sending this message to Helen Coonan in the coalition party room. Maybe even a senator as smart as Senator Michael Ronaldson, who is speaking next, knows deep down, in his gut, that Australia needs fibre—that is, ADSL2+, if you are relying on Telstra. Are you relying on Telstra, one of your favourite companies, Senator Ronaldson? Do you want to sign up
your life to Telstra’s ADSL2+, Senator Ronaldson? I think not. As I said, hopefully a few more courageous Liberals will be explaining the facts of life to Senator Coonan regarding what is going on in their electorates. The problem is not going to fix itself. In order to deliver this massive infrastructure investment, government leadership is required. Australia’s position in broadband is so dire that the government must take the lead to bring Australia back into line with our international competitors. The Internet Industry Association has correctly identified that the only way Australia can remain competitive with our international peers in broadband is through ‘significant and meaningful changes in attitude and leadership from the government and policy makers’. That is you, Senator Ronaldson.

This is the nub of the issue. Senator Helen Coonan is the minister for communications. Ensuring that Australia has access to world-class telecommunications infrastructure is her responsibility, but, like John Howard, she has no plan for Australia’s future. With the collapse of Telstra’s fibre-to-the-node plans, the minister has no plan to transition Australia to a fibre world. She has no plan for the future. After 10 years of pork-barrelling in rural and regional Australia, the Howard government does not know how to provide infrastructure leadership anymore. Instead of recognising the problem and trying to address it, the minister is in denial. As Kim Beazley, leader of the Labor Party, said this week, she is shepherding Australia down an IT goat track. She is shepherding the Australian economy onto an IT goat track while the rest of the world is building five-lane superhighways.

Three months ago, the minister was taking credit for Telstra’s fibre-to-the-node plans in her address to the World Congress on Information Technology. She went overseas and spruiked it. She told everybody in the world what a fantastic thing was going to happen—that is, that Telstra was going to roll out a fibre network. They were all her own words in a speech given in the United States. But, now that the plans have fallen apart, she is trying to convince Australians that we do not need this cutting edge technology, that we can get by.

Labor believes that government leadership to deliver 21st century infrastructure of this kind is necessary to sustain Australia’s economic prosperity for our children. Labor wants to give Australian businesses and families the best infrastructure available. In contrast to the minister’s inaction, Labor has been playing a leading role in the Australian telecommunications infrastructure debate. Late last year, Kim Beazley released Labor’s infrastructure blueprint. This blueprint set out a series of policies for remedying Australia’s current infrastructure shortcomings. This blueprint gave broadband infrastructure equal footing with roads, water and electricity infrastructure. So let us be clear: when Labor talks infrastructure, it is not just talking roads, it is not just talking ports and it is not just talking water or electricity—it is talking broadband, because this is the technology of the future.

Labor also posed a series of practical policies designed to improve Australia’s broadband performance. The blueprint committed Labor to setting targets for Australia’s utilisation of broadband in the areas of price, speed and accessibility and to providing the leadership to achieve these targets. It also committed Labor to conducting an audit of Australia’s existing optical fibre infrastructure, including unutilised ‘dark fibre’. Labor produced a plan—Labor’s Broadband Plan. The belief that government has a leadership role to play in the delivery of telecommunications infrastructure in Australia is the foundation of Labor’s Broadband Plan. Labor’s plan delivers this by committing to a series of
regulatory reforms and public funding. Labor’s plan called for the creation of a joint venture company that would own and operate a national open access fibre-to-the-node network. The joint venture infrastructure owner would be separated from retailers to ensure competition.

In this regard, Labor’s plan has much in common with the subsequently released Optus-led G9 proposal. Investment certainty would be delivered. Labor’s plan also involves nation-building public investment to lift Australia out of the communications dark ages. Labor’s plan made available up to $2.7 billion in public funding to extend the reach of this fibre network to as many people as possible and to ensure 98 per cent of Australians have access to a minimum of six megabits per second broadband. (Time expired)

Senator RONALDSON (Victoria) (3.53 pm)—I was unaware until Senator Trood brought it to the attention of the Senate today that Mark Latham in his book apparently indicated that when Senator Conroy was offered this shadow portfolio he was not too keen at all. It was a bad week when it was offered. If that was a bad week, this has been worse, because, unfortunately for Senator Conroy and Mr Beazley in the other place, they had nailed their colours to the fibre-to-the-node mast. I am afraid that a very large gale blew up and ripped those colours to shreds. Unfortunately for Senator Conroy and Mr Beazley, they had effectively plucked out Telstra’s fibre-to-the-node proposal, deemed it to be their own and when it fell apart at the seams on Tuesday were effectively left in a policy vacuum.

I will give the Senate some quotes. I only have 10 minutes and not the 15 minutes I thought I had, so I will make this very brief. Senator Conroy quoted the Age. I will quote the Age as well. Alan Kohler in the Age headed his article ‘Telstra spits the dummy, but node news is not so bad news after all’. He wrote:

SO, TELSTRA has spat the dummy on fibre to the node (FTTN). Good. Now we can get back to the more interesting and important business of entrenching competition in the broadband we have—ADSL.

Telstra was obviously trying to use fibre to re-established its fixed-line monopoly, because ADSL competition has been starting to get out of control.

Optus, Primus, AAPT and iiNet have accelerated the installation of digital multiplexers in Telstra’s exchanges and have been planning a big competitive assault on Telstra’s broadband market share when the ACCC cuts copper access prices, which it is about to do.

There were other quotes, but time does not allow me to go through them. Telstra’s behaviour in relation to fibre to the node is quite disgraceful. It flows on from their quite disgraceful behaviour in relation to programs such as New Ground, which made available broadband to an extra 200,000 outer metropolitan Australians—which they could have done 12 or 18 months ago but refused to do—and their XTel program, which would have given about 14,000 regional and rural subscribers broadband. They have the equipment there. There are 200 pieces of equipment sitting there not being used. For Telstra to say that the ACCC’s unwillingness to recognise the actual cost of Telstra’s FTTN investment is the reason for the breakdown is absolute, patent nonsense. In fact, when setting access prices, the ACCC is required by law to take into account the cost of investment and the legitimate commercial interest of the infrastructure owner, including the investment risk faced by the owner and the need to provide incentives for investment.

The government’s telecommunications regulatory framework has created a competitive environment that has brought more
choice, innovative new services and lower prices for Australian consumers and businesses. There are many companies, as I said before—iiNet, Internode, Primus, Optus and Austar, to name a few—who are already making substantial investments in next generation broadband services. On top of that, the government itself has invested a huge amount of taxpayers’ dollars in this area: the Broadband Connect funding of some $878 million, a competitive program which is delivering enormous benefits, and the $50 million Metropolitan Broadband Connect program. No government in this country’s history has put more money into this area. In fact, it was this government that broke Labor’s cosy duopoly, which held back telecommunications in this country for the 13 years they were in power.

I will briefly now go to Labor’s broadband policy. Senator Conroy was talking about a $2.7 billion investment from the Labor Party. The trouble is that Senator Conroy has no idea what the cost is; he has no idea at all. About a week after their policy launch, when they nailed their colours to the FTTN mast, Senator Conroy was asked what the cost of the rollout would be. He said, ‘Well, we’ll have to sit down and work it out.’ He has this magnificent, marvellous policy and he has to sit down and work out what the cost is! The only person who will pay the end result of that cost is the Australian taxpayer. Senator Conroy has been totally confused about broadband from the beginning, which probably reflects his reluctance to take up the portfolio in the first place. Firstly, he labelled broadband under 10 megabits per second as ‘fraudband’. Then his leader, Mr Beazley, came up with a plan for six megabits per second and suddenly Senator Conroy changed his mind. When it became clear that 12 megabits per second was widely available in metropolitan areas, the exact same areas where Telstra would have installed fibre to the node, Senator Conroy started talking about 100 megabits per second.

In this MPI, reference was made to OECD reports, and there was very selective quoting from Senator Conroy today. I know the Labor Party only mutter the word OECD under their breath now, because they are acutely aware of the rankings the OECD gives this country and the enormous credit it pays us for the structural reform and the robust macroeconomic framework we have introduced. Our living standards now surpass all the G7 countries except the United States. Today’s extraordinary employment figures are further proof of this government’s credentials.

In relation to broadband, Senator Conroy said we are at the bottom of the heap. Nothing could be further from the truth. I will quickly go through three of the points that he raised. The first point was about take-up. The reality is that Australia’s broadband take-up is growing at the fifth fastest rate in the world. We are growing faster than the US, the UK, Japan, Korea, Canada, France and Germany. It is hardly the backwater he refers to. We are surging ahead. The second point was in relation to penetration. Senator Conroy has made a number of claims. Yes, it is true we can improve—and that is what the government are doing; that is why we are spending hundreds of millions of taxpayers’ dollars—but we are improving rapidly. In the latest broadband penetration figures, which are behind what is currently happening, Australia is ahead of Germany, Italy, Ireland, Spain, Portugal, Greece and many others, and we are within just a few percentage points of Japan, the US and the UK. Indeed, the Economist Intelligence Unit, talking about e-ratings and other things, has said that Australia is among the big gainers in 2006 rankings. It says:

... Australia, Canada, the US and Western Europe have over the last two years made considerable
leaps in broadband penetration and have effectively “caught up” with South Korea and Japan. Those are the countries that have been painted by Senator Conroy as the world leaders. I repeat:

... made considerable leaps in broadband penetration and have effectively “caught up” with South Korea and Japan.

The third point that Senator Conroy refers to is the question of speed. He said we have the slowest broadband in the world. That is simply not true. I assume that Senator Conroy is being very cute with this and that he must be referring to the OECD ranking of speeds offered by incumbent telcos. Yes, Telstra’s ranking is about 25th, but Senator Conroy neglects to acknowledge that we are not living under Labor’s cozy telco duopoly and that we do not have to rely on the incumbent. Indeed, people are voting with their feet and are no longer relying on the incumbent. There are many competitors offering broadband speeds many times faster than the 1.5 megabit speeds offered by Telstra. The Labor Party have been in an absolute shambles over this matter since the fibre-to-the-node network approach to the ACCC failed. It is complete and utter chaos for them, for which they have no answers. (Time expired)

Senator ALLISON (Victoria—Leader of the Australian Democrats) (4.03 pm)—It is not an overstatement to say that telecommunications is vital for the national security and economic and social development of Australia. Australians now rely on e-commerce, e-health, e-education and e-banking. E-communications now dominate the lives of people everywhere, particularly in this place. The way we communicate with one another and the outside world now compared to five years ago is dramatically different. For many businesses, especially small businesses, efficient and effective communication systems are absolutely critical. High-speed internet is a prerequisite for engagement with the modern economy and society. A cost-effective, reliable communications system is critical for Australians living in rural and regional areas and particularly in remote areas. In fact, their only chance of overcoming the tyranny of distance, of isolation and of lack of services, particularly transport, comes down to the internet. The Australian Industry Group told the 2004 Senate broadband inquiry:

Broadband technologies will be the roads and railways of the 21st century, generating the next wave of economic expansion. Just as transport opened up new economic horizons in the last century, advanced communication networks will pave the way for productivity gains across global economies ...

The Institution of Engineers told the same committee:

Assuming that broadband is adopted as universally as the telephone over the next 25 years, it has been estimated that broadband technology could produce economic benefits of $12 billion per annum to Australia.

And yet Australia still lags behind the OECD average for broadband penetration. According to the 2005 OECD communications outlook, Australian broadband subscribers jumped 41 per cent, with an average of 10.9 broadband subscribers for every 100 people—up from 7.7 last December. However, that is still well below the OECD average of 11.8 subscribers per 100 people. The increase did lift Australia’s ranking for broadband penetration among 30 OECD countries by four slots, to 17th position. But topping the league table was Korea, with 25.5 subscribers per 100 people, followed by the Netherlands, with 22.5; Denmark, with 21.8; Iceland, with 21.7; and Switzerland, with 20.3. Some would argue that this is all because of our large land mass. However, when you look at countries like Canada and the United States, they are well above our level. International Telecommunications Union
statistics from 1 January this year only rank the top 15, and Australia is not in there, so very little has changed in the year since the OECD report. The Senate committee tabled its report in August 2004. This report said:

… many parts of the country, particularly in rural and regional areas but also in some suburban areas on the fringes of the major urban centres, do not have access to broadband Internet services …

Little has changed since that time. While some metropolitan customers are accessing broadband speeds of 1.5 megabits per second, as provided by Telstra ADSL, to 24 megabits per second, as claimed by those offering ADSL2+, plenty living five or six kilometres beyond the exchange and in regional areas cannot access these speeds.

While competition has improved in the telecommunications markets over the years—particularly in mobile phones—Telstra, with its ownership of the copper network and the HFC cable, is still the dominant player in most other telecommunications markets. As a result of the ownership of both the copper wire and the HFC cable, plus the lack of competition and Telstra’s strategy to maximise shareholders’ value, there has been no incentive for Telstra to invest in its infrastructure, including in high-speed broadband. Evidence shows that since privatisation began there has been a steady decline in infrastructure spending as a percentage of Telstra’s sales revenue. As a result of the government’s obsession with privatising Telstra and hence the infrastructure, the government has been forced to spend billions of dollars on encouraging competitors to invest in broadband infrastructure. However, those initiatives, such as Networking the Nation, were considered by many to be very poorly targeted, poorly implemented and largely a waste of resources.

The Democrats believe the major problem, and the reason why Australia is so far behind on broadband uptake, is the government’s light touch regulation and its failure to control Telstra. This government failure has resulted in one of Australia’s largest companies continuously putting up barriers to competition and reducing its investment in infrastructure. So it is a very sad and pathetic story, I am afraid.

Telstra’s pulling out of negotiations on fibre to the node was disappointing but not critical. In fact, Telstra’s fibre-to-the-node proposal, as you would expect, lets them keep their monopoly on the unbundled local loop. But, in the context of a long line of failures, like dragging their feet on ADSL2+ access and installation, stalling ACCC negotiations on the unbundled local loop, putting up barriers to competitor access to that loop and undercutting retail broadband price, we have a problem—a very big problem—in this country. Self-operational separation and self-regulation have monumentally failed. The government has been too weak and too ideologically driven to intervene, despite being a major shareholder. Now it is going to have to take some action. The Democrats have argued for the last five years that, if the government was going to sell Telstra, at the very minimum Telstra should be required to divest its ownership of the HFC cable. This has to happen to open up more competition in the market. The ACCC argued that, in protecting the revenue of both the copper wire and the HFC networks, investment will not be made, or will be delayed, in services that would cannibalise the revenue of the other network.

As predicted, the operational separation of Telstra is not working and is unlikely to. There is support in the industry for the aims of operational separation—there is no doubt about that—but not for the wishy-washy model that the government insisted on last year. The ACCC complained; the industry said it would be useless and, indeed, it was.
Then Telstra is allowed to develop the plan itself. The minister and not the ACCC will oversee the development and implementation of the plan; the operational separation plan is not a licence condition; enforcement of a breach of operational separation by the ACCC is not available until after a rectification plan has been developed; there is no requirement that the ACCC be involved in the development of the draft plan, nor that the minister take advice from the ACCC with respect to that plan; the legislation does not allow the minister to designate new services; and the absence of a formal advisory role for the ACCC in the internal wholesale pricing and pricing equivalence regime, and the possible length of time involved in setting prices—these are just some of the criticisms that were levelled at the government at the time. And they have turned out to be appropriate.

The Democrats moved a raft of amendments to address those concerns but they were, of course, not supported by this government. We say that, if we want fair and transparent competition in the Australian telecommunications system, the government has to move down the path of structural separation—that is, it must separate the wholesale from the retail. The government has continually argued that the cost of structural separation would outweigh the benefits, but there is no real evidence for that and the government has not investigated whether or not this is the case—or, if it has, it has not told us.

The OECD recommended that its members consider structural separation as a means of promoting competition in utilities as an alternative to regulation. This was also supported by the National Competition Council. The Democrats do not always agree with everything that those bodies say but, on this issue, they are right. Another important reason why the government should, at a minimum, own the infrastructure is to guarantee fair access and some sort of parity for regional users. It is time, we say, for the government to bite the bullet, to structurally separate Telstra, to keep the infrastructure in government hands, to divest the HFC cable and to use the funds to roll out fibre.

Senator WORTLEY (South Australia) (4.13 pm)—I rise to contribute to this debate on a matter of public importance, one that affects all Australians: the government’s lack of a plan to deliver a high-speed broadband communications network for Australia. A fibre-to-the-node network would be a significant step forward for our antiquated telecommunications infrastructure. It would be a great improvement. But if the people of Australia think it is on the horizon of this government today then they are going to be greatly disappointed, because the Howard government is not delivering. It does not have any idea of how to deliver world-class broadband infrastructure to Australia.

While the minister is prepared to marginally improve access to entry-level broadband in rural Australia, the Howard government has no plan whatsoever for delivering world-class broadband infrastructure to Australia’s cities and suburban areas. In fact, the Howard government is AWOL when it comes to telecommunications infrastructure. And it is time the minister stepped forward and took responsibility for Australia’s floundering position among the developed countries of the world. We are ranked 17th out of 30 countries surveyed by the OECD for take-up of 256 kilobits per second broadband.

The confirmation on Monday of this week that Telstra and the competitive watchdog, the ACCC, have fallen out over the rollout of fibre broadband infrastructure has left the government without any idea of how to bring internet speeds in Australia up to world class. Today, Korea, Japan, Hong Kong, Singapore,
the United States, France, Germany and Italy all have broadband speeds of over 20 kilobits per second while Australia lags far behind. The irony is that broadband is all about increased speed and productivity, and here we have the minister applying the brakes on Australia’s ability to access new technology. Either that, or there is a problem finding the accelerator.

The decision made in this place on Australia’s IT capabilities over the next decade will be absolutely critical to our economic prosperity. Yet we on this side have serious and justifiable doubts about this government’s ability to make up where they failed in the past 10 years, and we do not stand alone with our concerns. In yesterday’s Sydney Morning Herald the director of the Technology and Innovation Management Centre at Queensland university and a world-recognised expert on innovation, Professor Mark Dodgson, said:

The impasse between Telstra and the ACCC and the Government is just a complete mess and it needs to be resolved …

… … …

The Government has to step up, if Telstra won’t. Broadband is the basic infrastructure that the economy needs, it’s just essential, like roads or railways. It is entry-level stuff.

And a telecommunications analyst, Paul Budde, is quoted as saying:

… Australia was “running three years behind [comparable nations] and it’s going to take five years to catch up.”

And the gap is, at this stage, still growing. The article also reports that analysts warned that, the longer Australia waited, the wider the gap between Australian businesses and overseas competitors would become. It also highlighted the plight of Simon Grover, who runs an internet business. Mr Grover says he is ‘frustrated by having to use simpler technology’ to allow clients from around the country, many of whom do not have broadband, to use the service. He said:

With a business like this, it obviously makes it a lot slower and harder ... We have plans to increase our online range, but slow broadband take-up rates just make the process more difficult.

He also said:

If more people had broadband it would be a different story …

With Labor it will be a different story because Labor do have a plan. While John Howard and Minister Coonan sit on the side of the road trying to make sense of the map that might lead them onto the information superhighway, Labor are lapping them at a steady speed. We do have a plan for delivering world-class telecommunications infrastructure for Australia and, while we have made clear our position on the regulatory changes necessary to facilitate a rollout of a fibre-to-the-node network, the Howard government’s position is to retain the status quo and leave Australia trailing behind the rest of the world.

Senator FIERRAVANTI-WELLS (New South Wales) (4.18 pm)—I rise to speak on this matter of public importance in relation to the Telstra decision on fibre to the node. The fibre-to-the-node proposal relates to adding nodes to the broadband network to deliver ADSL2+ broadband in five capital cities, thereby excluding major regional areas like the Illawarra, where my electorate office is located. Telstra pulled out of their talks with the ACCC on a fibre-to-the-node network, even though they had been saying publicly that there were very few issues left to be resolved. It is puzzling why they would discontinue the talks when they seemed so close to a resolution.

Telstra cited the ACCC’s alleged unwillingness to recognise the actual costs of Telstra’s fibre-to-the-node investment as a reason for the breakdown. In fact, when setting
access prices the ACCC is required by law to take into account the costs of the investment and the legitimate commercial interests of the infrastructure owner, including the investment risks faced by the owner and the need to provide incentives for investment. The ACCC has assured the government that it has always been prepared to consider fair and reasonable access terms, as indeed it is legally obliged to do. The government reviewed telecommunications regulatory arrangements only last year and specifically made legislative changes to further encourage investment and ensure investors’ risks were taken into account in regulatory decision making. There have been no substantive changes to the market since the 2005 review and Telstra remains in a strong position in many markets. However, at the end of the day, this is a commercial decision for Telstra.

The government’s telecommunications regulatory framework has created a competitive environment that has brought more choice, innovative new services and lower prices for Australian consumers and businesses. There are many companies—iiNet, Internode, Primus, Optus and Austar, to name a few—already making investments in next generation broadband services. Industry commentators estimate that as a result of these competitive investments very high speed broadband is already available to more than 50 per cent of customers.

In fact, Telstra also has other means of providing high-speed broadband apart from fibre to the node. At any time it chose to, Telstra could start using its longstanding investment in ADSL2+ equipment, which can deliver very fast broadband, in its exchanges. Indeed, I would urge them to do so. Telstra’s fibre proposal was only ever intended to target the five major capital cities of Sydney, Melbourne, Brisbane, Adelaide and Perth where there are already significant broadband speeds and ample competition. For instance, in the five capital cities where Telstra’s fibre network was to be deployed, multi-megabit broadband speeds are already available to most consumers via alternative platforms including ADSL2+, cable and wireless. When Telstra switches on its ADSL2+ network, which we hope is imminent, this number will rise exponentially.

At least nine service providers already offer ADSL2+ in the capital cities and major regional centres at very fast speeds. The competitive rollout of high-speed broadband infrastructure which is taking place will be complemented by the $1.1 billion Connect Australia package and the $2 billion communications fund established by the government. These programs will ensure people living in rural and regional Australia can access world-class telecommunications services both now and into the future. So any suggestion that Telstra’s decision to discontinue the talks with the ACCC somehow spells an end to the rollout of fast broadband infrastructure is misplaced.

Telstra’s decision has left Labor’s broadband policy in an absolute shambles. Only two years ago the Labor recommendations in a Senate inquiry report were that we should spend billions on guaranteeing dial-up internet speeds of 40 kilobits per second—up to 300 times slower than the speeds available on ADSL 2 enabled exchanges available in many parts of Australia. Mr Beazley pinched a publicly announced plan by Telstra as his only policy, and the whole house of cards was built on Telstra funding a fibre network in five capital cities. Without it, Labor’s policy falls down into a big hole.

Labor has been confused about broadband since the very beginning. First, Senator Conroy labelled any broadband under 10 megabits per second as ‘fraudband’. Then his leader came out with a plan for six megabits per second, and Senator Conroy suddenly
changed his mind. And when it became clear that 12 megabits per second was widely available in metropolitan areas—the exact areas where Telstra would have installed fibre to the node—Senator Conroy started talking about 100 megabits per second. The ALP needs to make a decision and stick to it. The only card the opposition has got to play in the broadband debate is to misrepresent what the government says.

The minister has clearly said that, even in the absence of any metropolitan fibre network, Australians living in inner metropolitan areas can access faster broadband speeds of between 12 and 18 megabits per second if they can access ADSL2+ or, indeed, cable networks. The government’s longstanding policy of encouraging competition in telecommunications has delivered to metropolitan consumers a choice of broadband providers and speeds. Clearly, different people have different needs when it comes to broadband speeds, but for most people a connection of 1.5 megabits per second is currently adequate to deliver the services and downloads they want. Others may want faster connections, and these are currently largely available in the metropolitan areas that would have benefited from fibre. For instance, ADSL2+ and cable networks enable service providers to deliver a rich mix of data services to users, including high-quality video, audio, voice and text.

Senator JOYCE (Queensland) (4.25 pm)—It is interesting to be here today and hear the Labor Party put forward a matter of public importance about telecommunications. It was actually fascinating to read it. I thought I would pull it apart and look at it. I will start with (c), where Senator Conroy’s MPI says:

the collapse of Telstra’s plans to construct a fibre to the node network leaving Australia without a pathway to a fibre based upgrade of Australia’s broadband infrastructure.

That just about sets down how the Labor Party see Australia. You see, the fibre-to-the-node network was going to connect Sydney to Sydney, Brisbane to Brisbane, and Melbourne to Melbourne. It did not actually connect Australia. It did not actually get to Newcastle or Wollongong. But this was the package that Senator Conroy thinks is a matter of public importance. Well, it is. It was so bereft of any moral function for what this nation needs that it is a matter of public importance.

It would be an absolute disgrace if the minister had allowed that to go through. I think it is actually an endorsement of the support of the Minister for Communications, Information Technology and the Arts for regional Australia. This clearly points out the sort of myopic, narrow view that the Labor Party has of Australia. It is the Australia of the people who have telecommunications, with no thought of the people who do not have it. It is a clear political ploy. It is a pitch to the voters, a pitch to the inner suburbs of Sydney—and good luck to you—but it is not a pitch to Australia. It is nothing about our nation.

It is interesting that they talk about a plan. They are big on plans in the Labor Party. Morris Iemma has a plan: he has a plan about how he is going to have a plan to make a plan. There are lots of plans, but we never actually see their plans; we never actually hear about them; we never actually see their acumen and have them lay out an argument, like the National Party did when it negotiated the $3.1 billion package. That is a plan—that is where the hard work is. We actually have that. We have put in the work.

We know what the Labor Party are going to do: they are going to snaffle up that money, grab it up—Gobbleguts is going to grab it up—and put it towards some nefarious outcome, which they obviously agree is
going to be a fibre-to-the-node type plan. They would connect the capital cities. They would use the money that has been extracted to give some parity, some fairness, to the Australian people, to provide equality across the Australian continent, and say to people in Tamworth, Brewarrina, Longreach, Darwin, Tennant Creek and all those sorts of towns: ‘No, we don’t think you’re part of the Labor Party’s Australia. The Labor Party’s Australia exists in Sydney, the middle of Melbourne or the middle of Brisbane, but it doesn’t exist anywhere else. It doesn’t exist in Newcastle or Wollongong. In fact, we’re going to make it a matter of public importance to say that we’re disgusted that you would consider connecting the good workers of Wollongong. We’d make it a matter of public importance that the Labor Party thinks it’s disgusting that you would want to connect Newcastle. How dare the conservative side of politics want to connect Newcastle! How could they possibly consider that? Connect Tamworth? No, we could never have that!’ So it is no wonder that Minister Coonan would say, ‘No, fellas—go back.’

It is also interesting that, right at the beginning of the MPI, Senator Conroy talked about ‘the Australian government’s complacency on the rollout of broadband’. Maybe he does not want the Australian government to be involved in that telecommunications company anymore. Maybe that is the truth. Maybe the enabling legislation was a whole charade. The truth was that you were going to sell Telstra anyhow, weren’t you? That was always on the cards.

In fact, I would like to see someone walk into the chamber and say, ‘Should I ever get elected, I will make a commitment over my mother’s grave that I will put Telstra back into private hands,’ because I never hear that commitment. They dodge that issue and they are dodging that issue more and more, especially now they realise that 51.8 per cent of Telstra is still owned by the Commonwealth. But they have dropped that out of the conversation. They want to take Australia down a path. They want to have a bet each way.

Senator Wong interjecting—

Senator JOYCE—Out they come now. The truth is coming out.

BUSINESS
Rearrangement

The ACTING DEPUTY PRESIDENT (Senator Watson)—I remind the Senate that the standing orders provide for general business to be called upon at this time. Before I call on general business, is leave granted for documents listed on today’s Order of Business to be tabled and for a motion to be moved in respect of committee membership? There being no objection, leave is granted.

COMMITTEES
Treaties Committee

Report: Government Response

Senator SANTORO (Queensland—Minister for Ageing) (4.30 pm)—I present the government’s response to the 65th report of the Joint Standing Committee on Treaties, tabled on 7 December 2004(3) and 8 February 2005. I seek leave to incorporate the document in Hansard.

Leave granted.

The response read as follows—

Government Response to Report 65 of the Joint Standing Committee on Treaties

Recommendation 3

In circumstances where the national interest exemption is invoked the Committee recommends that an urgent briefing by the Minister for Foreign Affairs be provided in addition to the notification it currently receives.

After due consideration it has been decided that the Government does not accept Recommendation 3.

The Government’s current policy is that where Australia effects a binding treaty action in ad-
vance of that action being tabled in Parliament then that treaty action will be tabled as soon as possible with an explanation.

Accordingly, the Government considers that the Committee already receives an appropriate explanation when the national interest exemption is invoked.

Nonetheless, whenever the Government considers invoking the national interest exemption the Government may examine whether—in given circumstances—any special additional briefing for the Committee is necessary.

**Procedure Committee**

**Report**

Senator HOGG (Queensland) (4.31 pm)—I present the first report of 2006 of the Procedure Committee on the proposal to alter the structure of the Senate committee system, together with documents presented to the committee.

Ordered that the report be printed.

Ordered that consideration of the report be made an order of the day for the next day of sitting.

**Membership**

The ACTING DEPUTY PRESIDENT (Senator Watson)—Order! I have received letters from a party leader seeking variation to the membership of committees.

Senator SANTORO (Queensland—Minister for Ageing) (4.32 pm)—by leave—I move:

That—

(a) Senator Marshall be discharged from and Senator Webber be appointed to the Environment, Communications, Information Technology and the Arts References Committee; and

(b) Senator Moore replace Senator Ludwig on the Legal and Constitutional References Committee for the committee’s inquiry into Indigenous workers whose paid labour was controlled by Government.

Question agreed to.

**HOUSING AND ACCOMMODATION AFFORDABILITY**

Senator CARR (Victoria) (4.32 pm)—I move:

That the Senate—

(a) condemns the Howard Government for its failure to address the widely acknowledge affordability crisis in Australia’s rental and home ownership markets; and

(b) calls on the Howard Government to show leadership on this critical issue by working with state, territory and local governments, industry, business and the not-for-profit sector to develop a national housing strategy.

I move this motion to highlight Australia’s housing affordability crisis and the fact that the Howard government has done nothing to prevent or even manage this crisis. In fact, one of the government’s millionaire members, Malcolm Turnbull, made the comment recently that he thought that the talk of interest rate rises was overblown. He took the view that it was overdramatised. It was not surprising to hear the reaction of eastern suburbs families. The Daily Telegraph of Wednesday, 9 August, described Mr Turnbull—as an ‘idiot’. I am quoting directly from the report. Eastern suburbs families called him, the report says:

…“out of touch” for saying that rate rises were over-dramatised.

However, it did reflect an attitude within the government that interest rates were not really a problem. It is quite frightening, when you think about it, that a person with Mr Turnbull’s considerable resources should treat the question of rate rises, particularly on mortgages, as a matter that has been overdramatised. It demonstrates how one of the people whom the Prime Minister is seeking...
to personally groom to take over the leadership position in the Liberal Party treats these very important questions.

Of course, it fits the pattern of the government’s behaviour on these questions. There is no minister for housing and no minister for urban development in this government. There is no national strategy anywhere within this government to deal with the question of housing—and, of course, there is absolutely no interest in these questions. When interest rates go up, it is understandable that the government has no interest in that matter. It explains why the government needs to understand the shifts in the housing market over the last 10 years and how little understanding of that has been expressed by the government. This Howard government is alone in failing to understand just how significant the housing affordability crisis is in this country.

On 24 and 25 July of this year, an alliance of industry, unions, not-for-profit organisations and community sector organisations held its second housing affordability summit in as many years. That summit brought together all the key players involved in the housing industry. They all agreed that there was a serious problem in this country and that the problem in fact was getting much worse. In Saturday’s Age, the columnist Shaun Carney concluded:

No force in Australian politics is stronger than the aspiration to home ownership.

I think it is an important point that he makes, and it needs to be understood just how critical this issue is to the Australian people.

Earlier this year, I recall asking Senator Minchin, in his capacity as the Treasurer’s representative in this chamber, what the national government was doing about the housing affordability crisis. His response was that the government was not doing much, that it was all a problem for the states. He took the view that interest rates were higher under other governments last century, and as a consequence we should be satisfied with the circumstances that we now find ourselves in.

Of course, we have now had two additional interest rate rises. It is much harder to maintain this rhetoric in the face of the consensus that exists among economic commentators and social commentators about the significance of these increases in interest rates. The situation clearly indicates that there are more families who are in housing crisis now than there ever have been in the history of this Commonwealth.

There are a few basic facts that need to be understood. Firstly, more families have mortgages today than 10 years ago. But that does not mean that more people actually own their homes. In fact, the proportion of households with mortgages has come at the expense of outright homeownership. For the first time, in 2003-04 more Australian families had mortgages than actually owned their houses outright: there were 150,000 fewer outright homeowners in 2003-04 than there were in 1995-96. The number of families who own their homes had fallen by 150,000. And when you add the two groups together—people who are paying off their loans and those who own their houses outright—the proportion of owners and buyers in the housing market has actually fallen. It is one of the great myths of Australian politics, I suppose, that the Howard government has been good for homeownership. The truth is that any accurate analysis of the statistics shows that that is not the case.

The second reason that interest rates hit harder today than they did 10 years ago is the fact that house prices have now gone up dramatically. We have seen house prices in Australia increase from about three times average incomes to around six times average incomes in the last 10 years. We are paying
for an increase in the asset values. That is welcomed by some homeowners, and I think that is all very clear from any reading of the league tables that are produced in our major newspapers. But the fact is that, for many young Australians, the increase in asset prices has meant that they have had to rely on their parents and others to assist them with gathering a deposit in a way that we have not seen in the history of this country.

There are many young people in this country today, sons and daughters of good citizens of this country, who have been effectively locked out of the housing market and locked out of one of those fundamental presumptions we have made in this society about the right to homeownership, as a result of the changes in the housing market and the failure of this government to appreciate those changes and to devise a public policy setting that allows people to participate in that market.

It is not just homeowners; think about people who rent. About a third of Australians rent. You find that, in a tight rental market, landlords will invariably seek to take advantage of their particular situation. We have seen that the interest rate costs have been passed onto renters. Once again, young people, people who do not have the money for a deposit or people who choose to live in rental housing are now having to pay much higher costs for that accommodation. It now takes the average homebuyer over 26 per cent of their income to pay their home loan. That is a slight fall, I acknowledge, from the 28 per cent that prevailed for the last two years, because some asset prices in some particular cities have decreased. That is in the grossly distorted markets such as Sydney. But the fact remains that the levels that are reached now—the 26 per cent of income—are levels approaching those in existence only for a very brief time when interest rates were as high as 17 per cent.

I remind senators that interest rates were at their very highest in this country under the treasurership of John Howard. They were way in excess of 18 per cent—much higher than the much quoted figure of 17 per cent. But, if we look at the question of interest rate payments, these alone take up about nine per cent of household income. That is the current situation. These figures have been going up over the last two years. And it is not just a minor aberration on any graph that any economist chooses to produce. This is a continual stream, a continual index of misery for Australians who are faced with paying these exorbitant costs just to keep a roof over their heads.

So the evidence is very clear: the proportion of first-home buyers in the market has fallen again. The evidence is equally clear that it is becoming increasingly difficult for young people to get to buy a house. The evidence is equally clear that there are an increasing number of people who are being forced out of their houses as a result of defaulting on their loans.

That is the private market. If you consider the situation with regard to the public market then, again, we have a record low level of assistance from this government. There are many people in Australia who rely upon the public sector to assist them with their housing. The Howard government, when it was elected in 1996, preferred to abandon public housing. It had an ideological obsession and a hostility towards public housing. There has been a 30 per cent reduction in real terms in the amount of money that the Commonwealth has provided for the Commonwealth-State Housing Agreement. In 2004-05 the commitment under the Commonwealth-State Housing Agreement was $941 million. There are rumours circulating throughout the government and non-government sectors that this government does not intend to renew its
commitment to the Commonwealth-State Housing Agreement for the next period.

What we have seen is that the state governments, as a consequence of this 30 per cent reduction, have reduced dramatically the number of public housing units that are available. Despite the extraordinary growth in demand and need, some states have had to reduce the number of units that are actually available. Some states have seen considerable reductions in the number of units available. There are currently 26,000 people on the waiting list in Queensland.

The most needy people are being forced into public housing, while the opportunities for them to secure housing have been reduced. So people are being forced to stay longer with the public housing sector and are not able to move out of the sector. Therefore, as a consequence, there is a slowing down of the number of people who are getting access to public housing. Increasing the target of housing to only the very poorest, to the most in need, has produced a situation where there have been increasing numbers of people with reduced income participating in public housing. This has meant further strain for the states on the financial capacity of the state housing authorities to meet the demand for public housing because they cannot charge higher rents for public housing.

There are debts still hanging over many of the state housing authorities which have been there for considerable amounts of time. The state authorities are required to pay debt repayments back to the Commonwealth. In some states, the amount of debt repayments is only slightly less than the amount of money given each year by the Commonwealth. My recollection is that in South Australia the amount of money provided by the Commonwealth is some $68 million per annum; the amount of debt repayment is $64 million—a $4 million gap with which the state of South Australia is required to fund or find assistance to fund refurbishment and the purchase of new stock. In an environment where housing stock is increasingly obsolete, built for a different era, a different family structure, different social circumstances—three-bedroom houses, four-bedroom houses—the number of people coming forward are predominantly those who have one person in a housing unit.

Extraordinary demands have been placed on the state housing authorities with virtually no increased assistance to meet that increasing demand from the Commonwealth. The Howard government claims to have spent significant amounts of money on rent assistance over the past decade, but the seriousness of the situation has increased from the 1978-79 period. It is equally true that the real increase is less than three per cent because the Commonwealth has tightened eligibility from the period which introduced such programs. It has seen a reduction in spending of about 10 per cent or some $200 million on the commitments that it gave in 1996-97.

When you add up the amount of money on rent assistance and the changes in the Commonwealth-State Housing Agreement, you find that spending in real terms for housing programs has fallen by eight per cent. The record low levels of affordability in the private rental market have further eroded the capacity of rent assistance to alleviate housing stress in an environment where already a third of rent assistance recipients pay more than 30 per cent of their incomes in rent. The response from the government is to talk about a limited review of rent assistance. They have no real intention of addressing these issues in a fundamental root and branch manner. We know that the government have made it perfectly clear that their intention is to blame the states for the current situation.
Think for a moment about the situation with Indigenous housing, where there are acute problems, pronounced problems, for Indigenous Australians. Overcrowding is an international scandal. More than a quarter of Australia’s Indigenous population are aged 15 and they are living in grossly overcrowded situations: 17 people per house is not uncommon. We know that Indigenous Australians are disproportionately represented amongst the homeless—they account for 2.4 per cent of Australia’s population but 8.5 per cent of the nation’s homeless and 19 per cent of people sleeping rough.

ATSIC has indicated that we need at least $2.2 billion over 20 years to clear the housing backlog. Housing ministers have estimated the figure is probably closer to $3 billion, and the government’s response has been to privatise Indigenous land and say that you can get access to commercial loans, particularly where people have average incomes of $12,000 per annum. We know that is a ludicrous response; we know it is not likely to ever meet the needs of getting a house, particularly given the additional costs of $250,000 to build such a house. We know that is a ludicrous response; we know it is not likely to ever meet the needs of getting a house, particularly given the additional costs of $250,000 to build such a house. We know that is a ludicrous response; we know it is not likely to ever meet the needs of getting a house, particularly given the additional costs of $250,000 to build such a house.

Senator HUMPHRIES—I am pleased to hear that but, having thrown some grenades and then having left the chamber, I suppose I have to speak to his colleagues rather than Senator Carr.

Senator Wong—Mr Acting Deputy President, on a point of order: Senator Carr has had to leave because he has to attend an appointment back in his home state. I would like to correct the record, given that Senator Humphries appears to be quite happy to be somewhat creative about the reasons for his departure.

The ACTING DEPUTY PRESIDENT (Senator Watson)—There is no point of order.

Senator HUMPHRIES—If I move a motion I generally like to be around to gauge some of the debate that follows from the motion, but I accept that Senator Carr has a more important engagement and cannot do that. Having listened to some of what Senator Humphries said, I regard his comments as being the usual Labor Party game.

Senator Wong—we will be watching you. You had better never leave when you move something. Go and see your constituents.

Senator HUMPHRIES—I do not know why you are so sensitive about this issue, Senator Wong. I think, having put it on the table, Senator Carr needs to know a few things about this matter. First of all, housing policy in this country is not determined exclusively by the federal government. The federal government makes a significant contribution to issues like housing affordability. The federal government makes some important contributions to the financial capacity of Australians directly and indirectly through funding for state and territory governments which in turn influences the affordability of housing in this country. Those are undoubtedly very important matters.
But Senator Carr and Senator Wong would surely be aware that state and territory governments also play a very significant role in questions of housing affordability. To condemn the Howard government without acknowledging the tremendously adverse contribution which many state and territory government decisions are making to housing affordability in this country is myopia of the most extreme kind. I note, to his credit, that Senator Bartlett has introduced an amendment to this motion which at least reflects that housing affordability is a matter determined in part by state and territory governments and which seeks to share the condemnation around. Obviously, I will not support it, because of the condemnation it makes, but I am interested to see whether, when that motion is put, Senator Wong accepts the amendment or not.

The government, as in so many other areas of public life in Australia, has made an enormous contribution, through increased funding, to the affordability of housing in this country. The government has made a number of important decisions which reflect on the capacity of Australians to own their own homes. Of course, most fundamental to the question of housing affordability is the decision of the Australian government to pursue a policy which actively keeps interest rates in this country low. That is what makes housing affordable for countless thousands—hundreds of thousands; indeed, millions—of Australians. If we went back to the 17 per cent, 18 per cent and 19 per cent interest rate policy that was pursued by the Hawke and Keating governments, we would have plenty to complain about on the housing affordability front in this country. But the nature of the complaint today is a lot less dramatic in light of the successful policy to keep rates at a much lower level than that. I do not think many Australians have lost sight of that fact, as the last federal election pretty clearly demonstrated.

But, more directly, with respect to the role of government in providing low-cost housing to people on low incomes, the role of the federal government has been very significant indeed. For the 2003 Commonwealth-State Housing Agreement—the last time that agreement was renewed—the Australian government committed the very substantial amount of $4.75 billion over the five years to 2007-08. It is a significant contribution to assist Australian states and territories to maintain a core stock of public and community housing and to maintain crisis accommodation and housing related assistance, including things like bond loans and home purchase assistance. As of 30 June 2005, over 335,000 Australian households were living in public and community housing. You cannot look at that contribution from the Commonwealth and not conclude that the Australian government has made a powerful contribution to the affordability of housing for those 335,000 households.

The funding allows five years of fiscal certainty for states and territories to provide housing assistance. It is also significant that for the first time it includes indexation so that that amount grows with the cost of living. The Commonwealth-State Housing Agreement bilateral agreements outlining individual state and territory housing priorities are in place as a result of that agreement. The federal government closely monitors not just the inputs in terms of its expenditure under those agreements but also what the state and territory governments are able to achieve using that money to provide affordable housing across their respective jurisdictions. The government has, very significantly, included in those agreements a performance measure which represents five per cent of annual core funding to ensure
Australians are getting value for their taxpayer dollar.

I mentioned that there has been an increase. Combined Australian government rental assistance and CSHA outlays have increased in real terms by $204 million—from $2.822 billion in 1997-98 to $3.026 billion in 2004-05. That increase in assistance for housing should be coupled with the other economic factors which influence the level of poverty and the capacity to afford housing in this country, such as creating more jobs, reducing the rate of unemployment, and growing real wages so that those with earnings have a greater capacity to dispose of their income for the purposes of acquiring housing or maintaining rental accommodation. Factors like that contribute to housing affordability being more and more within the grasp of Australians.

I will concede that one factor working against them is the growth in house prices in this country. Needless to say, house prices very rarely experience strong growth when the economy is not buoyant and when people’s capacity to afford to pay higher prices is not in evidence; rather, it is as more jobs are created in the marketplace, as personal wealth grows and so forth. In a sense, the growth in house prices in this country is a symptom of the enormously strong economy which Australia has experienced in the last decade. Governments can only go so far to offset that phenomenon. We do not—and should not, obviously—regulate the cost of housing. We should not attempt to control prices in that or, arguably, any other area of our economy.

That remains a matter of concern to the government but, to offset the effects of that kind of consideration, we provide for low interest rates for strong employment growth and a buoyant economy with expanding opportunities, we keep government spending at reasonable levels and we provide for confidence in the marketplace. Those things have been delivered handsomely by the Howard government over the last 10 years.

I mentioned before that the picture is not painted exclusively by the federal government, and indeed it is not. Housing affordability—particularly for people on lower incomes—is very much within the purview of state and territory governments. I am sure that other senators can reflect on their experiences of what state governments in their own states are doing, but I wanted to make some comments on what the Australian Capital Territory government is doing with respect to housing affordability.

First of all it is very clear that, as part of the process to acquire greater control over the rollout of infrastructure around housing, the ACT government has pursued a policy of restricting the supply of new land for housing in a way which has dramatically affected both availability and affordability of housing in this territory. You would be hard pressed to find a developer or a real estate agent in this territory who would not tell you that house prices have risen dramatically because the government has quite deliberately decided to turn that tap much more towards off. Indeed, there has been an explosion of housing opportunities in surrounding New South Wales because the supply there is much less limited than it is in the ACT.

Compounding that problem are the ACT government’s other myriad budgetary problems, which have led to a budget delivered earlier this year which could best be described as a ‘scorched earth’ budget, one which has seen dramatic rises in charges to the community and a serious increase in rates, and which also manifests itself in the proposed closure of 39 public schools in the territory—approximately one-third of the
total territory public school stock in one fell swoop.

This is a government that clearly has all sorts of budgetary problems, and it is even more remarkable that this is occurring at a time when the ACT economy is absolutely booming. Unemployment has dipped to 2.8 per cent and Commonwealth spending in the ACT is at unprecedented levels. Incidentally, this is a Commonwealth government which is supposed to hate Canberra. It is apparently hating it by showering it with largesse so that the territory economy is going absolutely gang busters. In fact, there is a serious problem finding the manpower to fill the positions which have been created in the city. In the face of all of that, the territory government manages to record a massive deficit and to be unable to keep its dollars in balance.

I mentioned that, as part of the various measures that the ACT government has taken to try to claw back some measure of control over what is happening with the territory budget, it has dramatically increased rates. Rates notices now have been received by territory householders under the 2006-07 budget, and there are significant increases for many suburbs. Some suburbs are experiencing increases in charges of more than 45 per cent. Places such as Oaks Estate, Charnwood, Banks and Harrison are experiencing increases to their combined government property charges ranging between 45 per cent and 64 per cent. The suburbs that I just mentioned are not necessarily silvertail suburbs of Canberra. Some of them are areas where people on low incomes live. Those members of the Senate who have not been out to Oaks Estate recently should go and have a look out there and see what you think about the economic status of the people who live there. When they are receiving rates increases of up to 64 per cent, housing affordability for them is not getting any easier—quite the contrary; it is getting much harder.

On top of that, there is now an objection charge of $64 for ACT ratepayers to contest their rates assessment—unless it relates to a land valuation, in which case there is a $20 fee. That is just typical of the vast range of increased taxes and charges that members of the ACT community are having to face—which of course have to come out of people’s bottom line—and it affects their capacity as citizens to meet other costs, including the cost of housing.

I suspect that that sort of story is being replicated—perhaps not quite as dramatically—across other parts of Australia. When you look at that kind of mismanagement of budgets, it is not hard to realise why some people are feeling the squeeze. In fact, I dare say that what is occurring for many Australians is that the Commonwealth is handing out benefits on one hand—things like baby bonuses, opportunities for employment, tax cuts and other benefits—and state governments are gobbling up those advantages with increased taxes and charges of their own. I have no doubt that there are some Australians who are going backwards in these circumstances.

In the area of the Commonwealth-State Housing Agreement, you cannot look at the figures and not conclude that it is a significant step towards improving the financial capacity of state and territory governments to provide services to those on low incomes. I am proud that the Australian government is assisting people with relief from the cost of housing with measures such as those.

Senator Carr also made reference to the issue of homelessness. He needs to be aware that the Australian government spent approximately $220 million in the 2004-05 financial year on programs for homeless people. The SAAP, the HOME Advice Program,
the National Homelessness Strategy, Reconnect and other related programs are covered by that increased allocation. The government has also committed $10 million to the National Homelessness Strategy over the next four years. That commitment reflects a desire to ensure that all Australians are able to take advantage, where possible, of the good economic times which clearly prevail in this country at the moment.

The SAAP 5 agreement between the Australian government and the states and territories was agreed in September of last year. Bilateral agreements with the governments concerned were concluded up until January of this year. Under the agreement, the total resources available to the program will increase by almost $350 million to an estimated $1.82 billion over the life of the SAAP 5 agreement. The Australian government’s financial commitment to SAAP 5 will be $932 million over five years. There is nothing paltry about that commitment to provide accommodation to those most in need. And measures such as the HOME Advice Program and Reconnect have played a seriously important role in easing homelessness in this country.

Before we become too caught up in the shrill condemnation that Senator Carr has brought to the chamber with this motion, we need to be well aware that, firstly, the evidence is pretty clear that Commonwealth government decisions in the last 10 years have brought homeownership and housing affordability within the reach of many more Australians than was the case before this government came to office and, secondly, this motion fails to take into account the very serious problem of state and territory governments clawing back their overruns in costs by hitting homeowners—among others—with higher charges. Their contribution to the lack of affordability of housing in this country is an issue that needs to be much more carefully explored by people such as Senator Carr.

I oppose this motion. This is pure politics. Most people who observe this debate will realise that the Labor Party do not have a record on the question of housing affordability—and I am looking back 20 years ago in particular to what interest rates were like then—that would warrant them moving a motion such as this in the Senate today.

Senator BARTLETT (Queensland) (5.10 pm)—As Senator Humphries alluded to in his contribution, I have circulated an amendment. I move:

Omit paragraph (a), substitute:

(a) condemns the Howard Government and the state and territory Labor Governments for their failure to address the widely acknowledged affordability crisis in Australia’s rental and home ownership markets; and

This is an important debate that we are having today. Obviously, there is political points-scoring going on, as there always is in many of these debates—particularly when there are mixed responsibilities between state and territory governments and the federal government. That always seems to provide an opportunity for people to blame-shift and finger-point. But the issue of housing affordability is an absolutely crucial one. For that reason, I am very pleased that the debate has been brought on today. I do not believe it is one that has had enough attention at national level.

My amendment goes to the first part of the motion moved by a Labor senator from Victoria, Senator Carr, which:

... condemns the Howard Government for its failure to address the widely acknowledged affordability crisis in Australia’s rental and home ownership markets ...

I agree with that: there has not been enough done to address the affordability crisis. But
that blame has to be shared with the state and territory governments. For that reason, my amendment includes the state and territory Labor governments in that condemnation for failing to do enough to address housing affordability. We all acknowledge that there is a housing affordability crisis—anybody who is being honest does. Given that housing is a shared responsibility between state and federal governments, it is therefore appropriate that the blame should be shared for not enough being done about it.

The second part of the motion calls on the federal government to show leadership on the issue. That is a part that I agree with, because one of the problems that I believe we face is that there is not enough national leadership on the issue from and not enough national ownership of the issue by the federal government. There is too much of a willingness to push away overall responsibility and to just say: ‘We do our bit at the federal level with interest rates and with the funding for the Commonwealth-State Housing Agreement or rent assistance. All the other bits are the responsibility of the states and all of those bits are the reasons why things have become unaffordable.’ It is simply not logical to do that.

I remind the Senate and the public that housing affordability became such a sufficiently serious issue nationally that the federal Treasurer felt the need to act decisively, and his way of acting decisively to address a matter that was seen as a major problem nationally was to call an inquiry. That got it off the front pages. He called a Productivity Commission inquiry into housing affordability—at least with regard to first-home owners—and then went on with other things.

The problem was that when the Productivity Commission inquiry came down with its report—and the Productivity Commission is hardly a radical left-leaning body; it is a very dry, economically driven and conservative body—that report contained recommendations that applied to the federal government as well as to the state governments. The federal Treasurer must be condemned for his response to that report. Not surprisingly, he wholeheartedly agreed with the recommendations from the Productivity Commission that called on the states to do things like drop stamp duties, deal with matters to do with land release strategies and deal with matters to do with developer charges. The Treasurer was all in favour of strong action on those things, because the states need to be doing something about it. But every single recommendation from the Productivity Commission that went to the federal government level he rejected. That is a clear sign of a failure of nerve, a failure of courage and a failure of leadership in these areas.

There was a recommendation to ‘review those aspects of the personal income tax regime that may have recently contributed to excessive investment in rental housing’, including the capital gains tax provisions and the restrictions on negative gearing. The federal government and the Treasurer rejected that recommendation to examine the impacts of those taxation arrangements on housing affordability. The Treasurer even made the extraordinary statement that there was no conclusive evidence that the tax system has had a significant impact on house prices—quite an extraordinary statement from somebody who tries to profess to be economically literate, as the Treasurer does—despite the key finding from that Productivity Commission report:

Interactions between negative gearing, ‘capital works’ deductions, post-1999 capital gains provisions and marginal income tax rates have lent impetus to investment demand during the housing boom.

That of course lent impetus to the very significant rise in housing prices and the hous-
ing affordability crisis. The Treasurer just put on his blinkers and refused to see the obvious truth there. Another recommendation was:

A national public inquiry should be established to examine the housing needs of low income households across Australia, including in Indigenous communities, and the nature and extent of assistance to help meet those needs.

The government did not want that. It did not want a national inquiry to look at the problem holistically, because it does not want to reinforce any perception or belief that this is a federal government responsibility, that it is anything that it should take national leadership on. The continuing calls from people in the housing sector—not only the non-government sector but also the housing industry organisations and the property industry—for a national housing strategy have continued to be ignored by this government.

Other recommendations in the report included examining better targeting of the First Home Owners Scheme. Even that was rejected by the federal government. The fact that a significant proportion of the First Home Owners Scheme goes to higher income earners—the people who are most likely to be going into the housing market anyway—rather than being targeted to lower income earners means not only that it is not applying efficiently but also that, in its own way, it could be contributing to the increase in housing prices.

We have a strange mindset in Australia—or it certainly appears strange to me—where we continually see reported in the mainstream media that, when housing prices go up, it is seen to be a good thing. Obviously, it is a good thing if you are an investor, but investors are a minority in Australia—though a sizeable minority—with fewer than 20 per cent of people having investments in housing. That is far more, I might say, than many comparable countries like the US or Canada—another reason to point to the tax mix in Australia and the way that encourages investment in housing rather than investment in other more productive areas of the economy.

For the vast majority of people, particularly those who are less well off—the battlers whom this government likes to pretend it has concerns about—it is a very bad thing when the price of housing goes up. But somehow or other, whenever housing prices dip, it is seen, and reported continually, as a bad thing. I recognise that there is a lot of interconnectedness, that the housing and construction industries and all those things feed into economic growth and it is not all black and white, but I do think we need to shift away from a mindset, which is continually reinforced, that somehow continually increasing housing prices is a good thing.

I point to an earlier report of the Productivity Commission’s predecessor, the Industry Commission, which in some ways had a reputation for being even more economically dry than the Productivity Commission. The Industry Commission’s 1993 report on public housing still has a lot of validity today. The very first line of that report said, ‘Housing is a basic human need.’ I think we often forget that when we are looking at housing issues. That should be our starting point when we debate housing and consider housing policy. That is why it should be a national issue and that is why there should be a national housing agenda. It is a basic human need that is not being adequately provided and is not adequately available to many Australians.

I would go further than that and say that it is a basic human right. If we look at all of the other issues that we debate in this place about education, health, employment and all sorts of things, I think they all stem from that starting point of secure, affordable, appropriate housing for people. If you cannot afford
housing near where the jobs are, it is harder to get the jobs or you have to spend a lot more time travelling to and from those jobs. If you cannot afford housing near where good-quality education, hospitals and health services are, again, it impedes your chances to have the same opportunities as other Australians. There is also the issue of adequately sized housing. As we all know, that is a big issue in Indigenous communities. The housing crisis there is not only about the number of houses per se but also about the higher number of people who have to live in the houses, because there are not enough houses. That overcrowding certainly provides a basis for many of the other problems that we often talk about with regard to Indigenous communities. So housing is a fundamental right.

I must say in the context of this motion and the amendment that I moved to include the state and territory Labor governments that I perhaps should have amended the motion further to condemn not only the federal government but also Labor at a federal level for their contribution to this crisis. Labor have raised the issue from time to time, and I commend Senator Carr for doing so today, and I think the previous shadow minister, Mr Albanese, when he was covering housing areas, did a reasonable job. But the fact is that major components of the key factors that I mentioned as contributing to the housing affordability crisis at a federal level—the tax mix, particularly the capital gains tax deductions—were supported by the ALP.

The capital gains tax deductions were a key driver of the massive flood of what I would say is overinvestment in the housing market, driving the price of housing out of the reach of first home buyers and lower income earners. That very clearly stemmed from the capital gains tax changes in 1999—changes that categorically and massively benefited the highest income earners in Australia. The changes occurred only because the Labor Party went with them. The Democrats copped an enormous flogging for supporting the GST. I did not support it myself but enough of us did for it to pass. People have their views about how fair or appropriate that was, but if anybody wants to condemn a tax change that was massively tilted towards the highest income earners then it should be that capital gains tax change that was supported by the Labor Party.

That was done in exchange for a promise that was never delivered on. This government not delivering on its promises is hardly newsworthy. Nonetheless, it was done in exchange for a promise to review the taxation treatment of trusts. That never occurred, so we had the massive windfall for the highest income earners and then no action on another area that clearly is a loophole that is exploited by many people who are also high-income earners. It was a double bonus for the top end and, because of its flow-on impacts, particularly in areas like housing, it was a big whack around the ears and a big negative for the lower end.

It is a similar situation with negative gearing. It is quite clear from both major parties in this place that negative gearing is a no-go zone; nobody will touch it. I am not saying that negative gearing should be abolished. To some extent I think it is so entrenched now in people’s investment decisions that it is very hard to touch. But I do think it can be constrained, I think it can be quarantined and I think it can be restricted in ways that would not unfairly advantage people who have invested on the basis of its availability but would at least constrain its clearly distorting effect on the housing market.

The fact is that we spend, in effect, by forgone revenue, more by a long way on tax expenditures on negative gearing than we do each year on the Commonwealth-State Housing Agreement. We provide far more in tax
breaks for higher income earners, who can afford to invest in housing, than we provide in housing assistance to lower income earners. Even rent assistance, which obviously is targeted at welfare recipients, I understand now costs more each year than the Commonwealth-State Housing Agreement. I remind senators of the findings of the Industry Commission way back in 1993 that the provision of public housing is a cost-effective way to meet government housing objectives. It is actually more efficient than the very poorly targeted spraying of rent assistance in the private sector. There is plenty of evidence to show that, in part at least, that contributes to driving rents up and basically subsidises investors and landlords rather than assisting tenants.

Public housing funding is a far more efficient way to deliver housing outcomes, yet we are not seeing the increase in public housing stock that we should be. I remind the Senate of the annual report for 2003-04 on the Housing Assistance Act that has only recently been tabled. It takes a long time for these reports to appear in the parliament. It shows that the total number of dwellings has been declining nationally. It is going up in some states and down in others, but the total housing stock is going down, including public housing, community housing, crisis accommodation and Indigenous rental housing. So, in an area that is an efficient way of delivering, we are seeing a reduction in the total availability in the community.

We are seeing a genuine crisis in housing affordability. The Urban Development Institute of Australia released a report just last month highlighting a $100,000 gap between household earnings and the cost of an average home. They believe that it needs somebody—a minister for housing affordability—dedicated to focusing on that. I think there are roles for state governments to do more. Stamp duty, in particular, certainly has a distorting impact in some areas. But there is no doubt that we need a national approach to the housing strategy and that that must include examining the factors at a national level that can drive up housing unaffordability.

This is not just a matter of the housing cycle and the normal peaks and troughs in the price of housing. It is clear in the evidence from the Productivity Commission report that the latest spike, the big increase in housing prices, is outside the normal cyclical nature of the housing market. That has to be addressed. There is no point in calling an inquiry, spending all those resources and having a body go around and absorb all the evidence, listening to people who deal with this issue on a day-to-day basis—there is a lot of expertise and a lot of work being done by everybody else except the federal government in this area—and then ignoring the findings. The findings are quite clear. The Productivity Commission is a very conservative economic body and its findings are quite clear with regard to this.

The statistics are also quite clear: average mortgage payments have risen significantly, despite all the talk about low interest rates. I do not dispute that, although at a global level Australia’s interest rates are quite high by comparison. Obviously, it is better to have them where they are now than to have them at 17 per cent. Despite that, interest rates have to be counterbalanced with the other factors which the federal government is also responsible for which have pushed up house prices. They have meant that average mortgage payments have risen, and risen significantly, even with much lower interest rates.

The number of first home buyers has dropped significantly, which means that fewer people are able to afford to take that first step. If you can get into the housing market, if you are able to get yourself established and buy a home and pay it off, then
you are doing well. But more and more people are not able to manage that and that is creating a divided society and a much bigger problem with the have and the have-nots. The average house price relative to income has almost doubled in recent years. That is a serious problem. It is leading to a significant and growing divide in our community. People can use all sorts of statistics to talk about whether the gap between rich and poor is getting bigger. If you look at net income, it is arguable that it is not. But, if you look at it in terms of overall wealth, it is beyond dispute. The gap between the haves and the have-nots is growing very significantly from year to year. The big driver of that is housing prices. The haves, who have property, who have housing, are doing fine and those who do not are being left further behind.

That is why this is a national issue. That is why the federal government and the state governments should be condemned for not doing more to address it—other than just blaming each other. It is also why federal Labor should stand condemned for continually playing their part in the increase in the cost of housing and continually avoiding some of the hard decisions that are needed. That is what we need, otherwise more Australians will be left out and more Australians will not be able to afford what, let us remember, should be a basic human right: simple, affordable, appropriate, secure housing.

Senator SIEWERT (Western Australia) (5.30 pm)—I rise to speak on this extremely important issue. I am glad that Senator Carr has put this issue on the agenda again. One of the biggest problems facing low-income Australian households today is finding affordable, secure and appropriate housing. There are various definitions of affordable housing. I have looked up the Australian Housing and Urban Research Institute definitions. They say there are a number of measures for defining affordability, but they use the 30-40 rule, a commonly used measure in housing research and policy. By this definition, housing is affordable when a low-income household—which they define as being in the bottom 40 per cent of the needs adjusted or equalised disposable income distribution—pays no more than 30 per cent of its gross household income on housing costs. Using the 30-40 rule, estimates for 2002-03 found that 862,000 Australian households experienced housing affordability problems—in other words, in housing stress.

Over a one- to two-year period, many of these households may be able to improve either their income or their housing cost circumstances to alleviate their housing stress. However, a third of households experience housing stress for more than two years. As ACOSS says:
The lack of affordable housing reflects a basic failure in the relationship between housing markets, incomes, employment, investment and the tax and welfare systems. Contributing further is the lack of a national policy framework within which government activity in the housing system can be directed and coordinated.

In other words, these are the areas where government should be involved: the tax and welfare systems and, of course, generating a national policy framework, which is sadly lacking in this country. I think it is fair to say that there is a looming national crisis in housing affordability. I think the benefits of investing in affordable housing, public housing, community housing, are manifold.

A recent Australian Institute of Health and Welfare report on the value of community and public housing articulated this. As I have pointed out in this place before, they demonstrated a very good base of statistics for a very good case for why public and community housing are so important. ABS research shows that the level of housing stress—which I defined earlier—for those renting privately or buying houses is very high with
households in the bottom 20 per cent of incomes spending more than 60 per cent of their income on housing costs. The stock of social housing under the Commonwealth-state agreement has fallen 32 per cent in real terms from 1996, resulting in an 11 per cent fall in stock between 1996 and 2005. Over the last five years, the number of households assisted each year has fallen from nearly 40,000 in 2001 to less than 28,000 in 2004-05, a decline of more than 30 per cent.

While there has been some growth in the funding for the agreement over the next two years, this will be less than half the rate of inflation. This means that there is reduced funding for social housing in real terms. It will leave more than 200,000 social housing applicants wondering if they will ever have an affordable place to live. In its first report the Affordable Housing National Research Consortium suggests that, on present trends and in the absence of new policy measures to redress this situation, the number of stressed households will reach one million by 2020. Housing impacts on a person’s ability to find work, education and training. Regions and cities with jobs often have high housing prices and rental rates. Poor housing can also negatively impact on a person’s health and wellbeing.

I am particularly concerned about the housing situation facing Aboriginal people in Australia. This is rather topical, considering the land rights legislation that is currently being debated in this place. Tom Calma in his report on native title states that, according to the Australian Bureau of Statistics, $2.1 billion is required to address Indigenous housing needs. The statistics should scare everybody. It is going to take a long time to make up for the shortfall in Aboriginal housing. Many of us have seen the awful pictures on TV showing levels of overcrowding that non-Indigenous people would find totally unacceptable. I doubt they would be able to deal with it.

The Australian Institute of Health and Welfare in 2005 released its report into Aboriginal housing needs entitled *Indigenous housing needs 2005: a multi-measure needs model*. In the report some very scary statistics are listed. For example, in all jurisdictions the rate of homelessness is much higher for Indigenous people than for non-Indigenous people. Rates vary in different jurisdictions but the average Indigenous homeless rate is 18 per 1,000, which is about 3.5 times the non-Indigenous homeless rate. Looking at overcrowding, the report found that 10 per cent of Indigenous households lived in overcrowded conditions. One in every three, or 34 per cent, of the Indigenous community housing sector is affected by overcrowding. Twenty-two per cent of Indigenous people live in overcrowded conditions across Australia—again, it varies between jurisdictions. The rate of overcrowding among Indigenous people was 953 per 10,000—six times the rate of overcrowding for non-Indigenous people.

If you look at housing affordability statistics for Aboriginal people, you see that, in 2001, 37 per cent of Indigenous households paid out more than 25 per cent of their income in rent. The proportion of households in affordability need varied by tenure type and was highest among households who were private renters, at 66 per cent, and lowest among those in Indigenous or mainstream community housing, at 16 per cent. Thirty-seven per cent of Indigenous households were affected by the affordability of housing, compared with 30 per cent of non-Indigenous households. If you look at statistics for dwelling conditions and connection to essential services, you see that many dwellings in discrete Indigenous communities have been found to be in need of repair or replacement. In 2001, 27 per cent of
dwellings were in need of major repair or replacement. This is one of the major issues in Aboriginal communities. Even when Aboriginal communities can get access to housing, finding funds to be able to maintain their dwellings with is extremely difficult.

The extreme disadvantage faced by Indigenous Australians was also highlighted by the release in July last year of the Overcoming Indigenous disadvantage: key indicators 2005 report by the Productivity Commission. The report once again highlighted the growing gap between Indigenous people in this country and the rest of the Australian population in all its headline and strategic indicators. I remind this place again of the statement by the Chairman of the Productivity Commission, Gary Banks, in which he said:

It is distressingly apparent that many years of policy effort have not delivered desired outcomes; indeed in some important respects the circumstances of Indigenous people appear to have deteriorated or regressed. Worse than that, outcomes in the strategic areas identified as critical to overcoming disadvantage in the long term remain well short of what is needed.

If you go on further to look at other statistics, such as homeownership, you see that Australia has one of the OECD’s highest rates of homeownership, with the 2001 census showing 70 per cent of Australian households were living in fully owned or mortgaged dwellings. This is in stark contrast to the 14.6 per cent of Indigenous households in the Northern Territory that own a dwelling or have a mortgage on a dwelling. This is a scary statistic. Furthermore, the current projections for the rate of Indigenous population growth in remote areas indicate that this problem will continue to worsen. It is access to housing that is the issue here.

There are many different statistics available on housing affordability. I have done quite a bit of research and have found a range of different figures. They vary slightly, but the overall trend is the same—that is, access to affordable housing is getting more difficult in this country. There is an urgent need for the government to take increased responsibility and to take action to address this issue. It is telling that we do not have a minister for housing. We need a national strategy in this country, as was articulated by ACOS. I understand they are becoming increasingly alarmed about access to affordable housing and what it means for our community. Very often, housing is available at high cost where jobs are, but jobs are not available near low-cost housing. People in those areas often have very limited access to transport. So, if people live where housing is more affordable, they often have great difficulty getting to the area of their employment.

Another issue that will be of growing concern as petrol prices rise is that people’s access from their homes to transport will be increasingly difficult. The work by Griffith University in this area is very illuminating. They looked at the impacts of increasing oil prices—whether it be through just increasing oil prices or the lack of availability of oil through peak oil—and they have identified areas where it will be extremely difficult for people to gain access to transport because adequate public transport is not available. These are low-income areas, so housing affordability will get even worse. Once the impact of higher petrol prices and peak oil start to kick in, we will have an even bigger crisis. As the Affordable Housing National Research Consortium suggested, unless we do something, this issue will get worse. The consortium thinks the number of households stressed—and that is households, so there will be more people—will be one million by the year 2020. There is a clear need for the government to start taking more responsibility for affordable housing—to look at the tax and welfare systems and to develop a national policy framework in which proper,
appropriate decisions can be made to address this pressing issue and to deal with this national crisis.

Senator SHERRY (Tasmania) (5.42 pm)—We are currently debating a motion moved by my frontbench Senate colleague Senator Carr concerning the issues relating to housing affordability. Homeownership is very important—and rightly so—to all Australians. It is central to the Australian ethos. Central to homeownership is the cost of borrowing money to pay for your home: interest rates. It is in this area that we have seen some very worrying movements over the last 18 months.

Before I go into interest rates in more detail, I have to say that where I live, on the north-west coast of my home state of Tasmania, interest rates are not the only issue worrying the local community. I frequently have raised with me the issues of petrol prices, which are putting a real squeeze on the family budgets of low- and middle-income Australians; the recent extreme and radical industrial relations changes, which are designed to reduce the wages and conditions of Australians; and price increases—in particular, food price increases—and, I have to say, not particularly of bananas but price increases across the board. Middle Australia has been feeling much greater financial pressure over the last year in particular, so I think the concern is very understandable.

What have we had from the government in recent times? What have we had from the Howard-Costello Liberal government? This is a government increasingly divided and out of touch and uncaring. Look at what has been occurring in recent months. We have had the Treasurer, Mr Costello, and the Prime Minister, Mr Howard, more preoccupied about who was going to have the top job than focusing on the real everyday concerns of Australians. We had the Treasurer, Mr Costello, effectively calling the Prime Minister a liar and, in retaliation, the Prime Minister, Mr Howard, effectively calling Mr Costello arrogant. On this occasion they were both right, and they are both out of touch.

It is not just Mr Howard and Mr Costello who are out of touch. Look at what has happened in the Senate this week. We have got the ‘minister for parrots’, Senator Ian Campbell, who has been undermining investment confidence by banning a wind farm on the basis that a parrot might hit the wind farm once in a thousand years. We have got Senator Coonan, Minister for Communications, Information Technology and the Arts. What a mess communications is in at the present time. Next week we will have the withdrawal of the privatisation of Telstra because of the shambles. We have got Senator Vanstone presiding over a flood of overseas workers coming into this country. It is not just the Prime Minister and the Treasurer who are out of touch.

There is Mr Turnbull in the other place, referring to the interest rate increases being overdramatised. How out of touch can you get! The government has the gall, after almost 11 long years in office, to try to blame the Labor Party for it—or bananas, and I will get to the bananas a little later. Then there was the earlier contribution from Senator Humphries, the Liberal senator from the ACT. He is out of touch. He still thinks that interest rates are low at the moment. He resorted to the old excuse and spent almost half his speech talking about the ACT government. What did that have to do with the issue at hand? I suppose we can be thankful that at least he did not go on to bananas. But it was the old game of blaming the state government—or blaming the ACT government, in his case.
Let us have a look at what has been happening with interest rates. We have had three interest rate increases since the last election. Interest rates now stand at 7.8 per cent, and that is not low, despite the out-of-touch view of government members on this issue. A small increase in interest rates packs a very big punch now. Why is that the case? At the present time, after the last increase, the average mortgage repayment by an Australian family now stands at $1,685 per month. Compare that to 1989, which this government is very fond of doing. In 1989 the average repayment was $959. So an interest rate increase now packs a much bigger punch. That is because general debt levels are far higher under the Liberal government—significantly higher. If you look at the repayment levels and the proportion of income that Australians are having to devote to paying off their mortgages, it is much higher today than it was back in 1989, a period with which they are so fond of making comparisons.

Recently we had the Treasurer, Mr Costello, boasting on the Sunday program that if you ‘see a single digit in front of your interest rate, that is low’. Interestingly, the transcript of the program was mysteriously airbrushed off the Treasurer’s website recently. He did not want that quote continuing to appear on his website. I think he probably wishes he could airbrush the Prime Minister out of office quite as easily. The fact is that a 7.8 per cent interest rate is not low yet for Middle Australian families. The three interest rate rises we have seen since the last election have added a massive $108 a month to the average new mortgage. This is at a time of dramatically higher petrol prices. Last week I saw some interesting statistics. We heard a lot about tax cuts in the last budget, but, with the interest rate rises and the petrol price rises and the food price rises, the tax cuts that we saw in the recent budget have been wiped out for most low- and middle-income Australians.

I referred earlier to household debt levels today. Household debt now stands at the equivalent of some 150 per cent of household disposable income. Household debt is far higher today than it was in 1989, when it stood at 60 per cent. That is fundamentally why a small rise in interest rates, as the government claims time and again, has such a significant impact. The government is fond of making historical comparisons. We hear a lot about interest rates back in the late 1980s and early 1990s. I thought I should have a look at it historically. If we want to look at history, let us have a look at interest rates going back to 1971—

Senator Kemp interjecting—

The ACTING DEPUTY PRESIDENT (Senator Forshaw)—Order! Senator Kemp, you are interjecting loudly while you are out of your seat and you should refrain from doing so.

Senator SHERRY—I decided to have a look at the history of interest rates since 1971, because we hear a lot about history from this government. They are constantly in the blame game: blaming the previous federal government after almost 11 long years, blaming state governments, blaming bananas, blaming anything else—but not blaming the government of the day. This is a government that is very fond of claiming credit for good news but distancing itself from bad news. They blame someone else when the going gets tough. They will not take responsibility. So I went back to 1971 and I got the contract for the 30-year fixed-rate conventional home mortgage rates quarterly statistics. Do know what year we experienced the highest mortgage rates in this country? It was in October 1981. That is a fair while ago—

Senator George Campbell—Who was the Treasurer then?
Senator SHERRY—That is exactly right, Senator George Campbell: who was the Treasurer of Australia in October 1981? I would hope that we remember. It was Mr Howard, the current Prime Minister. So, if we want to look at history and we want history lessons, the fact is that the period of the highest mortgage rate in this country was when the current Prime Minister, Mr Howard, was Treasurer of the country, back in 1981. I want to come to some history a little closer to now—that is, at the last election, when Mr Howard said: ‘Trust me, trust me. We’ll keep interest rates low.’ He said:

... the Australian people will make decisions about my credibility. They’ll... make a decision about who they better trust to keep their interest rates down.

I have to concede, unfortunately, that some of the Australian electorate did trust the Prime Minister. He had the record of Australia’s highest interest rates, back in 1981, and they did trust him. They trusted Mr Howard when he said that there would be no GST—never, ever. They trusted him.

Of course, at the last election we heard nothing about the radical reform of industrial relations. We heard a lot about interest rates and keeping them low, and what do we have today? Very high interest rates from the point of view of the average consumer and household. There was not one mention of radical reform of industrial relations. Of course, we got that dished up to us after the election. There was not one mention of that in the election campaign, but there was the continual mantra of ‘trust me. I’ll keep interest rates low’. What do we have today? As a consequence of today’s interest rates, Australian households have a significantly higher mortgage repayment than they had back in 1989—significantly higher.

This government is fond of making international comparisons when it suits them. We had it today from Senator Minchin. He did not once mention the words ‘interest rates’ this week, but he did want to go to international comparisons. Even on this score, this government’s record is absolutely appalling. If we look at the international experience, what is happening overseas with housing interest rates, we will see that, of the 11 comparable economies, Australia now has the second highest interest rates in the world, at 7.8 per cent. We are exceeded only by New Zealand, at 9.55 per cent. Countries such as the UK, the US, Italy, Sweden and Japan all have housing interest rates lower than us. So, for a government that are fond of making international comparisons, they never want to quote the figures on international interest rates because we have very high interest rates by comparison. They do not want to. They are now severely embarrassed by the three interest rate rises since the election, but, of course, they do not take responsibility. Their mantra is, ‘It’s not our fault,’ or: ‘They’re still low. It’s not our responsibility. We’ll take responsibility when there’s good news, but we won’t take responsibility when there’s bad news.’

I think that is a sign of a government in decay. It is a government that has lost touch and direction. Senator Scullion, you can smile, but the average punter on the north-west coast of Tasmania does not think that the government has any particular direction. We will see what happens at the next election. The average punter on the north-west coast of Tasmania does not think that the government is performing particularly well at the moment when they fill up their car with petrol and try to pay for it or when they pay the ever-increasing bill at the local supermarket. The Prime Minister at the last election proclaimed trust about keeping interest rates low, and what has occurred is that the average family repayment has increased significantly since the last election.
This is an important debate. It is very important that we have affordable housing in this country. Owning your own home is a mainstay, a central ethos, of Australian economic and social life. The Labor Party and I worry deeply about the financial pressures that Middle Australia is currently experiencing. On top of that, we have the industrial relations reform, so-called, which is putting further significant pressure on them. The average family faces cuts in wages and conditions.

This is a government that is out of touch. It is arrogant. It spent a couple of weeks brawling over who was going to get the top job—Mr Howard or Mr Costello. We have had minister after minister failing in their policy responsibilities. In one case, the ‘minister for parrots’, Senator Ian Campbell, acted illegally and got caught out undermining investment in this country. Investment is necessary for economic growth. As for Senator Coonan, the future economic growth of the country is in her hands—the future of our telecommunications system, and what a shambles that has turned out to be. We will have a second minister for communications before long, the way it is all headed. A second minister for industrial relations was appointed to try and explain away the consequences of reform. We will need a second minister for communications before long. One thing that we can safely say is that there is considerable doubt that the Treasurer, Mr Costello, will ever get the top job from Mr Howard, after the events of recent months.

Housing affordability is important, and interest rates and their impact are central to that level of affordability. This government has presided over a very sorry record since the last election. There have been three increases in interest rates, to 7.8 per cent—a significant addition to Middle Australia’s household financial burden—on top of increased petrol prices and food prices, but, as I said, not including bananas. If the Prime Minister or the Treasurer went into the local supermarket and excluded bananas from their household shopping, they would notice the difference—if, indeed, they ever do this. I think they are totally out of touch. They probably do not remember the last time they went shopping. Food prices are increasing. They are the constant worries and concerns of low- and middle-income Australia. What did we get dished up from the Prime Minister, Mr Howard, at the last election? ‘Trust me, we’ll keep interest rates low.’ Well, I hope they remember. (Time expired)

Debate interrupted.

DOCUMENTS

The ACTING DEPUTY PRESIDENT (Senator Ferguson)—Order! It being 6.00 pm, the Senate will proceed to the consideration of government documents. There are 112 government documents listed for consideration on today’s Notice Paper and there is a limit of one hour for their consideration. To expedite the consideration of documents, I propose, with the concurrence of honourable senators, to call on the documents page by page, as they are listed on pages 12 to 22 of today’s Notice Paper. Documents to which no senator rises will be taken to be discharged from the Notice Paper. Documents not called on today will remain on the Notice Paper. There being no objection, it is so ordered. I now call documents 1 to 6, listed on page 12.

Department of Immigration and Multicultural and Indigenous Affairs

Debate resumed from 2 March, on motion by Senator Crossin:

That the Senate take note of the document.

Senator FAULKNER (New South Wales) (6.01 pm)—I speak about document No. 2 in the Notice Paper list, the DIMIA 2004-05 annual report—all 528 pages of it. I
want to talk about just a few things that you will not find, as well as some that you will find, in this annual report. This report does not tell you anything more about the outrageous scandal of a mentally ill Australian resident, Cornelia Rau, who was locked up in detention, except that it was the cause of a little scrutiny in the department. It takes the same scanty approach to the deportation of Vivian Alvarez Solon. It draws a veil over a pregnant New Zealand woman detained in a Brisbane prison for 23 days by immigration officials before being released. And it draws a veil over Ian and Jamie Hwang—11 and five years old at the time—who were forcibly removed from Stanmore Public School and wrongly detained for more than five months, even though they were legally in Australia on valid bridging visas.

You will not read about Peter Qasim, who had seven years in detention. He declared he was from Kashmir and the government claimed they were unable to confirm his background, despite three language experts brought in by the government stating he was likely to be from Kashmir. What about the late Harry Seidler’s citizenship and passport fiasco? You will not see that. You will not see the Hamberger report. A damning, independent inquiry found that five unnamed detainees were manhandled by GSL officers, subjected to sensory deprivation and denied access to food, water and toilet facilities during a 6½-hour journey in a small van—and the department misled the media about it.

You will not read the case of Mr X, a stateless man from Bangladesh and an insulin-dependent diabetic. The immigration department was planning to deport him even though he would have most certainly died within weeks of leaving Australia. You will not read the case of Mr T, a mentally ill Australian citizen who was detained in 1999, correctly identified after five days and released, only to be redetained in the same facility for 242 consecutive days. You will not see any reference in this annual report to the promotion of the departmental secretary of DIMIA who had oversight of all of this, Mr Bill Farmer, to Australian Ambassador to Indonesia.

We know this department was a shambles between 2004 and 2005. This department represents one of the greatest public administration fiascos in the history of the Commonwealth of Australia—a department so tainted by the Howard government’s politics that it has developed an obsession with detention and deportation. If you read this annual report, you will not know any of that. You will not know that Minister Vanstone and her discredited predecessor, Mr Ruddock, have overseen bungle after bungle and disaster after disaster, and that the department has been in chaos. But we know what is not in the annual report. We know the mistakes, the wrongful detentions and the wrongful deportations, and we wait to see what other disasters and incompetence will be revealed as time goes on. You can be sure you will not see them in this annual report of 528 pages, so I thought someone at least should today, in the Senate, put on the record the department’s real performance—put the real record on the record.

Before I conclude my remarks, I just wanted to take this opportunity to congratulate my leader, Mr Beazley, for accurately describing Mr Wilson Tuckey on these immigration issues as ‘weak and worthless’. You are absolutely right, Mr Beazley. Mr Wilson Tuckey was out there defending the indefensible. He was out there defending this department—this turnstile of incompetence. He was supporting Senator Vanstone, the most accident-prone minister that we have in the Howard government. (Time expired)

Senator IAN MACDONALD (Queensland) (6.06 pm)—I also want to take a cou-
ple of minutes of the Senate’s time to congratulate the Minister for Immigration and Multicultural Affairs for the work she and her department have been doing in a very difficult area over many years, even going back to 2004-05—when I do not think Senator Vanstone was then the minister, but whoever the minister was at the time—

Senator Faulkner—Ruddock.

Senator IAN MACDONALD—Someone tells me it was Mr Ruddock, so why did Senator Faulkner just spend 20 seconds talking about Senator Vanstone? He is not even aware of the right report.

Senator Forshaw—Because it’s this year’s report, you goose!

Senator IAN MACDONALD—He’s not even aware of the right report! It is from 2004-05. But this department does operate in very difficult circumstances. What I think the department does is very sensitively deal with a lot of issues. Thousands and thousands of people go through the hands of the department in any one year. You hear about two or three of them; there are mistakes made. Those mistakes are corrected as quickly as can happen.

Not quite on the report: I am glad Senator Faulkner drew attention to the loutish behaviour of the leader of the Labor Party, Mr Beazley, in fronting up to Mr Tuckey. Mr Tuckey certainly does not need me to defend him. I have to say, but there is a man of strength, courage and commitment, who has done a marvellous job for Western Australia, particularly his electorate, over a long period of time.

Opposition senators interjecting—

Senator IAN MACDONALD—He has been here for much longer than any of those shouting from the other side will ever be. His contribution to Australia in the time he has been here will surpass the contribution of all those on the other side put together. It is a disgrace that the Labor Party have now perhaps sunk even lower than when Mr Latham was the leader. One would think that they could not have gone lower than Mr Latham. These people all supported him, of course, but the general public saw through Mr Latham. It is of interest that it now seems that the current leader is determined to lower the standards even further. That sort of loutish behaviour, where you confront in a physical way members of parliament who are out there making their points of view known, expressing their views as we love to do and are entitled to do in this country, does not suit Mr Beazley. He did not want to answer the questions that Mr Tuckey was suggesting should be put to him. Mr Tuckey quite rightly said: ‘Don’t talk about the so-called Liberal rebels; ask what the Labor Party is doing. Ask why the Labor Party is so weak on border protection, so weak on these sorts of issues that they oppose the government.’

But congratulations to the department on the work they did in the year 2004-05. And good luck to the current minister as she tackles some of the really difficult issues confronting Immigration and Multicultural Affairs.

Senator STERLE (Western Australia) (6.09 pm)—I rise to speak to the Department of Immigration and Multicultural and Indigenous Affairs annual report for 2004-05. Honourable senators will recall that on 14 June this year I asked Senator Vanstone whether there was anything in the relevant regulations to prevent employers from forcing section 457 visa guest workers to work unreasonable hours in order to earn the required minimum salary of $41,850. I was concerned that, if the section 457 guest workers were paid the minimum wage, they would need to work more than 60 hours a week in order to earn the salary required un-
der the regulations. In Senator Vanstone’s reply to my question she said:

We would be happy to make any investigation in relation to any claims that you bring forward.

Senator Vanstone also said, when asked a question on that same subject the following day by Senator George Campbell—

**Senator Ian Macdonald**—Mr Acting Deputy President, I rise on a point of order. It is not the point of order about Senator Sterle reading his speech yet again—I won’t raise that. It has just been clearly pointed out by the opposition that this report that we are discussing, the Department of Immigration and Multicultural and Indigenous Affairs annual report for 2004-05, covers a time when Senator Vanstone was not the relevant minister. What is the point of discussing this particular report? Senator Sterle seems to be discussing Senator Vanstone, who had nothing to do with the department at that particular time.

**Senator Wong**—Mr Acting Deputy President, on the point of order: I find it interesting that Senator Macdonald, who wants to talk about the opposition leader in his—

**The ACTING DEPUTY PRESIDENT (Senator Ferguson)**—What is your point of order, Senator Wong?

**Senator Wong**—I raise a point of relevance. There are two issues. First, the minister is the minister who has tabled the document—it is her department. Second, my recollection—I am happy to be corrected—is that Senator Vanstone was in fact the appointed minister during that period after the 2004 election.

**The ACTING DEPUTY PRESIDENT**—Order! Both speakers have made very good debating points but I think Senator Sterle is in order.

**Senator STERLE**—I will quickly reiterate that, when Senator Vanstone was asked a question by Senator George Campbell on the same subject, the response was:

... if the company is doing the wrong thing they will be dealt with ...

I have done some research into what exactly Senator Vanstone means when she says that companies that do the wrong thing will be investigated and ‘dealt with’ in my home state. I learnt that, far from making investigations into allegations of exploitation, the immigration department merely refers such matters to the Western Australian Department of Consumer and Employment Protection for them to investigate at Western Australian taxpayers’ expense. Under the terms of the memorandum of understanding between DIMA and DOCEP it is open to the employer to identify breaches and therefore avoid prosecution. How charitable!

I learnt that in 2004-05 the Western Australian Department of Consumer and Employment Protection conducted 36 investigations at the immigration department’s request into alleged breaches by bosses of their legal obligations to the section 457 guest workers. I also learnt that 28 of the 36 bosses investigated were found to be in breach of one or more matters, including failure to pay appropriate rates of pay, failure to pay penalty and overtime rates of pay, failure to meet annual leave and public holiday entitlements and failure to maintain appropriate time and wages records. The total value of identified underpayments for these 28 breaches was $203,000, with underpayments to individual workers of up to $30,000. One worker was even being forced to work 84 hours per week. But the Howard government has ensured that, if these dodgy bosses quietly fix up the pay, they will avoid prosecution for their crooked actions. So much for being ‘dealt with’. Despite the documented widespread and disgraceful rorting of these vulnerable section 457 guest workers, the Howard government can rightly say:
After thorough investigations of allegations there has not been one single prosecution of an employer in Western Australia for exploiting 457 guest workers.

All of these matters were quietly settled and swept under the carpet so that there is no record of prosecution for any of these 28 crooked actions in Western Australia.

I invite senators to compare the loving and forgiving treatment the Howard government shows to employers who rip off vulnerable 457 guest workers with that given to Mr Mal Peters, from my home state of WA, and his family. Mal Peters acted in defence of a delegate after that delegate in his workplace was sacked. Mr Peters is facing fines of up to $28,000 and stands to lose his family home or even face jail. There is no second chance for Mal Peters and his family. There is no opportunity to quietly fix up matters in order to avoid prosecution. Mal Peters is being dragged through the court by this government, not because he exploited anyone, not because he stole from the pay packets of workers but because he dared to act in defence of his delegate. We see it time and again with this government: the velvet glove for dodgy bosses, and jackboots for the workers. If senators still need evidence of the pig-headed hatred this government has for working people they need only compare the treatment dished out to Mal Peters with the second chances given to crooked employers who exploit 457 guest workers in my state.

Senator BARTLETT (Queensland) (6.16 pm)—I want to go to some matters in the report before the Senate at the moment, which is the 2004-05 annual report of the Department of Immigration and Multicultural and Indigenous Affairs, as it was then. I want to emphasise some of the very valuable information in the report. I take Senator Faulkner's point about what is not in it and I have spoken on that many times before. There is some valuable information in the report and it is worth mentioning, with all the public focus at the moment on immigration legislation dealing with unauthorised arrivals. If you consider all the fuss, the public debate and the political and policy focus around that group of people and then look at the figures in this report of the numbers of people coming in under a whole range of different visas, I think it has escaped the attention of many in the Australian public how high the migration intake is. That is something I support, I might say, but it is something we need to be more aware of and manage more effectively.

The number of permanent residents under the economic migration stream in the last financial year was nearly 78,000. The number in the family stream coming in as permanent residents was nearly 42,000, of which 33,000 were partners and only 4½ thousand were parents. It is a real problem that there is a continual restriction on the number of people allowed parent visas. For a government that talks about the value of the family, I think that restriction is a very antifamily measure. It also ignores the strong value of having parents around, which can enable migrant families to settle more effectively. It also helps, I might say, to make multiculturalism work more effectively.

In addition, we had 93½ thousand people coming in on temporary residency visas, which can be for as long as four years—57,000 of those in the temporary skilled area and many of which went to what I think Senator Sterle was talking about. We had 175,000 student visas granted in that financial year; nearly 212,000 people on student visas present at one stage during the financial year. The working holiday visa numbers have gone up to the record level of 104,600. If you look at all of those figures, all of which are residents, temporary or permanent, of various sorts—economic entry 78,000: family stream, nearly 42,000; other tempo-
rary residents, 94,000; student visas, 175,000; and working holiday visas, 105,000—we are getting close to the half-million mark, and that is before you count all the other visitors.

The total number of other visitor visas—tourists, short-stay business, family visitation, hospital and medical—in addition to all those I have talked about, was 3,588,947. So we have got about four million people coming in. Most of them are short-stay visitors, but around half a million of them are seeking various forms of longer stay or permanent residency. Yet we have this massive focus on and moral panic about a tiny number of people who come in an unauthorised way—people who when seeking asylum immediately seek to be identified, found and assessed. It shows how distorted our debate about immigration issues has been.

I have left out the humanitarian program: in this financial year, we had 13,178 come in under the offshore humanitarian program—only 5½ thousand are actually refugees; the other 7½ thousand are humanitarian—and 4,601 under onshore protection visas. So we have got a very small proportion that are refugees and an even smaller proportion that are asylum seekers. The problem with the massive and distorted focus on asylum seekers and the xenophobic approach to them is that it takes attention away from the much bigger need to properly manage the large numbers that are coming. We need to do better with settlement assistance than we have done, and it needs to be available more widely than it has been in the past, in my view. Such large numbers of people coming in from every corner of the globe reinforces the need to more strongly promote multiculturalism as an essential component of making that mix of people work together better.

Question agreed to.
mendations of the inquiries that have taken place. Going back to 1986, there was the Hamilton report; in 1988 there was the Cross report; and so on. They were external inquiries, but there have been a number of internal inquiries as well. I know that, as a result of the Department of Defence’s concern about specific recruitment issues within areas of Defence, another internal inquiry was undertaken during 2005-06. I have not seen the outcome of that inquiry yet, but it continues to highlight the difficulties of maintaining strength in certain areas of our defence forces.

Turning to the various parts of the report on the outcomes at Defence, particularly those dealing with Navy capabilities, under the heading ‘Personnel’, it says:

Significant recruiting shortfalls in technical trades outweighed improvements with pilots, seaman officers and combat system operators. Underachievement in technical trade categories is a reflection of the competition between Defence and other organisations for this diminishing labour force. Of particular concern are electronics technicians, doctors, and marine and electrical engineering officers.

With due deference to Defence, they use the argument in the annual report that there are competing forces out there in other places. Nonetheless, there are still very critical shortages which exist within the defence forces. The same happens with the Army. The report draws attention to the fact that there was a downturn in recruiting achievement from the previous year and an increase in the separation rate. It says:

This has increased pressure on key personnel areas such as medical professionals, linguists and technical trades.

The same occurs when one looks at the Air Force. The Air Force has had, the report says:

... higher retention rates for logistics officers and aerospace engineers and an improved retention rate for legal officers.

Whilst that is welcome, there are, however, significant problems being experienced by Defence. I would like to see in the Defence report—and I know it is probably too late now—a better, more concise view of what has happened in this area in the last 12 months. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Northern Territory Fisheries Joint Authority

Debate resumed from 2 March, on motion by Senator Siewert:

That the Senate take note of the document.

Senator IAN MACDONALD (Queensland) (6.26 pm)—The Northern Territory Fisheries Joint Authority Report 2002-03 has been a long time in coming. It was commissioned for the period during which I was one of the members of the Northern Territory Fisheries Joint Authority. One of my concerns at the time was that these reports were very slow in coming through; I see there are two reports—one for this year and one for next year—on the Notice Paper today. It was one of the Commonwealth’s goals to try to get these reports into both parliaments at a time when they actually mean something, rather than two or three years after the event. In the time that I was involved with the authority, I interacted with the Hon. Dr Chris Burns, the Northern Territory Minister for Primary Industries and Fisheries, who, as always, was a fine gentleman. He is a man with many talents and he did a very, very good job in this area.

I want to make a brief reference to something that is highlighted in this report—that is, that the report goes through the various fisheries for which the joint authority is responsible. The authority, whilst it is a joint
Commonwealth and Territory authority, is managed by the Northern Territory department of business and regional development on behalf of, I think, the Northern Territory Department of Primary Industries and Fisheries. So it is actually run by the Northern Territorians.

The shark fishery is one of the fisheries looked after by the authority. I only mention it because in recent times the shark fishery has been one of the fisheries that was plundered by illegal Indonesian fishermen coming into Australian territory. The Australian government has done a marvellous job over the years—since my time and continuing today—in increasing surveillance and enforcement in all of the fisheries around Australia’s northern border.

I want to make the point that, while the shark fishery goes all around the Northern Territory, including the whole of the Gulf of Carpentaria, and while it was effectively the responsibility of the Northern Territory government, their surveillance, enforcement and compliance activities were pretty limited. I do not resile from the fact that the Commonwealth should protect its borders, but one would think that the states and territories also have a responsibility in compliance. This report notes that enforcement is undertaken by the Northern Territory Police Marine and Fisheries Enforcement Unit, which had 17 officers who were responsible for providing compliance and education for all fisheries managed by the Northern Territory.

The report goes on to say—rather strangely, one might say, in retrospect—that there are no current compliance issues in the fishery. Obviously the Northern Territory government, who run this fishery, did not think that the incursion of Indonesian fishermen at that time was a current compliance issue. Nevertheless, the report is there; I commend it to the Senate and repeat my thanks to Dr Burns for his cooperation and for the way this fishery was managed during 2002-03.

Question agreed to.

Torres Strait Regional Authority

Debate resumed from 9 February, on motion by Senator Bartlett:

That the Senate take note of the document.

Senator IAN MACDONALD (Queensland) (6.31 pm)—In taking note of the Torres Strait Regional Authority report for 2004-05, I want to draw the Senate’s attention to the great work that the Torres Strait Regional Authority does. During this particular year it was chaired by John Kris, better known as ‘Toshie’—for those in the area who know and, I might suggest, love Toshie. The Torres Strait Regional Authority does a marvellous job in administering all aspects of life in the Northern Territory, particularly from a Commonwealth point of view. The Torres Strait Regional Authority is funded by the Commonwealth government and it is a very democratic organisation. It comprises the chairmen of all of the island community councils, and it is well managed, well run, and it does achieve quite a lot. The Torres Strait is, of course, part of my electorate, since I am a senator for the state of Queensland. The Torres Strait has always been a very important part of Queensland, and I have had quite a lot to do with the Torres Strait in relation to fisheries issues.

This report does mention fisheries, as well it might. The fisheries industry is one of the few industries that can occur in that area, although it is not often thought of by the rest of Australia in that way. That is why it is so important to make sure that the fisheries are well managed and that the islanders have a fair and equitable share of not only the management of the fishery but the resources of the fishery and the profits from the fishery.
In all my dealings with members of the Torres Strait Regional Authority, I found a great commitment to their communities by the representative members. I found that, whilst politics in the Torres Strait are sometimes more demanding than they are even in this place—not party politics but the internal politics of the islands and the various people—all of the members of the Torres Strait Regional Authority worked to the best of their ability, and that ability was very high, to advance the interests of their people and their economic and social development.

It is important for the Australian government—and indeed the Queensland government—to support the islanders. Fishing is one industry which they can work with, make profits from and create jobs with. Unfortunately, because of the nature of the islands, there is not much else going for them in the way of economic activity, apart from tourism, which I have always thought has a great future in the Torres Strait. Some of the islanders are a bit reluctant to welcome in tourists from outside the strait, although there have been some activities which show a slight change in that attitude. There are a couple of resorts up there now which are run by the island community councils. I have never stayed in them, but I would certainly commend them to senators and to anyone else who might be looking for a good destination for a holiday, particularly those who have been everywhere else and done everything else—

Senator Hogg—In cyclone season.

Senator IAN MACDONALD—In cyclone season it would be even more exciting, Senator Hogg; you are quite right. If you have been everywhere, here is a place where you could go. I know that the islanders would look after you very well and they would love to see you. By supporting these sorts of tourist ventures, we are creating real jobs and real economic activity for the islanders. I commend the TSRA annual report for 2004-05 to the Senate.

Senator BARTLETT (Queensland) (6.36 pm)—I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Human Rights and Equal Opportunity Commission

Debate resumed from 9 August, on motion by Senator Bartlett:

That the Senate take note of the document.

Senator IAN MACDONALD (Queensland) (6.37 pm)—This is almost like ancient history, but it is probably worth a mention in the Senate. Senators who have good memories may remember that from the Labor days we took over a situation in which Indonesian fishermen were incarcerated on their own vessels in the Darwin harbour. It always seemed to me that that was not quite appropriate. However, although there were people who said it was an inhumane way to house Indonesian fishermen, I always used to point out that the Indonesian fishermen live on their boats—albeit they are not the sorts of boats that Australians would live in. Indonesian fishermen, of choice and perhaps of necessity, live on their boats for many weeks and even months at a time. It was at times a little hypocritical for people to say that making them live in these boats within the harbour of Darwin was in some way contrary to their human rights. They chose to operate on these boats and live on them for weeks and months at a time, and it was always difficult for me to understand the distinction.

However, because there was a bit of media interest, I suspect, or perhaps because there were some genuine complaints, the consul from Indonesia made a complaint. As a result of that, the Howard government, always responsive to these sorts of things, initiated a
new process, in which the fishermen were taken off their boats at the very earliest possible time and held on the mainland in some form of facility. I am not sure that the Indonesian fishermen shared their consul’s view on that. A lot of them were much happier, being seafaring people and fishermen, being incarcerated on their own boat in Darwin harbour than they were at having to go onto the land. Because of different things that were happening regarding detention facilities, very often the fishermen were removed from Darwin and taken to Adelaide or even over to Perth. I am not quite sure that this was in the best interests of the Indonesians. However, that is what happened.

Things have moved on now. There is now a very smooth process, which is conducted jointly by the Australian Fisheries Management Authority and Immigration. A new facility has been put in place to house illegal fishermen, a facility which will be a very appropriate one. It will be a facility which will perhaps provide conditions that the Indonesian fishermen have never previously experienced. Many of them will think that it is a pretty good sort of a facility, and much better than what they have at home. During the time this report examines, a group called Barefoot Marine were doing the work for the Commonwealth. They were a very professional and efficient organisation that looked after the Indonesians very well.

The Human Rights and Equal Opportunity Commission came to the conclusion that detaining the fishermen in their boats was not appropriate and issued a number of recommendations. The report was published by the President of the Human Rights and Equal Opportunity Commission, Mr von Doussa, in September 2005. Prior to that, the Commonwealth government had already implemented most of what would become Mr von Doussa’s recommendations. *(Time expired)*

Question agreed to.

**Prohibition of Human Cloning Act 2002 and Research Involving Human Embryos Act 2002**

Debate resumed from 9 February, on motion by Senator Bartlett:

*That the Senate take note of the document.*

Senator IAN MACDONALD (Queensland) (6.42 pm)—This is a very interesting report. It is likely to become very much a matter of public interest in the future as we continue to discuss stem cell research. Senators would be aware from reports in the general media that cabinet has made some sort of a decision on the Lockhart report and that the Prime Minister has indicated that the coalition party room will be given the opportunity of discussing the Lockhart report in detail in the future. I appreciate that it is a very complex debate. It is an issue that deserves more than the 30-second passing reference that I am going to give it.

During the break, a lot of the disabled people and people with illnesses whom I met with in my electorate of the state of Queensland mentioned to me that they could not quite understand why the government would not be accepting the recommendations made by the late Mr Justice Lockhart in his report to the government. Without having formed any conclusions on the issues or without even being aware of what the actual question might be, it seems to me that if there are opportunities in medical research that can help those with debilitating disabilities then we should take them. We as a nation owe it those disabled now and in the future to do everything possible to try and address their difficulties. If research into stem cells will help those with disabilities, then I for one think that—in the broad and without going into it in detail, and confessing that I have not greatly studied it—as a general proposi-
tion it is something that the Australian nation should embrace.

Senator BARTLETT (Queensland) (6.45 pm)—I rise to speak on the report on the review of the Prohibition of Human Cloning Act 2002 and the Research Involving Human Embryos Act 2002, and to follow on from Senator Ian Macdonald’s comments—ones I broadly agree with. I do think that, rather than this issue being a debate just for the coalition party room, it should also be a debate for the parliament. The legislation governing this area was passed by the parliament in one of those, in my view, unfortunately too rare occasions when there is more opportunity for parliamentarians to say what they really think and to vote according to their genuinely held and well-researched beliefs.

Of course, we have to take more personal accountability for our votes when we have these so-called conscience votes. It does come down to an individual decision, and you have to be able to justify that decision. That is something the parliament has already done in this area, and I for one cannot see why we cannot do the same again, particularly when we have the opportunity to be guided by such an excellent report as this one—normally known as the Lockhart review. It is a very worthwhile document, and I would recommend anybody interested in the area to read it. In fact, I suggest that anybody interested in the area should read it before they engage in public debate, so that they are more informed in doing so.

I would also like to emphasise that the review makes it quite clear that there should remain a complete prohibition on cloning, or, as most people understand it, reproductive cloning—cloning of people to create doppelgangers, and all those sorts of notions of what cloning means. The report is quite clear on maintaining a prohibition on that. There is confusion because of the terminology ‘therapeutic cloning’, which is something quite different. It is not reproductive. I think the term ‘cloning’ is quite misleading with regard to that. It deals with another way of producing stem cells, which does not involve using so-called surplus embryos—something I would have thought people might see as a desirable thing to explore.

Like Senator Ian Macdonald, I will not try to compress this debate into a few minutes—beyond saying that I think it is something I believe we should be able to debate and examine more fully as a parliament. We have shown before that we are capable of doing that, and I would like to do it again. I would also note the statements by the government of my state of Queensland and, I think, the Victorian government, which indicated some preparedness to go it alone with regard to expanding stem cell research if there is not action taken to address this review and the recommendations within it. That is certainly a less than desirable approach. I think it is much better to have a consistent national framework governing research in this area.

It would be very unfortunate if the states went it alone, but I also believe that, if there is going to be deliberate stonewalling at the federal level, it leaves the states in a position where they may have no alternative—if the stonewalling at the federal level is based on political considerations rather than a well-founded view. In that sense, I do encourage the government of my state of Queensland to continue to apply pressure in that respect. I do not think it is desirable to go it alone, but it is even less desirable to not go it at all. In that respect, I think the best approach is to enable a parliamentary debate on the issue. I do hope that, when the coalition have a chance to debate it in their party room, they give the rest of us a go by throwing it open to the whole parliament.
Senator WEBBER (Western Australia) (6.48 pm)—I too rise to make some brief comments on this report on the review of the Prohibition of Human Cloning Act 2002 and the Research Involving Human Embryos Act 2002, and I thank Senator Ian Macdonald for the opportunity to do so. As surprising as it may seem in this place, I must say that I agree with Senator Macdonald’s approach to this. Whilst I hear the message loud and clear from Senator Bartlett, as someone who is also a member of a major party I believe decisions to bring a piece of legislation or a reform agenda to this place always need discussion in a party room first, because there are some threshold issues. Our leader, the Labor leader, Kim Beazley, has already foreshadowed what he thinks should be the approach to this issue, which is that—like we have always been able to do when these sorts of issues come before the parliament—we should all be able to exercise our individual consciences and bring our individual moral code and threshold beliefs when considering this issue.

The Lockhart review is to be commended for its thoroughness in tackling what is a very sensitive issue. In these days of improved living standards, improved life expectancy and improved access to science and knowledge, the quest to find cures for what were otherwise, for want of a better term, death sentences, is well beyond my comprehension. Therefore, I believe it is right that we as legislators have a discussion about the framework in which that quest should be undertaken—a framework that looks at those threshold issues of safety, ethics and, as I say, our own moral code. It is only by having that discussion, both within our parties to begin with and then within the parliament, with significant technical advice, that we can advance this issue.

As a participating member of the Senate Community Affairs References Committee, I have been involved in the inquiry being conducted into the treatment in Australia of gynaecological cancers. The evidence that we have received loud and clear from some of the world experts in the Garvan Institute about the quest for a cure for not only gynaecological cancers but also breast cancers goes to that next threshold issue of the use of the human genome as a predictive tool and then perhaps the use of stem cells in the quest to find the ultimate cure for those who already have the disease.

This is a debate that is going on, as has been alluded to by Senator Bartlett, in a number of states and in other nations. In my view, it would be naive in the extreme to think that Australia will not be having this debate. At some point we do need to have this debate. The Lockhart review, and improved knowledge and consideration amongst those of us here of the issues raised in that review, is a very good starting point for that debate. It is a debate that we can delay but we cannot avoid. We need to have openness and to consider the best way forward. I commend not only Senator Ian Macdonald’s remarks but also the report to the chamber.

Senator HOGG (Queensland) (6.52 pm)—I was not going to participate in this debate on the report on the review of the Prohibition of Human Cloning Act 2002 and the Research Involving Human Embryos Act 2002, but it is appropriate now. I am not going to go into the merits of the issue. I think that is something that needs to be left for another time. I just want to make a few comments of my own. I obviously have a different perspective from a number of people in this place, and there are a number who share my views. I think this is a very emotional issue. It is one that tends to focus people in one camp or the other very quickly without there ever being anyone in between.
There is no real in-between status in this debate.

One of the difficulties is that science, scientists and those with very strong interests in this area play a significant role and a significant part in the debate. They are responsible in many instances for informing those who do not necessarily have the expertise and the specialisation of the arguments, of the merits, that prevail in the debate. In that respect, I can understand some of the comments made by you, Senator Ian Macdonald. I think they are valid indeed. My criticism of the debate that took place in the first instance when this was considered by this parliament was that it was a very uninformed debate, a very emotional debate and one that did not necessarily weigh up very closely the scientific facts that were involved. That is not arguing the rights or the wrongs of the decisions that we have taken. I think that, in many ways, the media tend to trivialise the debate rather than understand the difficulties that exist in both the perspectives that one might come from in this debate. As I said, I think there are only two perspectives.

I hope that if this debate is to proceed it will proceed in a way in which there is informed debate. I hope that it does not look superficially at the issues. Whilst one might be attracted necessarily to the emotional aspects of the debate on one side or the other, I hope that they are put to one side. I hope that we can be informed in a very reasonable, understandable way, not using complex scientific language, which can be put before us to bamboozle us from time to time either way in the debate.

I support what my colleague Senator Webber said about the need for people to address their own moral concerns in debates such as this. It really comes down to a values debate. I think that that is terribly important. Also important are the simple things, such as the fact that when people talk about stem cells there are two distinct types of stem cells. One gets caught up in using the generic term ‘stem cells’, whereas there are embryonic stem cells and there are adult stem cells. Of course, they are quite different in the way that they are derived, but potentially they have the same outcome.

I am pleading: if we do have a debate, let us have an informed debate. Let us not have a superficial debate. Let us not have a debate that is simply based on very emotive circumstances that may be put before us as individual members of this parliament or as people participating in the debate within our own political parties. I think that it is an important issue indeed and one that needs grave consideration by every member of both the Senate and the House of Representatives, given our responsibility to address this issue on behalf of the constituents that we represent. It might be easy in some instances to take straw polls as to whether they favour this or do not favour that or favour something else. Whether we will get a true representation of community interests is yet to be seen.

Senator FIELDING (Victoria—Leader of the Family First Party) (6.57 pm) — Just four years after the Australian parliament passed legislation banning the cloning of human embryos, a new report has called for the cloning of human embryos for research, and that is the Lockhart paper. I find it fairly interesting that all of a sudden there seems to be this move to change a decision that was made only four years ago. The issue here is that nothing has changed since that decision was made four years ago. The issue here is that nothing has changed since that decision was made four years ago. In fact, all the breakthroughs and successes have come from adult stem cells, not embryos. That is the real issue at hand here. Nor does research even support the idea of human cloning. A Swinburne University study revealed that 63 per cent of the Australian public do not feel comfortable with scientists cloning human
embryos for research purposes. Quite clearly, there is not public support for it.

The Lockhart report was produced in the way that was expected. It was a committee set up to satisfy state governments with high hopes of securing millions of dollars of biotechnology research money for their states. All I will say is that nothing has changed. In fact, the breakthroughs have come from adult stem cell research, not from embryonic stem cell research. Family First believes that work should be done to support the use of adult stem cells, not embryonic stem cells and certainly not human cloning. This is the slippery slope to human cloning. I strongly urge senators to fully think this through before making a decision, after looking at the Lockhart report.

The ACTING DEPUTY PRESIDENT (Senator Ferguson)—The time allowed for consideration of government documents has now expired.

Consideration

The following orders of the day relating to government documents were considered:

Migration Agents Registration Authority—Report for 2004-05. Motion of Senator Bartlett to take note of document agreed to.


Australian Rail Track Corporation Limited (ARTC)—Report for 2004-05. Motion of Senator Webber to take note of document called on. On the motion of Senator Marshall debate was adjourned till Thursday at general business.


Committees
Foreign Affairs, Defence and Trade
Committee: Joint Report

Debate resumed from 22 June, on motion by Senator Payne:

That the Senate take note of the report.

Senator Bartlett (Queensland) (7.00 pm)—I will only speak briefly on this. I had the good fortune to be part of a very brief but very informative delegation to Aceh and Jakarta around 12 months ago. It was six months after the tsunami first hit. We only spent a day in Aceh, but it was very informative.

Senator Webber—It was indeed.

Senator Bartlett—Senator Webber was there being informed along with me. In some of the debate and some of the coverage in the mainstream media since that time there has been a lot of criticism of the response to the tsunami and the progress of the relief efforts. I can understand that. It seems a long time ago—it is a long time ago now; it is over 18 months—and progress is slow in some areas. That is very frustrating for a lot of people. It is understandable why people would be annoyed. In some cases there are grounds for that. However, I recommend that people who want to become more informed about the specifics of the issue read this report, because it goes into the practicalities.

In my home state of Queensland, around Innisfail and elsewhere, people’s homes were badly damaged by Cyclone Larry. There was some coverage a week or two ago in Queensland papers about how there are still people in that area living under tarpaulins and unable to go back to their homes because they have not been repaired. This is in an extremely wealthy country with materials available, where it is a matter of simply rebuilding and repairing housing, and we have not managed to do it after four months or so. Compare that to Aceh. Not only were houses damaged; houses were completely gone. In some cases, the land has gone and all of the owners of the land have gone as well. It makes it incredibly difficult to even establish ownership—whose land was on which spot, where the people are that owned it—and whether they are able to rebuild on some of the land. Some of it, as I said, is just gone. In some areas it is simply not suitable for rebuilding on.

The logistical exercise of doing all of that in that area is extremely difficult. Whilst there is, in effect, enough money to do what is needed, you do need to take your time in doing it. And you have to work with the community. You cannot just rush in, slap up a whole bunch of houses, rebuild a bridge or two and then expect everybody to just get on with it. If you want to have the rebuilding work effectively and to get maximum value for that money, you do sometimes have to take time. You have to work with the community, inform the community and take opinions from the community, and that takes time as well. So, whilst in some respects the speed of response has been unsatisfactory, I do think we need to be realistic about the size of the challenge and how long it can take to rebuild after something as enormous as this.

I take this opportunity to acknowledge the very positive contribution that the Australian government has made with respect to that. It is a very valuable one. It is one that will bear fruit for a long time to come. We need to keep monitoring it. The work that the committee did in examining Australia’s response is valuable and this report is valuable for doing that. But it will take a long time. Of course, many people will literally never recover. There has been loss of complete families, in some cases. The loss of loved ones will leave a lifelong scar for many people.
Obviously we still need to try and rebuild areas as much as possible. We need to make that as prompt as possible and we also need to make it as effective as possible. I think we need to be realistic about what is achievable whilst continuing the pressure to make it happen as promptly as we can.

Question agreed to.

Community Affairs References Committee Report

Debate resumed from 20 June, on motion by Senator Moore:

That the Senate take note of the report.

Senator HOGG (Queensland) (7.05 pm)—Firstly I want to commend the Senate Community Affairs References Committee for the inquiry it undertook and for the excellent report it has presented on this subject, *Beyond petrol sniffing: renewing hope for Indigenous communities*. When I read the report, it hit me that this is not anything new. It is something that has been addressed, according to the report itself, over a 20-year period. It really gets down to the heart of the dignity of the human being—the dignity of people and their self-respect.

Petrol sniffing in some of these Indigenous communities has had quite catastrophic effects on not only the individuals who have partaken of it but the communities themselves. I am not just speaking in isolation here. I have had the pleasure of visiting one of the communities mentioned in the report, Yuendumu, and I have had engagement with members of the Indigenous community there about the successes that they have had. The one thing in particular that I must say is that I am in total admiration of many of the Indigenous women who have taken a leading role in bringing this problem to hand and controlling it within those communities.

I will not try to summarise the report, but it says very clearly that the health impacts include chronic disability and the social impacts include violence, crime and breakdown of community structures. It goes on to say that this issue has been the subject of many reports. The reasons for it, the report goes on to say, are well known indeed. Many research projects have confirmed and substantiated what this inquiry by the Senate Community Affairs Reference Committee once again found. It is a pity that we have got to the stage where we have to keep having reports into issues such as this. I know that there is no magic formula, no magic panacea, that will overcome the difficulties that are confronting many of the young people in these Indigenous communities—and in some of our other communities, for that matter. I think one should not just see it in isolation as being an Indigenous problem, but that is the focus of this particular inquiry.

There are no short-term solutions, as the report goes on to point out. One of the ways to ameliorate the problem is to try to have the supply of Opal to reduce the petrol sniffing. Opal is a fuel without the odour that is the attraction of petrol sniffing to people who are suffering from things such as hunger, poverty and boredom. The rollout of Opal has been and will be an important factor, but not the only factor, in limiting access to petrol for petrol sniffing. To his credit, Minister Abbott acted quickly in response to this report and there has been a rollout, as I understand it, in Central Australia of Opal fuel to limit the amount of petrol sniffing that takes place.

Whilst that is laudable and praiseworthy, there is a cost associated with that rollout. But the potential cost saving in terms of health care in Indigenous communities and in the self-respect and wellbeing of the individuals who are saved from the effects of petrol sniffing far outweigh the costs that might be associated with the expansion of the availability of Opal not only in Central
Australia but also in other parts of Australia. Whilst it is a step in the right direction, as I understand it the process there has still a long way to go yet. I urge the government to go all the way and to give what support is needed in this area so that petrol sniffing becomes a thing of the past in Aboriginal communities.

The second thing that arises out of this report is that there is a lack of youth workers and programs at this stage to engage the young people in these communities and to take them away from substance abuse such as petrol sniffing. Of course, that gap cannot be filled instantaneously. Nonetheless, filling it will be a critical part of the solution to the problem that is facing those communities. So, whilst the increased availability of Opal will take away the substance itself, it will not take away the problems that these communities are facing, particularly the young people in these communities.

I had the good fortune only the other week to visit Warburton in Western Australia. There is a good program in place there. A very vital and very effective young person is operating a youth program which helps to occupy the young Indigenous people in that community. The young people whom I met were healthy, vibrant and did not, from what I saw, have a reliance upon distractions such as petrol sniffing and other substance abuse. That does not mean that it does not occur. I am not saying that for one moment. But it shows the need for a good youth worker and a good program to be available in the communities. It is not simply a matter that one can gloss over. It requires money, resources, people of goodwill and people who are competent to deliver these programs such that the Indigenous youth in these communities can steer clear of problems such as petrol sniffing and its adverse effects as outlined in this report.

The other thing is funding. The funding at this stage, as I understand it, is only for a 12-month period. The funding really needs to be for the longer term. Until funding for the longer term can be established, there are only going to be at best piecemeal efforts to overcome some of the difficulties that are confronting these communities. As I said, it is not just communities in Central Australia. I understand some communities in North Queensland have had the benefit of Opal fuel extended to them. It is also about access to youth workers and to youth programs. The communities that are confronting these problems, these difficulties, are to be commended. I think that it says a great deal for the strength of some of these communities that, having suffered the ravages of difficulties such as petrol sniffing over a period time, they have been able to redress the problems that were there and are now holding their heads high.

I commend the report to the Senate. I draw the attention of those who are interested in reading the report to the recommendations at the front of the report. They clearly outline the goodwill of the committee and the deliberations that took place to bring down such a report, and unless anyone else wants to speak on it I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Rural and Regional Affairs and Transport Legislation Committee

Report

Debate resumed from 22 June, on motion by Senator Bartlett:

That the Senate take note of the report.

Senator BARTLETT (Queensland) (7.15 pm)—I would like to speak to this report from the Senate Rural and Regional Affairs and Transport Legislation Committee into a private senator’s bill, the National Animal Welfare Bill 2005, which I introduced into
this place. I was quite disappointed by the approach that the committee took to this legislation. Without going into detail, it was very clear throughout the process that there was very little interest from some on the committee in engaging with the issue at all. Quite a dismissive approach was taken, and I think that is unfortunate. People do not have to share my views with regard to animal welfare to recognise that it is an important national issue and to acknowledge that there is definitely room for improvement. In many ways I think that not just the report but the way the issue was handled by the committee suggests that at a national level, in terms of the way the national parliament engages with animal welfare issues, we have actually gone backwards in recent years.

For quite some time, through the 1980s until 1991, there was a specialist Senate Select Committee on Animal Welfare. It did a number of reports into a wide range of issues, sometimes with great impact. It managed in many cases to bring down unanimous reports with unanimous recommendations and engage with the community a lot along the way. It was a very valuable process that contributed quite significantly to advances in animal welfare practices in some areas in Australia, and its legacy is still felt now, 15 years after the committee was disbanded. Upon its disbandment one of the things that was said was that the then new rural and regional affairs committee would pick up some of these issues and that therefore the work of the committee would not stop dead but there would be continuing engagement with animal welfare issues.

That just has not happened. It has been extremely rare for this committee to look specifically at animal welfare issues. On the rare occasion when it has, it has been as an aside. I can recall one example with an egg levy bill when the extremely inadequate animal welfare standards of the egg industry were given some examination as an addendum to that legislation. But basically it is a matter that is very rarely looked at, and I think that is very unfortunate. My views on the issue are reasonably well known, but the intent of getting this issue before a committee was not to impose a specific approach to or a specific set of prescriptions for animal welfare but more to try to encourage a more consistent approach around the country and give it the priority that it deserves.

I have regularly said in this place that animal welfare issues are very rarely going to be a vote-changer; they are not going to shift which party is in government. But that does not mean that it is not an issue that people care about. If you see some of the public responses to particular circumstances, when they are made aware of animal cruelty, it is quite clear that a lot of people feel very strongly about the issue. It is also quite clear that we are not doing well enough in addressing animal welfare standards.

We have seen that just recently with the exposure on the *This Day Tonight* program of a piggery in South Australia. That piggery, I suspect, got more media attention because one of the investors in it was Senator Vanstone and therefore it became more newsworthy. I guess that is understandable, but from my point of view the issue was not who the investor was; the issue was the conditions in the piggery. The fact is that the conditions in that piggery were not particularly dissimilar to many other piggeries in Australia. We saw an open admission and acknowledgement that the sow stalls in that particular piggery were smaller than required under the standards and code of practice. But what happened? Nothing happened, because those standards and that code of practice are just advisory, a guide. They are not legally enforceable. Those were the sorts of responses that were given. It was clearly established that there is a code of practice and, in
that, a requirement to provide a certain amount of space—which I think is still inadequate—but, even when it is not met and when the actual construction of the piggery is such that it is not possible for it to be met, nothing happens. That shows the inadequacy of many of the animal welfare standards in many states, the lack of consistency across states and the inconsistencies in enforceability in different states. I think that is unsatisfactory.

We have also seen the federal government in areas where it does have responsibilities, such as in live exports, clearly put animal welfare down at the bottom of the priority list, and I would add also animal welfare standards with regard to live imports. We have clear responsibilities with regard to animal welfare, with funding under the National Health and Medical Research Council. That does some examination of aspects of this area, but we do not even have a clear national register of how many animal experiments occur in this country. We do not even know what is happening out there and in that circumstance it is inevitable that we are not going to be properly enforcing adequate animal welfare standards. Regardless of what your view is about where those standards should be, I suggest that community standards are such that people would want them properly enforced and to be set at a level that does not cause unnecessary suffering. It is a pretty simple principle, really, and the fact that it is treated with such disdain by many senators in this place is very unfortunate, because it is an issue that a lot of people do think is important.

I emphasise that one of the other reasons why there is a strong social benefit in putting greater attention on animal welfare issues and stamping down on animal cruelty is that a direct link between people who engage in cruelty to animals and people who engage in abuse of and violence towards humans has now been clearly demonstrated. There has been talk amongst veterinary associations and others in the community about whether or not to implement mandatory reporting by vets who detect suspected animal abuse, in the same way that doctors and teachers in many areas are required to report suspected child abuse. That is because if somebody is engaged in abuse of an animal or flagrant cruelty towards a pet then there is a real chance that they either are or will be at some stage acting out similar behaviours towards others in their domestic household.

One of the positive initiatives that have demonstrated this along the way has been the work, particularly in Queensland, of the RSPCA and dvconnect, who have set up foster homes for pets, so that women who want to flee violent relationships or domestic situations have somewhere to take their pets to be looked after. The reason why people do not leave behind their pets when they flee violent domestic circumstances is that quite often clear threats are made that the animal will be harmed or killed. There are plenty of examples of that threat being carried out. So there are clear links between cruelty towards animals and similar actions towards humans. For that reason alone, I think it is in the public interest and in our interest to treat animal welfare issues much more seriously than we do. We should have a much more consistent approach towards animal welfare and reduce animal cruelty wherever possible. We should take an approach that recognises that it is something that should be dealt with consistently across the country rather than just selectively, in response to specific media attention or specific one-off incidents. It would be much better to have a consistent approach, a properly resourced approach and clearer social messages going out about the complete unacceptability of cruelty towards animals. I seek leave to continue my remarks later.

Leave granted; debate adjourned.
Foreign Affairs, Defence and Trade Committee: Joint Report
Debate resumed from 13 June, on motion by Senator Ferguson:
That the Senate take note of the report.

Senator HOGG (Queensland) (7.25 pm)—I will seek leave to continue my remarks, but, before doing so, it should be noted that the title of the report in the Notice Paper is not correct. The title is actually Expanding Australia’s trade and investment relations with North Africa, not North America.

The ACTING DEPUTY PRESIDENT (Senator Murray)—Well spotted.

Senator HOGG—Might I say, it was not well spotted. I am very interested in North America, but when I looked at the report I found that it was actually about North Africa. I seek leave to continue my remarks on another occasion.

Leave granted; debate adjourned.

Community Affairs References Committee Report
Debate resumed from 13 June, on motion by Senator Moore:
That the Senate take note of the report.

Senator ALLISON (Victoria—Leader of the Australian Democrats) (7.27 pm)—On 22 June last year, the Senate voted to establish an inquiry into workplace harm related to toxic dust and emerging technologies. That inquiry became known as the White inquiry, named after Richard White, who instigated it. Mr White developed severe lung disease from working as an industrial sandblaster during the 1970s, blasting inside tanks without protection from the dust particles that filled those confined spaces. He had been hospitalised 28 times since his diagnosis. Living with silicosis has put an enormous stress on him financially, socially and emotionally, and he says it has deprived his children of a normal childhood.

In 1998 he initiated a compensation claim in the Supreme Court of the Northern Territory. He lost the first trial, the subsequent appeal to the Supreme Court of the Northern Territory and an appeal to the High Court of Australia on the basis that he had been a light smoker for a short time in his younger years, yet the results of an open lung biopsy showed evidence of industrially related silica injury to his lungs. Mr White then placed a newspaper advertisement requesting that people who knew or suspected that they had acquired lung or other diseases through working for companies that used sandblasting techniques contact him. By Christmas 2004, he had obtained almost 1,000 names of workers with similar stories. Many of the respondents to the advertisement said that they experienced symptoms consistent with lung disease or cancer, related to workplace exposure to toxic dust, but few had received or sought compensation for their disability.

Mr White and Dr Faunce from the ANU then lobbied for a Senate inquiry into the workplace risks of toxic dust. The White inquiry delivered its final report and recommendations on 31 May this year. Mr White’s submission said:

… toxic dust in workplaces throughout Australia have been causing significant health problems for a large number of Australians.

He said, speaking of his information:
It suggests that these problems have been exacerbated by employers failing to apply and enforce safety standards and precautions. It suggests that Australia currently lacks a uniform system of providing compensation to workers who have experienced health problems as a result of exposure to toxic dust. It suggests that there are significant problems in the legal standards being applied in compensation proceedings.

He said that one of the main areas of controversy in this area, responsible for denying
compensation, involves health problems such as asthma, silicosis, emphysema or excess sputum being ascribed exclusively to uncompensable cigarette smoking in workers with that history, regardless of exposure to toxic dust. This conclusion is not in accordance with the best scientific evidence or the approach emerging from the recent UK coal mining disease litigation and inquiry. Another major area of controversy here could involve the toxic ingredients in workplace dust produced not just by commercial sandblasting but by sandmining or tunnelling. The harmful effects of toxic dust must have been known for many years and there are many substances in dust form which lead to health problems for workers—asbestos, wood and fibreglass fibres, silica and spray paint, to name a few.

There was a great deal of discussion in the inquiry about how common toxic dust related disease is in Australia and, while no final estimate was made, the committee concluded that the level of disease associated with workplace exposure to toxic dust is likely to be much greater than existing data suggests. Unfortunately, the committee was told that it is very difficult to work out the true nature and extent of illness, disability and death due to toxic dust because of the lack of quality data. Currently, workers compensation data is the primary source of information and, of course, it is very limited in scope. Workers in some industries, particularly the mining industry, are monitored regularly, but this is not the case for all industries.

The committee report recommends that the Australian Safety and Compensation Council review the National OHS Data Action Plan to make sure that reliable data on disease related to exposure to toxic dust is readily available. It recommended that the Australian Safety and Compensation Council extend the Surveillance of Australian Work-Based Respiratory Events program Australia-wide to provide mandatory reporting of toxic dust related disease. Those measures would go some way to making better data available to guide ongoing policy development.

We heard evidence that toxic dust exposure presents much greater health problems for the general community than has been recognised. We need to find out more about how toxic dust that is carried on the wind and in rainwater impacts on the general public. There is clearly a need for more investigation and research in this area, as in the area of nanotechnology. There is almost no credible research on the health impacts of nanoparticles, despite increasing use of such technology in Australian industry. Nanomaterials have enormous potential in many areas, from medicine to computing and electronics. How significant its implications will be, particularly the hazards to human health, is unclear to us at the present time.

There are also problems with how nanoparticle exposure is measured and assessed in the workplace and the environment. International bodies are looking at how the risks of nanotechnology and nanoscale products can best be managed—and many are working from a precautionary principle. It is a matter of urgency that the information and regulatory gaps that exist in Australia around this issue are addressed and it is important that this is taken forward with broad and comprehensive consultation.

The committee recommended that the national nanotechnology strategy be finalised as a matter of priority and that a working party on nanotechnology be established which would consider international models, the appropriateness of existing regulations, how gaps and uncertainties in that regulatory framework can be accessed and risk management incorporated, possible assessment of safety and whether a permanent nanotech-
These recommendations present an opportunity for Australia to develop an innovative and practical regulatory framework that will not only facilitate the development of an important industry sector but also ensure the safety of workers and members of the public associated with its products.

Diseases from workplace exposure to toxic dust are preventable. They are preventable by putting in place processes which eliminate exposure through safe work practices, which monitor those practices to make sure exposure is minimised and which train and educate workers. To some degree the problem in Australia has not been a lack of regulatory controls, although there are clearly gaps in this area of nanotechnology. The major problem, highlighted in the evidence to the committee, is in the area of implementation of declared standards and codes. In some instances, it appears that there is a lack of inspectors. Regulators also appear to be hampered by the lack of trained specialists such as occupational hygienists.

It is imperative that the Australian Safety and Compensation Council give priority to evaluating and recommending to state and federal governments the required numbers of occupational health and safety inspectors capable of enforcing existing standards as well as any new national standards. It also seems that inspections are only carried out if a complaint has been made, rather than on a routine basis. It was argued that regulators are unwilling or unable to issue to the employer more than an improvement notice. The council needs to review the power of inspectors to ensure that they are able to take appropriate action and it needs to make sure that inspectors are able to be proactive rather than simply reactive. It needs to make sure that information on the risks of toxic dust exposure is available to all workers, perhaps through the development of a national education campaign. Access to compensation as a result of workplace exposure to toxic dust also needs to be addressed, and with some urgency.

This is a complex issue, but it was clear to the committee that Australia needs nationally consistent identification, assessment and compensation mechanisms for people affected by workplace related exposure to toxic dust. It is unacceptable that people have differing access to compensation depending on where they live. These compensation processes need to be linked to best scientific practice in the understanding of disease causation. The New South Wales Workers’ Compensation (Dust Diseases) Act 1942 was identified as a promising model for improving current practices in other jurisdictions.

It is also imperative that the state and territory governments, other than New South Wales, move as soon as possible to adopt the approach of New South Wales and remove statutes of limitation that restrict legal proceedings for claims for personal injuries resulting from exposure to toxic dust. There is also a compelling case for compensation mechanisms to be available other than through litigation. For the sake of the hundreds of Australian workers who have already been affected and for those that may be affected in the future, the recommendations of this inquiry should be acted on as soon as possible.

Debate adjourned.

Community Affairs References Committee
Report: Government Response

Debate resumed from 27 March, on motion by Senator Bartlett:

That the Senate take note of the document.
Senator SIEWERT (Western Australia) (7.38 pm)—I rise to take note of the government response to the Senate Community Affairs References Committee report on poverty and hardship entitled A hand up not a hand out: renewing the fight against poverty. I must say, at the very least, that I am quite disappointed with the government’s response to this report. Yet again we see the government failing to recognise that poverty is a real and growing issue in Australia and that there need to be active policy changes to address it. The government continues to invest time and resources in denying the problem that would be much better spent addressing it. I believe its response to the Senate Community Affairs References Committee report is flawed and mean-spirited. The Australian Council of Social Service estimates that two million people live in poverty today—one in 10 Australians. This is based on a poverty line of 50 per cent of average disposable income, as used in the UK and Europe.

In 2002 the Australian Bureau of Statistics showed groups at risk of poverty include 58 per cent of Indigenous people, 28 per cent of jobless people, 28 per cent of people renting, 22 per cent of single parents and seven per cent of older people. On average each night there are 100 homeless Australian families who cannot find places in refuges. A quarter of a million Australian job seekers have not had substantial work for a year or more.

Much of the government’s response to the report is spent disagreeing with the figures in the report. How much longer is the government going to keep on about the accuracy of poverty figures? The fact is that poverty exists in this country and, whether it is 10 per cent or seven per cent, it is still a national shame. Please, let us stop arguing about the figures and get down to actually doing something about it.

Australia is experiencing record wealth. According to the Sydney Morning Herald, the Treasury journal Round-Up shows that the recent rise in national prosperity is unprecedented. More wealth was accumulated in the six years to June last year than in the previous 39 years. But instead of everyone becoming wealthier the wealth is consolidated in the hands of a few. The gap between rich and poor is not getting smaller. This is not just rhetoric; it is fact.

Indigenous Australians still face a greater risk of falling into poverty than any other sector of our community. The Australian Future Directions Forum held earlier this year found that Indigenous disadvantage was the highest priority for Australia. A disproportionate number of Indigenous Australians live in poverty. Their average life expectancy, as has been well spoken about in this chamber, is 17 years less than non-Indigenous Australians. That is similar to people living in Bangladesh. The fact is that we are 10 times richer than that country.

A study by the Centre for Aboriginal Economic Policy Research at ANU showed that nearly half of all Indigenous children live in families with incomes below the Henderson poverty line. This is quite shocking. More than 50 per cent of Indigenous families have no adult employed. Furthermore, poverty rates are still higher among those Indigenous families where at least one adult does have a job, because of lower wage rates, larger families and a lower proportion of families likely to have two breadwinners.

I take particular issue with the government’s response to the committee recommendations in certain areas—for instance, the government’s accusation that members of the community are using this report as a political tool and therefore its findings are not relevant. Poverty is an issue that needs bipartisan support. To simply dismiss a Senate
committee report on the grounds that it is politically driven is not a good approach from the government. The government response then goes on to talk about the programs that the government has in place to deal with poverty, yet these programs will result in an increase in the number of working poor. Single mothers and those with disabilities are being forced onto Newstart with resultant decreases in payments. The new IR legislation will lower minimum wages and will have a disproportionate impact on those on lower incomes. The combination of these two effects will have an unprecedented impact on those who are already on low incomes.

Then you look at the impact on carers. The 2003 ABS Survey of Disability, Ageing and Carers indicates that carers are over-represented in the lower household income quintiles. These carers were identified as being at particular risk of low wellbeing in the Australian Unity Wellbeing Index survey of 2005. And now they have also passed legislation that takes further funding away from these carers.

The suggestion that the poverty figures used in the report are misleading is nonsense. To dismiss the report’s recommendations on this ground is further evidence that the government are not serious about tackling poverty. Continuing to argue about the extent of the problem rather than getting on with addressing the problem tells me that they are not interested in looking at it at all.

ACOSS states that recent research into the poorest families in Australia indicates most are jobless: four out of five families earning the lowest 20 per cent of income had social security payments as their main source of income; 72 per cent of the 424,000 families in the bottom 20 per cent are jobless; 48 per cent are single parent families; and families with older children, who are also over-represented, are 27 per cent of the bottom 20 per cent.

Braddon, in the north-west of Tasmania, is supposed to be the poorest electorate in Australia, in spite of claims of unprecedented prosperity. There is no effective public transport linking coastal towns and no capacity to access health and education services. There is poor health, especially dental health. I believe these issues will be made worse by recent changes in legislation, such as Welfare to Work, which disadvantages in particular single mothers and those with disabilities.

In 2005-06, $1.4 billion in GST went to Tasmania; none was spent on infrastructure in Braddon. This situation will continue to get worse if the government does not stop arguing about statistics and acknowledge that poverty is an issue in Australia. Putting more pressure on families that are already suffering through changes to IR will disproportionately impact on those already on low incomes, and on single mothers, who are already disproportionately represented in poverty figures. That is not the way to address poverty. Stop arguing about the statistics and get on with making their lives better.

Debate adjourned.

**Consideration**

The following orders of the day relating to committee reports and government responses were considered:

Foreign Affairs, Defence and Trade—Joint Standing Committee—Report—Australia’s relationship with the Republic of Korea; and developments on the Korean peninsula. Motion of the chair of the committee (Senator Ferguson) to take note of report agreed to.

Rural and Regional Affairs and Transport Legislation Committee—Report—The administration by the Department of Agriculture, Fisheries and Forestry of the citrus canker outbreak. Motion of the chair of the
committee (Senator Heffernan) to take note of report agreed to.

Foreign Affairs, Defence and Trade—Joint Standing Committee—Report—Visit to Australian Defence Forces deployed to support the rehabilitation of Iraq—Report of the delegation, 22 to 28 October 2005. Motion of the chair of the committee (Senator Ferguson) to take note of report agreed to.

Foreign Affairs, Defence and Trade—Joint Standing Committee—Report—Australia’s defence relations with the United States. Motion of the chair of the committee (Senator Ferguson) to take note of report called on. On the motion of Senator Moore debate was adjourned till the next day of sitting.

Electoral Matters—Joint Standing Committee—Report—Funding and disclosure: Inquiry into disclosure of donations to political parties and candidates. Motion of Senator Carr to take note of report called on. On the motion of Senator Moore debate was adjourned till the next day of sitting.


Community Affairs References Committee—Report—Response to the petition on gynaecological health issues. Motion of the chair of the committee (Senator Moore) to take note of report called on. Debate adjourned till the next day of sitting; Senator Moore in continuation.

Foreign Affairs, Defence and Trade References Committee—Report—China’s emergence: Implications for Australia. Motion of the chair of the committee (Senator Hutchinson) to take note of report called on. On the motion of Senator Moore debate was adjourned till the next day of sitting.

Mental Health—Select Committee—First report—A national approach to mental health—from crisis to community. Motion of the chair of the committee (Senator Allison) to take note of report called on. Debate adjourned till the next day of sitting, Senator Moore in continuation.

Environment, Communications, Information Technology and the Arts References Committee—Report—Living with salinity—a report on progress: The extent and economic impact of salinity in Australia. Motion of the chair of the committee (Senator Bartlett) to take note of report called on. On the motion of Senator Moore debate was adjourned till the next day of sitting.

Treaties—Joint Standing Committee—Report—Treaties tabled on 29 November 2005 (2). Motion of Senator Wortley to take note of report called on. On the motion of Senator Moore debate was adjourned till the next day of sitting.

Legal and Constitutional References Committee—Report—Administration and operation of the Migration Act 1958. Motion of the chair of the committee (Senator Crossin) to take note of report called on. On the motion of Senator Moore debate was adjourned till the next day of sitting.

Community Affairs References Committee—Reports—Forgotten Australians: A
report on Australians who experienced institutional or out-of-home care as children—Protecting vulnerable children: A national challenge: Inquiry into Australians who experienced institutional or out-of-home care—Government responses. Motion of Senator Murray to take note of document called on. On the motion of Senator Moore debate was adjourned till the next day of sitting.

AUDITOR-GENERAL’S REPORTS

Report No. 38 of 2005-06

Debate resumed from 9 May, on motion by Senator Mark Bishop:

That the Senate take note of the document.

Senator STEPHENS (New South Wales) (7.48 pm)—This is a very interesting report undertaken to form an opinion of the Australian Research Council’s management of research grants and, given the substantial amount of money that the Australian Research Council manages—the ARC’s budget in 2005-06 was $571 million and the grants funding under the ARC’s National Competitive Grants Program was $81.4 million—it deserves scrutiny. The report presents some very interesting findings and additional recommendations from the Audit Office which are worthy of consideration.

Central to the ARC’s structure are the executive directors who have key responsibility for overseeing the peer review and grant selection processes in the ARC’s six discipline areas. The Audit Office found that, while the ARC appointed the executive directors for three-year terms, it needed to be very careful to ensure that the ARC’s business continuity was protected, given the likely loss of knowledge with the end of their terms of appointment. While the ARC staggers the appointment of executive directors, the Audit Office found the risks associated with their turnover such as loss of corporate knowledge were not identified in the ARC’s risk management plan. They recommend that better documentation of administrative processes would also assist the ARC to maintain business continuity and a sound knowledge of grant processes among the ARC staff.

The ANAO audit also found that, while the ARC is part of the Education, Science and Training portfolio, there is little documentation describing the arrangements between the Department of Education, Science and Training and the ARC for key administrative processes such as clearing key documents or exchanging information and data. The ANAO noted that the then minister intended to ‘retire’—that is a euphemism, if ever I have heard one—the ARC’s board in 2006, which was duly done through the abolition of the board in the bill that we debated earlier this year. The Secretary of the Department of Education, Science and Training would therefore no longer provide links between the two agencies through her board membership, so the ANAO considered that there would be a benefit in the ARC and the Department of Education, Science and Training agreeing on their consultative and reporting activities, in a memorandum of understanding, to ensure regular and ongoing information exchanges on key policy and administrative matters, and that this step would be consistent with the Uhrig review.

The ARC operates in an environment where any perceived conflict of interest could easily undermine its reputation. The ANAO found that the ARC had developed conflict of interest guidelines and was making a concerted effort to implement these across various committees; the Audit Office identified areas that could be strengthened notwithstanding. To demonstrate sound practice and improve visibility, the ARC should strengthen its processes for managing conflicts of interest, improving particularly the request not to assess process, which is an intriguing process. I can see that the 2006 changes may make this even more difficult.
I will just focus on that for one moment. The request not to assess process and associated documentation provides for applicants making requests not to assess to identify particular assessors and ask for them to be excluded from assessing the application. The problem that we have with the process in place at the moment is that the ARC did not provide applicants with guidelines outlining acceptable or unacceptable grounds for lodging requests not to assess; many request not to assess letters contained in-confidence, sensitive or potentially defamatory information. Therefore the ARC needed to maintain appropriate security and systems for the information, but that was not necessarily the case. The process was not well documented, with no criteria or rules to assist the ARC staff in assessing the letters. That resulted in the ARC making inconsistent decisions in assessing the requests not to assess.

Furthermore, the ARC’s records did not always show the ARC’s decisions accepting or denying the applicants requests not to assess, or the reasons for the decisions at all. The ARC did not routinely inform applicants about whether or not their requests were accepted or denied. The ANAO report concluded that, while the request not to assess process did not affect a large number of applications, it was an important process because it involved potential conflict of interest issues which, if not appropriately addressed, could impact on the integrity of the grant selection process. Therefore, it recommends that the ARC have well-established and documented processes to manage that aspect of grants administration and monitoring.

The ANAO also found that the ARC did not produce an external annual grants calendar. This seems a very straightforward issue but, in fact, it causes quite a lot of angst with higher education institutions. Preparing an ARC grant application can be very lengthy and very complex. The ANAO recommends that, to assist researchers in planning and preparing their grant applications, the ARC publish on a trial basis an annual calendar which includes standard or indicative dates for release-of-funding rules and submission of applications. Providing stakeholders with timely information on scheduling of key activities and time lines would seem to me to be a very sensible way to go if you are managing such a complex grants program. The ANAO considers that the publication of an annual calendar would strengthen the ARC’s business planning and enhance the visibility of the various National Competitive Grants Program schemes, providing ARC staff and stakeholders with the information that they require. It would certainly assist stakeholders to plan their activities and resources to meet the ARC’s time lines and requirements.

The final recommendation, which I want to mention just briefly, concerns the post-award grants management. The report recommends that the ARC strengthen their capability in the area of post-award management and monitoring. Interestingly, the ANAO researched, through surveys and interviews, several universities across Australia. The ANAO received information such as advice that, when partial funding of grants occurred—successful grants with reduced funding—there was no meaningful feedback, even on such crucial issues as which items on the budget were not regarded as necessary or appropriate and the fact that the conditions imposed were often unworkable; for exam-
ple, a postdoctoral fellowship salary was provided but no project-operating funding was approved. I note that the ARC acknowledged that that is something they need to strengthen in their processes and that they have accepted the recommendations of the ANAO on all of the issues raised. I look forward to observing the results of the planned implementation of the systems redevelopment project aimed at integrating all aspects of grants management, which is due to be completed in 2007.

Question agreed to.

Report No. 47 of 2005-06

Senator SIEWERT (Western Australia) (7.57 pm)—I move:

That the Senate take note of the document.

Audit report No. 47 of 2005-06 relates to funding of communities and community organisations. The government is progressively casting off responsibility for providing social services to the non-government sector, and this document is a handy window into funding arrangements at the coalface.

The report outlines some of the difficulties that Families, Community Services and Indigenous Affairs, FaCSIA, face in funding the third sector and third sector organisations that are supporting literally hundreds and thousands of people and thousands of different programs. It is difficult and unglamorous work but it needs to be done. If these groups are not funded, their work grinds to a halt. According to the ABS, in 1999-2000 not-for-profit institutions across the board accounted for $20.8 billion, or 3.3 per cent of total GDP. When the value of the work done by volunteers is included, the value of not-for-profit institutions to the economy increases to around $29.7 billion, or 4.7 per cent of GDP. The important point is that the contribution made by not-for-profit organisations is greater than that made by the communications, electricity, gas and water, and hospitality industries. Looking at part of the sector covered in the report, in 2004-05 FaCSIA funded 16,000 service providers with $1 billion worth of grants. Grants for disability support made up half of that amount but were not covered by the audit; they will be subject to future audits.

As I said in my adjournment speech last night, I believe that the third sector is invaluable in shouldering work in the community that other organisations do not do and supporting hundreds of thousands of people. I believe that this is extremely important and that they need support. The chief challenge for the government is to make sure that this work is funded properly, through a process that is streamlined, efficient and accountable, and that there is some feedback process in place to ensure that performance failures and successes are evaluated.

Debate interrupted.

Consideration

The following orders of the day relating to reports of the Auditor-General were considered:


Auditor-General—Audit report no. 32 of 2005-06—Performance audit—Management of the tender process for the detention services contract: Department of Immigration and Multicultural Affairs. Motion of Senator Ludwig to take note of document agreed to.

Auditor-General—Audit report no. 36 of 2005-06—Performance audit—Management of the Tiger Armed Reconnaissance Helicopter Project—Air 87: Department of Defence; Defence Materiel Organisation. Motion of Senator Bishop to take note of document called on. On the motion of
Senator Moore debate was adjourned till the next day of sitting.

Auditor-General—Audit report no. 37 of 2005-06—Performance audit—The management of infrastructure, plant and equipment assets. Motion of Senator Bishop to take note of document agreed to.

Auditor-General—Audit report no. 40 of 2005-06—Performance audit—Procurement of explosive ordnance for the Australian Defence Force (Army): Department of Defence; Defence Material Organisation. Motion of Senator Bishop to take note of document called on. On the motion of Senator Moore debate was adjourned till the next day of sitting.

Auditor-General—Audit report no. 49 of 2005-06—Performance audit—Job placement and matching services: Department of Employment and Workplace Relations. Motion to take note of document moved by Senator Moore. Debate adjourned till the next day of sitting, Senator Moore in continuation.


Orders of the day nos 3, 4, 5 and 9 relating to reports of the Auditor-General were called on but no motion was moved.

ADJOURNMENT

The ACTING DEPUTY PRESIDENT (Senator Murray)—Order! It being 8 pm, I propose the question:

That the Senate do now adjourn.

New Queensland Electorate

Senator BRANDIS (Queensland) (8.00 pm)—It is not very often that I rise in this place to express my very strong agreement with the views of the Australian Labor Party. Tonight, however, in a spirit of bipartisanship, I want to express a view I know is shared by not only the Labor Party but also the Liberal and National parties. It concerns the naming of the new electoral division proposed for Queensland. The creation of the new electorate follows a determination by the Commonwealth Electoral Commissioner last year that the representation of the state of Queensland in the House of Representatives should be increased to 29 seats.

In a report published on 23 June 2006, a redistribution committee established in accordance with section 68 of the Commonwealth Electoral Act proposed that the new electorate be located in Central Queensland, bordered in the east by the coast between Gladstone and Bundaberg and stretching west as far as Winton. The largest population centre of the proposed new electorate is Gladstone, a thriving city whose prosperity is built principally on mineral processing. To the north and west, the electorate is to include many of the coalfields of the Bowen Basin, including Blackwater, Curragh and Ensham.

The decision to locate the new electorate in Central Queensland has been criticised by many commentators who believe that the more obvious place for the new seat would be in the south-east. An objection on those grounds has been lodged by the Liberal Party, among others. Whilst not disagreeing with that point of view, it is not the location of the new seat which I rise to object to tonight but its proposed name. The AEC proposes to call the new seat ‘Wright’, in honour of the poet Judith Wright. However, the name ‘Wright’ has very unfortunate political associations in Central Queensland, and this has caused a great many of my constituents from that region to contact me to express their outrage and distress at this recommendation.
The reason for their distress is that the proposed name evokes not the honoured memory of Judith Wright but the despised memory of Keith Wright, the member for Capricornia between 1984 and 1993. In fact, very many people in Central Queensland—everyday citizens who do not read the reports of redistribution committees or even follow politics particularly closely—have assumed that the new seat is to be named after Keith Wright. It is not difficult to understand their error. Federal electorates are commonly named after leading politicians, and Keith Wright was one of the best-known politicians from Central Queensland of recent times, having represented Rockhampton in the state parliament for 15 years before representing Capricornia in the House of Representatives for a further nine years, and having served as leader of the state opposition.

The proposed seat will include some 17,000 electors from Wright’s old seat of Capricornia. I know that the current member for Capricornia, Ms Kirsten Livermore, strongly shares my views on the inappropriateness of naming the new seat ‘Wright’. Keith Wright ended his public life in disgrace. In 1993, he was convicted on six charges of child sexual abuse, including one count of rape, and he was sentenced to eight years imprisonment. The following year, he was convicted on a further three counts of indecent dealing with a girl under the age of 14 years and sentenced to a further 12 months imprisonment. He is a person whom those from both sides of politics would prefer to forget. Yet the Australian Electoral Commission, displaying a quite spectacular lack of judgement and tact, has suggested that the new electorate in Central Queensland be given the name ‘Wright’. The fact that it is intended to honour a different person is not the point; the very use of the same name, in a political context, in that part of Queensland, will inevitably evoke the memory of Keith Wright. It is a ghastly mistake and one which the AEC should correct at once, without a second’s hesitation.

I have no objection to a Queensland electorate being named in honour of Judith Wright—but not in the former stamping ground of Keith Wright. Judith Wright had no special association with Central Queensland. She never lived or worked there. The place with which she is most closely associated is Mount Tamborine, behind the Gold Coast and to the south of Brisbane, where she lived for 20 years and composed much of her best-loved verse. Given the very rapid growth of population in that part of Queensland, no doubt it will not be long before yet another new federal electorate is created in that vicinity, where she could be more appropriately commemorated and where her surname is not the subject of any unpleasant local associations. Be that as it may, the idea of using that surname for an electorate in Central Queensland is inappropriate—indeed repugnant.

Other names were suggested for the new seat. I know that the Liberal Party suggested that it be named in honour of Sir Gordon Chalk, the distinguished Liberal Deputy Premier of Queensland in the 1960s and 1970s who served briefly as Premier in 1968. But it is not common for federal electorates to be named after state politicians, and Sir Gordon did not have strong local associations with that part of Queensland either. I wish to propose an alternative name for the new electorate which would recognise the long and significant association with that area of Queensland of Sir Leslie Thiess. Sir Leslie Thiess, who died in 1992, was, I believe, the greatest industrialist Queensland ever produced. He, more than anyone else, was the person responsible for opening up the coalfields of the Bowen Basin and, in the years after the Second World War, developing the Queensland coal industry from a rela-
tively modest condition to one of Australia’s greatest exporting industries. He was the state’s greatest mining magnate and entrepreneur—the Queensland equivalent of Lang Hancock. He also founded the great construction company which still bears his name, which built many of our nation’s great highways, dams and bridges.

I know Sir Leslie Thiess had a long and on occasion controversial association with the late Sir Joh Bjelke-Petersen—a politician I have never admired. He was a great champion of the National Party and, just as I am not in the habit of giving speeches expressing agreement with the Australian Labor Party, nor am I particularly in the habit of immortalising Queensland National Party icons. But, taking political considerations out of the question, there is just no doubt at all that Thiess was the man who, beyond anyone else, built the Queensland coal industry. He was the uncrowned king of that part of my state in which the proposed new electorate will be located, and he was a great Queenslander and a great Australian.

I also propose Sir Leslie Thiess’s name to make a broader point. We in Australia have never, I believe, sufficiently appreciated our great industrialists. Only very few writers—CD Kemp was one of them; Geoffrey Blainey is another—have told their stories. We tell the tales of our explorers, we celebrate our sportsmen, we honour our soldiers, we respect our scientists and we take pride in our performing artists. And yet we barely notice our businessmen. Perhaps this is a hangover from the once powerful prejudice of Australian historians which romanticised trade unionism and was content to treat industrialists as if they were all robber barons. No doubt a few of them were. But the great business leaders, industrialists, pastoralists and miners have never, in my view, been given their proper place in our nation’s story.

Of the 150 federal electorates, only two, Macarthur and Farrer—named after the pioneers of the pastoral and wheat industries—bear the names of those who built the economy upon which our prosperity is founded. Not a single industrial leader of the last century has been so honoured. We must redress that deficiency. To that end, it would be a seemingly gesture for the new federal electorate in Central Queensland to be named in honour of the man who built there one of our greatest industries and, more than anyone else, made that part of Australia what it is today.

Mining Industry

Senator GEORGE CAMPBELL (New South Wales) (8.09 pm)—As listeners to this program this evening would be well aware, Australia is going through a major mining and resources boom, with us receiving record levels of income for our resources. This is making a major contribution to the profitability and prosperity of the Australian economy. We all know, however, how well mining companies are doing out of that boom. In fact, last month BHP Billiton, our ‘Big Australian’, posted a record $13 billion profit—a record for the company and probably a record for the country. It is obvious that workers in the mining industry are doing great work, particularly in the Pilbara region of Western Australia. It is hard work; it is tough work. They work in hot, dusty conditions. But they are making a major contribution to our economy, and obviously a major contribution to the wealth of BHP Billiton.

The way in which relations between employees and managers of our major companies have changed in the past 20 years or so is reflected in the experience of workers in the Pilbara, who in the last quarter were able to shift 29 million tonnes of iron ore, which played a substantial role in the profitability of BHP Billiton in the last financial year. The workers of this company were alerted that, in
recognition of their contribution to the company’s profit, there was a gift on its way from Perth to workers in the Pilbara. You can picture the excitement among these workers. There was a lot of backslapping and congratulations on having achieved the record and having posted the profit that they did. You can imagine how these people reacted when they discovered what the gift was. This is a company that had just made $13 billion, and it provided a gift to its employees of a Mars bar in recognition of their contribution to the record profit of the company. It was not quite as bad as that. It was not, ‘Here’s your Mars bar; take it or leave it.’ They gave them a choice. They said, ‘You can have a Mars bar or a Snickers.’

Senator Watson—That is not factually right.

Senator GEORGE CAMPBELL—I am sorry, Senator Watson, but this was written up in the West Australian of 5 July. I am not aware of where the company has rejected it. In fact, a spokesman for BHP Billiton said that it was not aligned to their financial program but basically a thankyou to everyone for their hard work—a token gesture, I suppose. A token gesture indeed—a Mars bar or a Snickers bar for contributing to the biggest profit ever made by this company. That reflects the contempt with which chief executives treat their workers in many companies today. It reflects the nature of industrial and human relations in most of our major companies.

I am quite sure that the directors or the CEO of BHP Billiton would not be satisfied with receiving a Mars bar or a Snickers bar as a reward for the company making a $13 billion profit. I am sure that they will be more than amply rewarded by their remuneration packages, which will enable them to buy substantial shares in Cadburys or whoever it is that makes Mars bars and Snickers these days. As opposed to getting a Mars bar or a Snickers as a reward for contributing to that profit, the executives will be more than rewarded for the achievement of their workers.

We hear time and time again about the way workers in companies in this country are being treated. We consistently read about companies reporting their profits and we see executives walking away with huge remuneration packages as a result of the share price or the company improving its profitability. But this is one of those rare occasions when we are actually able to see how that is reflected in the workforce of these companies and how the workers are rewarded for their contribution to the profitability of these companies. I wonder how many other companies there are around the place that have similar sorts of reward packages. I would hope that there would not be too many.

But this does not surprise me with BHP Billiton. I was sent a letter with a copy of the newspaper clipping last week. It was obviously sent to me by a person who knew of some of my past exploits. He reminded me of a television interview I did in the early 1980s. In fact, that was the reason that he sent me the clipping. At that time, I exposed the fact that BHP were forcing workers in Whyalla to go to the pie cart for their smoko or for their lunch, while the executives in BHP were sitting down in the executive boardroom to a three-course meal. It would appear that nothing in this company has changed or improved dramatically over the past 25 years in terms of how they see the way in which executives should be treated and looked after by the company as opposed to the way in which workers should be treated and looked after by the company.

The fact is that this company treated their workers shabbily. In recognition of them making a contribution to the company
achieving their greatest ever profit—and, I presume, boosting the value of the company's stocks and shares and boosting the amount of remuneration that will go to the executive officers of the company—their workers were treated with the magnificent gift of the choice of a Mars bar or a Snickers. If that is the way company executives feel that they ought to reward their workers, those company executives should be treated with the contempt that they deserve.

**Middle East**

**Senator ALLISON** (Victoria—Leader of the Australian Democrats) (8.18 pm)—One of the most chilling and telling comments I have ever heard came from the Australian Minister for Foreign Affairs when he said on ABC radio shortly after Israel launched its air strikes against Lebanon, ‘Israel must do what Israel must do.’ That was his answer to the question: would Australia call for a ceasefire in Lebanon?

In effect, the Minister for Foreign Affairs said: ‘We will stand by while the air strikes continue to kill Lebanese civilians—men, women and children—at more than 10 times the rate at which Israeli men, women and children are being killed. Australia will stand by while the infrastructure of Lebanon is flattened and tonnes of oil are spilled on its beaches, and roads, airports, bridges, power generation facilities, homes, villages and apartment blocks are turned into rubble, and a million Lebanese, a quarter of the population, are made refugees in their own country—refugees who have nowhere to go; refugees who cannot travel at night or they will be bombed; refugees who have no cars, no fuel and no way to get away from more than 1,000 air sorties dropping an unknown number of bombs.’

Kofi Annan says that Israel’s shelling of Qana appears to fit a pattern of violations of international law—but Australia said nothing. And Australia continued to stand by this week in the parliament. There was no statement from the government and no debate, and even a motion in the Senate was not agreed to by either major party. There were no speeches, until now, other than from the ALP explaining why they could not support a simple motion put forward by Senator Nettle calling for a ceasefire.

A silence has reigned not only over this massive destruction of a relatively defenceless country—one that has had more than its fair share of invasions and bombing in the past—but also over the implications for peace in the Middle East and globally. Chilling, too, has been the easy talk in the press of taking on Syria and Iran. The Lebanese were not all behind the actions of Hezbollah, but more are now than they were on 12 July. Those who oppose Israel and the efforts of the West in the Middle East must surely do so now more than ever before. Australians are, I think, aghast at the killing and the fact that there seems no end in sight.

I wrote to the Prime Minister urging him to call for a ceasefire. I put out a press statement calling for an end to the disproportionate killing of civilians. Church leaders—Anglican, Roman Catholic, Uniting and the Churches of Christ—put out a statement a week ago saying:

> 'We have had enough of this so-called war on terror. When will the governments of the world...'
come to understand that peace can only be built on justice and fairness?

... … … …

We can have no peace while violence is repaid with violence. It is a recipe for eventual annihilation.

Meanwhile, Mr Downer advised that people in Lebanon should stay indoors, including those he was trying to bring back to Australia. He said:

Well, it’s unsafe but of course it could be even more unsafe out on the open road, or in a port which is being attacked by Israeli jets.

In the same interview he said Australia would not expect or even ask Israel what their plans were so that our citizens might get out safely. While the debate went on for days about getting Australian citizens out, nothing was said about the Lebanese stuck in a dangerous war zone not of their making. They were facing, as we now know, ongoing bombardment in which 1,000 people would be killed within the next two weeks. The only media release Mr Downer put out about the Middle East this month was to announce the appointment of Australia’s new Ambassador to Israel. There was no mention of the conflict.

The government sent $2 million to ‘meet the immediate humanitarian needs of thousands of civilians who have fled their homes due to the current conflict in the Middle East’: $1.5 million to Lebanon and $0.5 million to Israel, bringing our total response to $7.5 million. How far this will go with a million people displaced and facing starvation and further bombing, I do not know. Oil has almost run out and soon the hospitals that remain will not be able to function. Many places already have no water, no electricity and no food.

On 12 July Mr Downer did roundly condemn as horrific the bombings in Mumbai that killed 140 people. But there has been no condemnation of Israel or Hezbollah. He made no speech on the subject of Lebanon this month or last. He told Fran Kelly at the ABC, with breathtaking simplicity:

... what the Israelis are really focussed on is not attacking the Lebanese for the sake of attacking Lebanon or the Lebanese, but attacking Hezbollah—which is a terrorist organisation committed to destroying the state of Israel. Now, until they feel more comfortable that they’ve done the job, or the Lebanese army come in and take over the security of Southern Lebanon, I suspect this is going to continue.

The Lebanese army is by all accounts very antiquated. According to Dr Tom Clonan, a captain in the UN forces in Lebanon in 1995-96, they have 200 clapped-out 1950s Soviet tanks and a handful of American M48 tanks from World War II, and their 15,000 troops would have absolutely no hope of getting to southern Lebanon without international assistance.

Mr Downer told Kerry O’Brien:

Well, it might surprise you to hear me say this, but I’m comfortable with the fact Israel needs to defeat Hezbollah. And I would have thought the smart thing for Hezbollah and their sponsors, Iran and Syria, the smart thing for them to do, is to withdraw immediately from southern Lebanon. This is the level of sophistication our foreign minister can offer Australians by way of a solution to the killing of 1,000 Lebanese and almost 100 Israelis so far in a war that is escalating moment by moment. And all of this over the capture of two Israeli soldiers on 12 July.

Hezbollah have not turned out to be the pushover Israel or Mr Downer expected. They have already fired 3,000 rockets and missiles into Israel. They are well trained and they know the terrain intimately. They have underground bunkers and modern antitank weapons, and their chief threatens to turn southern Lebanon into a graveyard for invading troops. Israel’s Prime Minister said it
could drag on for much longer than a month. Israel has just put 10,000 troops on the ground inside Lebanon.

Israel has done what it wanted to do, but it has not worked if wiping out Hezbollah was the objective. Hezbollah has no air power and is not as effective as Israel is at killing civilians, but it is well armed and it has dug in for the fight. Israel is losing sympathy around the world for bombing small villages and schools, where Hezbollah is not, and for what appeared to be a deliberate attack, killing four UN personnel in a clearly marked surveillance post, using precision guided munitions, despite repeated requests for it to stop. And, all the while, the Lebanese government and the United Nations plead for an end to the fighting.

I urge our Prime Minister to consider the effect of standing by in those first few days—of saying that Israel must do what Israel must do. Is it just possible that strong leadership on Australia’s part might have arrested the ongoing, senseless waste of human life that now seems impossible to stop?

Interest Rates

Senator Watson (Tasmania) (8.27 pm)—I come to this adjournment debate disappointed at the very jaundiced and inaccurate remarks made about a great Australian and generous company, BHP Billiton, by the former union boss and now ALP Senator George Georges. But the main focus of my address tonight is really the decision of the Reserve Bank to raise interest rates by 25 basis points. In 2003 the Treasurer and the Governor of the Reserve Bank of Australia said:

Monetary policy is a key element of macroeconomic policy and its effective conduct is critical to Australia’s economic performance and prospects.

Senator George Campbell—Mr President, I rise on a point of order. I want to indicate that I heard Senator Watson—I think—refer to me as Senator George Georges. I do not mind him calling me an ex-union boss. That is fine. I wear that with pride. George Georges is a very good friend of mine, so I do not even mind you accusing me of being George Georges—or he was a very good friend of mine. But I think, Senator Watson, if you are going to abuse someone you should at least get our names right.

Senator Watson—I do apologise for that error. It is Senator George Campbell who is a former union boss. As I was saying, given the impact of oil on the economy in 2006, I believe it is again time to re-examine how best to achieve this objective. The Reserve Bank Act 1959 gives the Reserve Bank board the power to determine the bank’s policy. The government recognises the independence of the bank and its responsibility for monetary policy matters and intends to respect the bank’s independence, as provided by statute. My issue tonight is the rise in the fixed weight of the CPI, which does not recognise changes in consumer patterns. The price rise has been driven almost completely by two items: petrol and bananas. I quote from the Australian Bureau of Statistics website:

The rise in fruit prices was mainly attributable to an increase of approximately 250% in the price of bananas during the June quarter 2006 due to shortages created by Cyclone Larry in March 2006 ... The fruit expenditure class contributed 0.79 index points to the change in the All Groups CPI in June quarter 2006 ... The automotive fuel expenditure class contributed 0.71 index points to the change in the All Groups CPI in June quarter 2006 and 1.38 index points to the through the year change.

The problem is that the CPI, as I mentioned, is a fixed weight index and does not take into account changes in consumer behaviour based on several sharp price changes. For example, it is my belief that people are—or
will be at some time in the future—changing their driving patterns in response to the high price of fuel. For example, people will drive less on the weekend and use more public transport. People will buy more fuel-efficient cars or switch to gas or hybrid vehicles or some other alternative. However the index does not reflect this.

A local cabbie who operates a 24-hour taxi in my state recently reported that he made a saving of some $800 a month by switching to gas from petrol. It is even more obvious that people have not continued to buy bananas but have switched to alternatives. I am quite sure that very few people were willing to pay over $13 a kilo for bananas when far cheaper fruit alternatives existed. However, the CPI does not immediately take these issues into account. Worse still, apparently the Reserve Bank of Australia board does not take them into account either until, for example, the price of bananas falls. However, it is hard to see a significant fall in petrol prices occurring, given the state of the world.

Another issue is that inflation has not been spread generally throughout the country. The consumer price index increased by 1.2 per cent in Hobart and 1.8 per cent in Brisbane and Perth. While this disparity might not seem much, we are talking about a decision prompted by an extra one per cent in the growth of the CPI. I quote directly from the Reserve Bank charter:

... the Reserve Bank Board has power to determine the policy of the Bank in relation to any matter, other than its payments system policy, and to take such action as is necessary to ensure that effect is given by the Bank to the policy so determined.

It is the duty of the Reserve Bank Board, within the limits of its powers, to ensure that the monetary and banking policy of the Bank is directed to the greatest advantage of the people of Australia and that the powers of the Bank under this Act and any other Act ... are exercised in such a manner as, in the opinion of the ... Bank Board, will best contribute to:

(a) the stability of the currency of Australia;
(b) the maintenance of full employment in Australia; and
(c) the economic prosperity and welfare of the people of Australia.

You will notice that the economic prosperity and the welfare of the people of Australia are given equal weight with currency stability.

The board in its recent statement acknowledges that energy prices are going to be rising for a while. For this to be continually reflected in interest rate rises would, I believe, be unfortunate for Australia. All parties agree on the need for low inflation. Price stability is a crucial precondition for sustained growth in economic activity and employment. However, to achieve this objective could in the short term give rise to pain and social discord in order to obtain longer term objectives. Both of the spikes in the CPI were driven by undersupply, not overdemand. Raising rates will not overnight stop people spending money on fuel. Indeed they will reduce expenditure, but that will not be reflected in reduced fuel prices. More importantly it could break up families by leading to bank foreclosures on family homes.

One solution is investment in alternative fuels such as ethanol, hydrogen and natural gas, which would keep the money circulating in Australia and relieve pressure on the balance of payments. My concern is that with the present methodology of the RBA and the prospect of future oil price spikes, because of potential problems in the Middle East such as the possible closure of the Strait of Hormuz, or the temporary closure of an oil-processing plant in Alaska, we could well see interest rates rise, with unemployment and home loan defaults rising. This two to three per cent price inflation constraint is very
much RBA theory, which is being actively
looked at by other central banks.

However the US takes a different ap-
proach. The US reserve also has to take into
account ‘the state of the US economy’. In the
most recent testimony to congress, Mr Ber-
nanke, the Chairman of the Board of Gover-
nors of the Federal Reserve System, referred
to ‘our pursuit of maximum employment and
price stability’. Compare this to Canada. The
principal role of the Bank of Canada, as de-
defined in the Bank of Canada Act is ‘to pro-
mote the economic and financial welfare of
Canada’. Today, however, it has a more nar-
row and specific internal definition of that
mandate: to keep the rate of inflation be-
tween one and three per cent. This objective
has been criticised for hurting Canada’s
working class, because companies tend to lay
off workers when interest rates rise.

The Reserve Bank board meets on the first
Tuesday of each month and the interest rate
changes, if any, are announced the following
day. The head of Treasury, Dr Ken Henry,
sits on the board. It is therefore open for
the government to instruct Dr Henry to put a
particular position to the board and argue the
case vigorously. With fixed weight CPI for
price inflation I ask: where are the statistical
numbers for the board’s guidance for their
other responsibilities? Given the concerns
within the community, I look forward to fur-
ther parliamentary debate on this issue of the
Reserve Bank.

Senate adjourned at 8.36 pm

DOCUMENTS
Tabling

The following documents were tabled by
the Clerk:

[Legislative instruments are identified by a
Federal Register of Legislative Instruments
(FRLI) number]

Customs Act—Tariff Concession Orders—
0604352 [F2006L02631]*.
0607263 [F2006L02630]*.
0608153 [F2006L02550]*.
0608189 [F2006L02626]*.
0608554 [F2006L02627]*.
0608560 [F2006L02628]*.
0608570 [F2006L02644]*.
0608610 [F2006L02645]*.
0608689 [F2006L02646]*.
0608690 [F2006L02647]*.
0608962 [F2006L02629]*.

Defence Act—Determinations under sec-
tion 58H—Defence Force Remuneration
Tribunal Determinations Nos—
8 of 2006—Salary Rates for Senior Of-
ficers Reserve Forces.
10 of 2006—Salary of Chief of Capabil-
ity Development Group.
11 of 2006—Salary for Senior Officer.
12 of 2006—Salary for Senior Officer.
13 of 2006—Salary for Senior Officer.
14 of 2006—Salary for Senior Officer.
15 of 2006—Salary for Senior Officer.

Environment Protection and Biodiversity
Conservation Act—Threat Abatement Plan
to Reduce the Impacts of Tramp Ants on
Biodiversity in Australia and its Territories
[F2006L02611]*.

* Explanatory statement tabled with legis-
lative instrument.
QUESTIONS ON NOTICE

The following answers to questions were circulated:

Telstra: Payphones
(Question No. 1605)

Senator O’Brien asked the Minister for Communications, Information Technology and the Arts, upon notice, on 28 February 2006:

(1) On what date did the Minister become aware of the Telstra plan to remove 5 000 payphones over the next 7 months.
(2) On what date did the Minister ask Telstra to provide a copy of the Telstra Country Wide briefing note containing details of the plan.
(3) On what date did Telstra provide the Minister with the Telstra Country Wide briefing note.
(4) Can a copy of the Telstra Country Wide briefing note be provided; if not, why not.
(5) With reference to the Tasmanian payphones targeted for removal and identified in the Telstra Country Wide briefing note, can the following details be provided, in each case, the: (a) location, including, where applicable, the street address; (b) average usage by dollar amount by financial year for the past 3 years; (c) date the payphone was installed; and (d) proposed date of removal.

Senator Coonan—The answer to the honourable senator’s question is as follows:

(1) I became aware from a media report on 20 February 2006 of Telstra’s plan to remove 5 000 payphones.
(2) I asked for details from Telstra about its plan to remove payphones on 20 February 2006.
(3) Telstra has not provided me with a document named as the Telstra Country Wide briefing note. However, I have been advised about Telstra’s plan to rationalise payphones.
(4) See (3).
(5) Telstra can provide details for individual payphone sites that have been identified for removal upon request.

In regard to average usage in dollars Telstra noted that even without including any costs of usage and servicing, each payphone and booth incurs fixed costs to both provide and maintain in operation. These costs may include depreciation, electricity supply and usage, cleaning and sometimes site fees. In addition there are also the variable costs for coin collection, repairs to damage and maintenance visits. Each payphone will have a different break even point where the usage and revenue does not cover the costs of supply and operation.

Organised Crime
(Question No. 1643)

Senator Ludwig asked the Minister for Justice and Customs, upon notice, on 22 March 2006:

With reference to the article ‘Australians chased by anti-Mafia investigators’, in the Age of 22 March 2006, that four Australians are allegedly under investigation by Italian authorities for organised crime-related activities:

(1) Is this matter currently under inquiry by the Australian Crime Commission (ACC); if not, why not; if so:
   (a) when and by whom was it brought to the attention of the ACC;
QUESTIONS ON NOTICE

(b) on what date did the inquiry commence; and (c) what is the status of the investigation.

(2) Has the matter been referred by the ACC to the Australian Federal Police (AFP) for investigation or has a brief been referred to the AFP for consideration of a prosecution; if so: (a) on what date was the brief forwarded to the AFP; and (b) to the ACC’s knowledge, what action has been taken by the AFP in respect of this matter.

(3) Has the matter been referred by the ACC to the Commonwealth Director of Public Prosecutions (CDPP) for prosecution or has a brief been referred to the CDPP for consideration of a prosecution; if so: (a) on what date was the brief forwarded to the CDPP; and (b) to the ACC’s knowledge, what action has been taken by the CDPP in respect of this matter.

(4) Is the ACC aware of whether or not the Italian Government has brought extradition proceedings against the four persons named in the article; if so, can details be provided.

Senator Ellison—The answer to the honourable senator’s question is as follows:

(1) (a) to (c) For operational reasons, the ACC does not routinely disclose whether or not a matter is under investigation.

(2) (a) & (b) See response to 1 above.

(3) (a) & (b) See the response to Question 1641 and Question 1642.

(4) See the response to Question 1641 and Question 1642.

Community Development Employment Projects

(Question No. 1697)

Senator Crossin asked the Minister representing the Minister for Employment and Workplace Relations, upon notice, on 19 April 2006:

(1) (a) How are decisions being made on the removal of the Remote Area Exemption (RAE) in remote communities; and (b) what are the roles of both the community and Government.

(2) If a community agrees to the removal of the RAE, is it correct that they can then get as many Community Development Employment Projects (CDEP) places as they like; if so, will all of these participants also have to sign on with a job finder.

(3) How long will these people be able to stay on a CDEP.

(4) What other conditions would apply in such a case.

(5) (a) How are CDEP participant places now being allocated; and (b) who makes the decision on the number of places.

(6) If remote communities can in fact increase the number of CDEP participants, by removing the RAE, which CDEP funding will increase with it (for example, wages and oncosts —both recurrent and capital —or just wages).

(7) If oncosts do increase: (a) by what amounts will they increase; and (b) is it on a set formula amount per participant.

(8) If the number of participants increases and oncost funding rises: (a) where will the additional funding be found; and (b) is it new money; if not, from which existing program will it be taken.

(9) If a community can and, in fact, does want to increase CDEP numbers in this way, what help will they be given in overcoming problems such as lack of housing for any additional supervisory or training staff within the com

(10) Given that young people are supposed to undergo education or training and that this will require more education and training facilities and staff in regional and remote areas: what plans are there to address these needs.
(11) Under the proposed changes to CDEP, announced on 30 March 2006, what classification applies to towns such as Alice Springs, Tennant Creek, Nhulunbuy, Katherine and Darwin (i.e. are they metropolitan, regional or remote).

(12) With reference to CDEP participants in Darwin working in schools or at the hospital: if after 12 months they are still in these positions and still on CDEP, will they be forced off CDEP.

(13) Given that Maningrida Marine Rangers are presently on a CDEP: will the rangers have to come off the project if they are still on the CDEP in 12 or 24 months time.

(14) In an urban or regional area, if a participant still has not got a ‘real’ job after 12 months what social security will they receive.

(15) Can former participants return to a CDEP; if so, after how long.

(16) If a young person undertakes training and at the end of it there is still no ‘real’ job, what happens to that person.

(17) (a) What is the national budget for CDEP; and (b) can a breakdown be provided of the component parts.

(18) How much of the national budget for CDEP is spent in the Northern Territory.

(19) Can an up-to-date list be provided of CDEP organisations in the Northern Territory, including the number of participants in each organisation.

**Senator Abetz**—The Minister for Employment and Workplace Relations has provided the following answer to the honourable senator’s question:

(1) (a) The Australian Government considers a range of information provided by the Department of Employment and Workplace Relations (DEWR), Office of Indigenous Policy Coordination, the Department of Families, Community Services and Indigenous Affairs, Indigenous Coordination Centres, Centrelink and employment service providers. The information identifies what employment services are available and looks at the capacity of employment service providers to take on additional clients. The information also identifies what employment opportunities exist within each community and looks at the capacity of the community to manage the change. The Australian Government links in with State and Territory Governments to identify other initiatives that the removal of Remote Area Exemptions (RAEs) can support. Some communities have approached the government to express their interest in participating in the initiative. As the removal of RAE requires significant resources, a phased approach has been adopted. Deputy Secretaries from the agencies involved in this initiative use the information gathered and recommendations made by State and Territory based networks to prioritise the removal of RAE for each phase of implementation.

(b) The Australian Government consults with communities to determine their interest and suitability in participating in the initiative. The consultation process continues into the implementation stage of the removal of RAEs with communities consulted about schedules, process and methods of communicating the changes throughout the community. The Government, through DEWR, ensures that communities are consulted and that sufficient participation opportunities exist in each community, which could include Job Network, the Community Development Employment Projects (CDEP) programme and Work for the Dole or training.

(2) DEWR ensures that sufficient participation opportunities exist in each community prior to individuals having their RAE removed. Participation options can include Job Network, the CDEP programme, Work for the Dole or training. Participants will not necessarily sign up with a Job Network Member, rather it depends on what participation opportunities are available in their community.
(3) Time limits on participation in the CDEP programme do not apply to CDEP participants in areas where there is not a permanent Job Network Member (JNM). The majority of people with an RAE will be living in such areas and will therefore have no limit on the length of time they can remain on the programme.

(4) Please see response to question 3.

(5) (a) and (b) Organisations interested in providing CDEP activities in their community request the number of places. Negotiations occur between the organisation and DEWR based on historical use of places, potential impact of policy directions and expected employment outcomes. The National Office delegate approves the places allocated.

(6) If a CDEP organisation is located within an area where the RAE is being lifted and the CDEP organisation will be affected by an increase of participants then total funding is re-negotiated with the organisation(s) concerned. These negotiations are carried out on a case by case basis and take into account a variety of local factors.

(7) (a) Demonstrated need.
   (b) No.

(8) (a) and (b) Increases in funding are approved by the delegate and managed within the overall CDEP budget.

(9) DEWR has a range of programmes which can provide assistance and will seek to tailor a solution to fit the needs of the community. Recently, a Structured Training and Employment Project (STEP) contract was developed in the Tiwi Islands to ensure housing was available for supervisors.

(10) The Australian Government has committed to improve linkages between CDEP and other government programmes and services. In particular the Department of Employment and Workplace Relations is working with CDEP organisations to improve training opportunities for 15-17 year old participants. In addition, the introduction of a youth wage for participants under 21 is designed to ensure the right incentives exist for young Indigenous people to take up further education and training opportunities. CDEP organisations will be given the saving between a full wage on CDEP and a youth wage to enhance their capacity to train participants. The requirement for CDEP participants in urban and regional areas to register with a Job Network provider will also enhance the support a participant can receive to access the right training to get a job.

The delivery of education and training is a State/ Territory responsibility. In locations such as the Pilbara and Cape York, DEWR has been working closely with State education and training departments to improve the accessibility of training for Indigenous Australians, including CDEP participants. In other areas, DEWR has been supporting partnerships between CDEP organisations and specific training providers. In some locations, CDEP organisations are registered training organisations and already deliver training to their participants.

While additional training resources may be required in some locations, in other areas, improved use of local training resources are being explored. In some locations, improved mobility options are being explored to provide additional support for Indigenous Australians from remote areas to undertake training and further education in regional and metropolitan centres.

(11) All state and territory capital cities are classified as urban. Towns with a permanent JNM presence are classified as regional. Alice Springs, Tennant Creek, Nhulunbuy and Katherine are all classified as regional under this definition. However, individual participants must be permanently living in the town for the compulsory JNM registration and time limiting rules to apply to them. Each CDEP organisation’s Program Funding Agreement will clearly set out how these requirements affect the participants.

(12) The time limiting rule only applies to new participants who commence in the CDEP programme on or after 1 July 2006, or who have had a break of more than 12 weeks from the programme. Partici-
pants will not be ‘forced off’ but will be joining the CDEP programme with the full knowledge and agreement that their participation will be limited to 52 weeks. Any host agreements or trials entered into by the CDEP organisation must also take this fact into account. The Building on Success: CDEP Future Directions Paper, released in April 2005, highlighted the need for DEWR to start working with all levels of government to ensure services such as health, rangers and education are funded and delivered effectively. This work has commenced and includes promoting appropriate funding for services in these sectors so CDEP participants currently working in the sector have an opportunity to transition into a real job like other workers in the sector. In the 2006 Budget, provision was made to transition CDEP participants working in Aboriginal Community Controlled Health Organisations into paid positions with the health organisations rather than arrangements that rely on a CDEP wage. Work will continue in other sectors to improve career pathways for CDEP participants and to ensure the contributions of CDEP participants are appropriately recognised and remunerated by service providers.

(13) To encourage participants to use the CDEP programme as a stepping stone to employment, time limiting has been introduced for individuals living in urban or regional areas and who commence in the CDEP programme on or after 1 July 2006 or who have a break of more than 12 weeks from the programme. Therefore, current marine rangers in Maningrida will not be subject to time limits. The PFA between DEWR and the CDEP in Maningrida will clearly set out how the new rules affect the participants. As stated in the answer to question 12, work has commenced so CDEP participants currently working in this sector are appropriately recognised and remunerated by service providers.

(14) New participants after 1 July in urban and regional areas will only be able to participate in CDEP for 52 weeks (cumulative). If a person chooses to claim income support when they exit the CDEP programme, Centrelink is responsible for determining their eligibility and the most appropriate payment for that person based on their individual circumstances.

(15) A participant subject to time limits who has completed 52 weeks on the CDEP programme cannot return to the CDEP programme while they live in an urban or regional area.

(16) CDEP organisations are encouraged to provide or link to training that leads to employment. CDEP participants can remain in the CDEP programme subject to time limiting rules. Other strategies and programme such as Local Jobs for Local People and Job Network will also assist job seekers into employment.

(17) (a) The 2005-06 National budget for CDEP is $560.6 million. 
(b) There is no specific budget for the Management and Activity Fees and Wages components.

(18) Approximately 25 per cent of the National Budget is spent in the Northern Territory.

(19) Below is a list of organisations showing the average number of participants year to date:

<table>
<thead>
<tr>
<th>CDEP Organisations to April 2006</th>
<th>ICC Region</th>
<th>CDEP Organisation</th>
<th>YTD Utilisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alice Springs</td>
<td>Aputula Housing Association Inc</td>
<td>49</td>
<td></td>
</tr>
<tr>
<td>Alice Springs</td>
<td>Areongga Community Inc</td>
<td>35</td>
<td></td>
</tr>
<tr>
<td>Alice Springs</td>
<td>Artarlpilta Community Government Council</td>
<td>60</td>
<td></td>
</tr>
<tr>
<td>Alice Springs</td>
<td>Engawala Community Inc</td>
<td>58</td>
<td></td>
</tr>
<tr>
<td>Alice Springs</td>
<td>Ingkerreke Outstations Resource Services Aboriginal Corporation</td>
<td>88</td>
<td></td>
</tr>
<tr>
<td>Alice Springs</td>
<td>Laramba Community Incorporated</td>
<td>67</td>
<td></td>
</tr>
<tr>
<td>Alice Springs</td>
<td>Lyentye Aputre Community Government Council</td>
<td>128</td>
<td></td>
</tr>
<tr>
<td>Alice Springs</td>
<td>Ntaria Council Inc</td>
<td>38</td>
<td></td>
</tr>
<tr>
<td>Alice Springs</td>
<td>Papunya Community Council Inc.</td>
<td>49</td>
<td></td>
</tr>
<tr>
<td>Alice Springs</td>
<td>Tangentyere Council Incorporated</td>
<td>249</td>
<td></td>
</tr>
<tr>
<td>ICC Region</td>
<td>CDEP Organisation</td>
<td>YTD Utilisation</td>
<td></td>
</tr>
<tr>
<td>---------------------</td>
<td>--------------------------------------------------------</td>
<td>-----------------</td>
<td></td>
</tr>
<tr>
<td>Alice Springs</td>
<td>Tapatjatjaka Community Government Council</td>
<td>87</td>
<td></td>
</tr>
<tr>
<td>Alice Springs</td>
<td>The Arrernte Council of Central Australia Aboriginal Corporation</td>
<td>187</td>
<td></td>
</tr>
<tr>
<td>Alice Springs</td>
<td>Tjuwanpa Outstation Resource Centre Aboriginal Corporation</td>
<td>276</td>
<td></td>
</tr>
<tr>
<td>Alice Springs</td>
<td>Yuelamu Community Inc</td>
<td>44</td>
<td></td>
</tr>
<tr>
<td>Alice Springs</td>
<td>Yuendumu Community Government Council</td>
<td>85</td>
<td></td>
</tr>
<tr>
<td>Darwin</td>
<td>Bawinanga Aboriginal Corporation</td>
<td>599</td>
<td></td>
</tr>
<tr>
<td>Darwin</td>
<td>Darwin Regional CDEP Incorporated</td>
<td>356</td>
<td></td>
</tr>
<tr>
<td>Darwin</td>
<td>Deewin Kurim Aboriginal Corporation</td>
<td>125</td>
<td></td>
</tr>
<tr>
<td>Darwin</td>
<td>Demed Association Incorporated</td>
<td>205</td>
<td></td>
</tr>
<tr>
<td>Darwin</td>
<td>Kunbarllanjina Community Government Council</td>
<td>85</td>
<td></td>
</tr>
<tr>
<td>Darwin</td>
<td>Minjilang Community Incorporated</td>
<td>56</td>
<td></td>
</tr>
<tr>
<td>Darwin</td>
<td>Nauiyu Nambiyu Community Govt. Council CDEP</td>
<td>147</td>
<td></td>
</tr>
<tr>
<td>Darwin</td>
<td>Thamarrurr Regional Council</td>
<td>180</td>
<td></td>
</tr>
<tr>
<td>Darwin</td>
<td>Tiwi Islands Local Government</td>
<td>461</td>
<td></td>
</tr>
<tr>
<td>Darwin</td>
<td>Warnbi Aboriginal Corporation Kakadu</td>
<td>87</td>
<td></td>
</tr>
<tr>
<td>Darwin</td>
<td>Warruwi Community Inc</td>
<td>62</td>
<td></td>
</tr>
<tr>
<td>Katherine</td>
<td>Alawa Aboriginal Corporation</td>
<td>115</td>
<td></td>
</tr>
<tr>
<td>Katherine</td>
<td>Daguragu Community Government Council</td>
<td>129</td>
<td></td>
</tr>
<tr>
<td>Katherine</td>
<td>Jilkminggan Community Government Council</td>
<td>89</td>
<td></td>
</tr>
<tr>
<td>Katherine</td>
<td>Kalano Community Association Inc</td>
<td>185</td>
<td></td>
</tr>
<tr>
<td>Katherine</td>
<td>Lajamanu Community Government Council</td>
<td>114</td>
<td></td>
</tr>
<tr>
<td>Katherine</td>
<td>Mabunji Aboriginal Resource Association Inc</td>
<td>338</td>
<td></td>
</tr>
<tr>
<td>Katherine</td>
<td>Mungoorbada Aboriginal Corporation</td>
<td>111</td>
<td></td>
</tr>
<tr>
<td>Katherine</td>
<td>Ngaliwurr-Wuli Association</td>
<td>301</td>
<td></td>
</tr>
<tr>
<td>Katherine</td>
<td>Nyirrangulung Mardrulk Ngadberre Regional Council</td>
<td>274</td>
<td></td>
</tr>
<tr>
<td>Katherine</td>
<td>Walangert Ngumpinku Community Government Council</td>
<td>128</td>
<td></td>
</tr>
<tr>
<td>Katherine</td>
<td>Yugul Mangi Community Government Council</td>
<td>261</td>
<td></td>
</tr>
<tr>
<td>Nhulunbuy</td>
<td>Angurugu Community Government Council</td>
<td>99</td>
<td></td>
</tr>
<tr>
<td>Nhulunbuy</td>
<td>Galiwin’ku Community Incorporated</td>
<td>181</td>
<td></td>
</tr>
<tr>
<td>Nhulunbuy</td>
<td>Gapuwiyak Community Council Incorporated</td>
<td>66</td>
<td></td>
</tr>
<tr>
<td>Nhulunbuy</td>
<td>Gumatj Association Incorporated</td>
<td>116</td>
<td></td>
</tr>
<tr>
<td>Nhulunbuy</td>
<td>Laynhapuy Homelands Association Incorporated</td>
<td>284</td>
<td></td>
</tr>
<tr>
<td>Nhulunbuy</td>
<td>Marthakal Homeland and Resource Centre Association</td>
<td>262</td>
<td></td>
</tr>
<tr>
<td>Nhulunbuy</td>
<td>Milingimbi Community Incorporated</td>
<td>64</td>
<td></td>
</tr>
<tr>
<td>Nhulunbuy</td>
<td>Numbulwar Numburindi Community Government Council</td>
<td>68</td>
<td></td>
</tr>
<tr>
<td>Nhulunbuy</td>
<td>Ramingining Homelands Resource Centre Aboriginal Corpo-</td>
<td>146</td>
<td></td>
</tr>
<tr>
<td>Tenannt Creek</td>
<td>Ali Curung Council Association Inc.</td>
<td>89</td>
<td></td>
</tr>
<tr>
<td>Tenannt Creek</td>
<td>Gurungu Council Aboriginal Corporation</td>
<td>87</td>
<td></td>
</tr>
<tr>
<td>Tenannt Creek</td>
<td>Julalikari Council Aboriginal Corporation</td>
<td>260</td>
<td></td>
</tr>
<tr>
<td>Tenannt Creek</td>
<td>Papulu Apparr-Kari Aboriginal Corporation</td>
<td>105</td>
<td></td>
</tr>
<tr>
<td>Tenannt Creek</td>
<td>Southern Barkly Aboriginal Corporation</td>
<td>278</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>8267</td>
<td></td>
</tr>
</tbody>
</table>

QUESTIONS ON NOTICE
Oil for Food Program
(Question No. 1726)

Senator O’Brien asked the Minister representing the Prime Minister, upon notice, on 9 May 2006:

(1) When in 2002 did: (a) the Minister; (b) the Minister’s office; and (c) the department, become aware that the Iraqi Administration had refused to allow a ship carrying Australian wheat to unload due to alleged contamination of the grain.

(2) How did: (a) the Minister; (b) the Minister’s office; and (c) the department, become aware the ship’s cargo had been rejected and, in each case, what action was taken in response.

(3) When and how was: (a) the Minister; (b) the Minister’s office; and (c) the department, advised that further shipments of Australian wheat had been rejected by the Iraqi Administration because the grain was allegedly contaminated.

(4) Did: (a) the Minister; (b) the Minister’s office; and (c) the department, receive specific advice about the rejection of each vessel; if so, in each case, when, who provided the advice, how was the advice provided and what action was taken in response.

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

The Government acted promptly to establish an open and transparent inquiry into Australian companies named in the United Nations Independent Inquiry Committee final report. The Government has cooperated fully with the Inquiry. It would not be appropriate to answer questions relating to matters before the Inquiry into certain Australian companies in relation to the UN Oil-for-Food Programme while the Inquiry is under way.

Oil for Food Program
(Question No. 1729)

Senator O’Brien asked the Minister representing the Prime Minister, upon notice, on 9 May 2006:

(1) When in 2002 did the Minister and/or his office and/or the department communicate with a representative of AWB Limited about the Iraqi Administration’s threat to reduce the volume of Australian wheat it would buy due to Australia’s alliance with the United States of America, and, in each case, who initiated the communication, in what form was the communication made and who were the parties to the communication.

(2) If the form of communication was a face-to-face meeting: (a) who attended and in what capacity did they attend; (b) where was the meeting conducted; and (c) if officers from the department did not attend and/or official minutes of the meeting were not recorded, why not.

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

The Government acted promptly to establish an open and transparent inquiry into Australian companies named in the United Nations Independent Inquiry Committee final report. The Government has cooperated fully with the Inquiry. It would not be appropriate to answer questions relating to matters before the
Inquiry into certain Australian companies in relation to the UN Oil-for-Food Programme while the Inquiry is under way.

**Oil for Food Program**

(Question No. 1732)

**Senator O’Brien** asked the Minister representing the Prime Minister, upon notice, on 9 May 2006:

1. When in 2002 did the Minister and/or his office and/or the department communicate with representatives of AWB Limited about the repayment of a quality rebate under a contract associated with the United Nations Oil for Food Programme and, in each case, who initiated the communication, in what form was the communication made and who were the parties to the communication.

2. If the form of communication was a face-to-face meeting: (a) who attended and in what capacity did they attend; (b) where was the meeting conducted; and (c) if officers from the department did not attend and/or official minutes of the meeting were not recorded, why not.

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

The Government acted promptly to establish an open and transparent inquiry into Australian companies named in the United Nations Independent Inquiry Committee final report. The Government has cooperated fully with the Inquiry. It would not be appropriate to answer questions relating to matters before the Inquiry into certain Australian companies in relation to the UN Oil-for-Food Programme while the Inquiry is under way.

**Oil for Food Program**

(Question No. 1735)

**Senator O’Brien** asked the Minister representing the Prime Minister, upon notice, on 9 May 2006:

1. When in 2002 did the Minister and/or his office and/or the department communicate with: (a) Tigris Petroleum or a representative; and/or (b) BHP Billiton or a representative, about the repayment of a debt by the Iraqi Grains Board and, in each case, who initiated the communication, in what form was the communication made and who were the parties to the communication.

2. If the form of communication was a face-to-face meeting: (a) who attended and in what capacity did they attend; (b) where was the meeting conducted; and (c) if officers from the department did not attend and/or official minutes of the meeting were not recorded, why not.

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

The Government acted promptly to establish an open and transparent inquiry into Australian companies named in the United Nations Independent Inquiry Committee final report. The Government has cooperated fully with the Inquiry. It would not be appropriate to answer questions relating to matters before the Inquiry into certain Australian companies in relation to the UN Oil-for-Food Programme while the Inquiry is under way.

**Oil for Food Program**

(Question No. 1738)

**Senator O’Brien** asked the Minister representing the Prime Minister, upon notice, on 9 May 2006:
When in 2002 did the Minister and/or his office: (a) seek advice from the department; and (b) receive advice from the department, in relation to the threat by the Iraqi Administration to reduce the volume of Australian wheat it would buy due to Australia’s alliance with the United States of America and, in each case, in what form was the advice sought or received.

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

The Government acted promptly to establish an open and transparent inquiry into Australian companies named in the United Nations Independent Inquiry Committee final report. The Government has cooperated fully with the Inquiry. It would not be appropriate to answer questions relating to matters before the Inquiry into certain Australian companies in relation to the UN Oil-for-Food Programme while the Inquiry is under way.

**Oil for Food Program**

(Question No. 1741)

**Senator O’Brien** asked the Minister representing the Prime Minister, upon notice, on 9 May 2006:

When in 2002 did the Minister and/or his office: (a) seek advice from the department; and (b) receive advice from the department, in relation to the repayment of a quality rebate for a contract signed by AWB Limited under the United Nations Oil for Food Programme and, in each case, in what form was the advice sought or received.

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

The Government acted promptly to establish an open and transparent inquiry into Australian companies named in the United Nations Independent Inquiry Committee final report. The Government has cooperated fully with the Inquiry. It would not be appropriate to answer questions relating to matters before the Inquiry into certain Australian companies in relation to the UN Oil-for-Food Programme while the Inquiry is under way.

**Oil for Food Program**

(Question No. 1744)

**Senator O’Brien** asked the Minister representing the Prime Minister, upon notice, on 9 May 2006:

When in 2002 did the Minister and/or his office: (a) seek advice from the department; and (b) receive advice from the department, in relation to the repayment of a debt owed to Tigris Petroleum, or BHP Billiton, by the Iraqi Grains Board and, in each case, in what form was the advice sought or received.

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

The Government acted promptly to establish an open and transparent inquiry into Australian companies named in the United Nations Independent Inquiry Committee final report. The Government has cooperated fully with the Inquiry. It would not be appropriate to answer questions relating to matters before the Inquiry into certain Australian companies in relation to the UN Oil-for-Food Programme while the Inquiry is under way.
Oil for Food Program
(Question No. 1747)

Senator O’Brien asked the Minister representing the Prime Minister, upon notice, on 9 May 2006:

(1) On what dates in 2002 and 2003 did the Minister or his office: (a) seek advice from the Minister’s department; and (b) receive advice from the Minister’s department in relation to the decision by the Iraqi Administration to continue to purchase Australian wheat despite Australia’s alliance with the United States.

(2) In each case, in what form was the advice sought or received.

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

The Government acted promptly to establish an open and transparent inquiry into Australian companies named in the United Nations Independent Inquiry Committee final report. The Government has cooperated fully with the Inquiry. It would not be appropriate to answer questions relating to matters before the Inquiry into certain Australian companies in relation to the UN Oil-for-Food Programme while the Inquiry is under way.

Oil for Food Program
(Question No. 1751)

Senator O’Brien asked the Minister representing the Prime Minister, upon notice, on 9 May 2006:

(1) On what dates in 2002 and 2003 did the: (a) Minister; (b) Ministers office; and (c) department, communicate with a representative of AWB Limited about the decision by the Iraqi Administration to continue to purchase Australian wheat despite Australia’s alliance with the United States against Iraq.

(2) In each case: (a) who initiated the communication; (b) in what form was the communication made; and (c) who were the parties to the communication.

(3) If the form of communication was a face-to-face meeting: (a) who attended and in what capacity did they attended; (b) where was the meeting conducted; and (c) if officers from the department did not attend and/or official minutes of the meeting were not recorded, why not.

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

The Government acted promptly to establish an open and transparent inquiry into Australian companies named in the United Nations Independent Inquiry Committee final report. The Government has cooperated fully with the Inquiry. It would not be appropriate to answer questions relating to matters before the Inquiry into certain Australian companies in relation to the UN Oil-for-Food Programme while the Inquiry is under way.

Oil for Food Program
(Question No. 1754)

Senator O’Brien asked the Minister representing the Prime Minister, upon notice, on 9 May 2006:

(1) When and how in 2002 and 2003 did the: (a) Minister; (b) Minister’s office; and (c) department, become aware that AWB Limited had reached a settlement with the Iraqi Administration that would permit the unloading of Australian wheat that was alleged to be contaminated.
(2) When was advice sought from the department about the settlement.
(3) When was that advice received.
(4) What was the form of that advice.
(5) On what dates in 2002 did the: (a) Minister; (b) Minister’s office; and (c) department, communicate with a representative of AWB Limited about the settlement.
(6) In each case: (a) who initiated the communication; (b) in what form was the communication made; and (c) who were the parties to the communication.
(7) If the form of communication was a face-to-face meeting: (a) who attended and in what capacity did they attend; (b) where the meeting was conducted; and (c) if officers from the department did not attend and/or official minutes of the meeting were not recorded, why not.

Senator Minchin—The Prime Minister has provided the following answer to the honourable senator’s question:
The Government acted promptly to establish an open and transparent inquiry into Australian companies named in the United Nations Independent Inquiry Committee final report. The Government has cooperated fully with the Inquiry. It would not be appropriate to answer questions relating to matters before the Inquiry into certain Australian companies in relation to the UN Oil-for-Food Programme while the Inquiry is under way.

Oil for Food Program
(Question No. 1757)

Senator O’Brien asked the Minister representing the Prime Minister, upon notice, on 9 May 2006:
(1) Did Mr Darryl Hockey, an employee of AWB Limited, meet with the: (a) Minister; (b) Minister’s office; and/or (c) the department, in November 2002 seeking advice on how to arrange the repayment of a quality rebate to the Iraqi Grains Board; if so: (i) who did Mr Hockey meet with, (ii) where did the meeting take place, (iii) on what date did the meeting take place and, (iv) if the Minister and/or his office did not attend, when and how was the Minister and/or his office advised of the meeting.
(2) Were official minutes of the meeting recorded; if not, why not.
(3) Was Mr Hockey provided with advice on options for repayment to the Iraqi Grains Board; if so, in what form was this advice provided.
(4) Did the Minister and/or his office receive a copy of this advice; if so, when and how was this approval given.
(5) Did the Minister and/or his office approve this advice; if so, when and how was this approval given.

Senator Minchin—The Prime Minister has provided the following answer to the honourable senator’s question:
The Government acted promptly to establish an open and transparent inquiry into Australian companies named in the United Nations Independent Inquiry Committee final report. The Government has cooperated fully with the Inquiry. It would not be appropriate to answer questions relating to matters before the Inquiry into certain Australian companies in relation to the UN Oil-for-Food Programme while the Inquiry is under way.
Tasmanian Community Forest Agreement
(Question No. 1787)

Senator Milne asked the Minister for the Environment and Heritage, upon notice, on 11 May 2006:

(1) With reference to Commonwealth funding to Tasmania as part of the 1997 Regional Forest Agreement, under which $10 million was allocated for actions to implement the 'Program to protect conservation values on private land in support of the CAR Reserve System' (Clause 101 (iv), p. 33 RFA 19970: can a breakdown be provided of how those monies were spent.

(2) How many provisional coupes were included inside: (a) formal reserves; and (b) informal reserves in the Tasmanian Community Forest Agreement.

(3) What was the area of provisional coupes inside: (a) formal reserves; and (b) informal reserves in the Tasmanian Community Forest Agreement.

(4) Can a breakdown be provided of the number of provisional coupes and the area of provisional coupes in each of the proposed new formal reserves in the Tasmanian Community Forest Agreement.

Senator Ian Campbell—The answer to the honourable senator’s question is as follows:

(1) The Private Forest Reserves Programme only ceased on 30 June 2006. This information is not yet available.

(2) and (3) This information is not held by the Australian Government.

(4) No.

Discretionary Grants Programs
(Question Nos 1821 to 1840)

Senator O’Brien asked all ministers, upon notice, on 30 May 2006:

With reference to discretionary grant programs administered by the Minister’s department and agencies in the 2004-05 and 2005-06 financial years:

(1) For each financial year, can the following details be provided: (a) the name of the program; (b) the quantum of funding expended; (c) the details of grant recipients; and (d) the funding available in 2006-07.

(2) Will any new discretionary grant programs be administered in the 2006-07 financial year; if so, can the details be provided, including the name of the program and the quantum of funding allocated to the program in 2006-07 financial year.

Senator Minchin—The answer to the honourable senator’s question, provided on behalf of all ministers, is as follows:

(1) and (2) Please refer to the answer provided to Parliamentary Question on Notice 1820.

Wheat Exports
(Question No. 1866)

Senator O’Brien asked the Minister representing the Minister for Trade, upon notice, on 1 June 2006:

(1) On what date did the Minister become aware of the Grains Research and Development Corporation-funded work by Single Vision on alternatives to the ‘single desk’ for wheat exports.

(2) How did the Minister become aware.
Senator Coonan—The Minister for Trade has provided the following answer to the honourable senator’s question:

I refer Senator O’Brien to my answer to the Leader of the Opposition in the House of Representatives on 30 May 2006 (House Hansard, 30 May 2006, p.6), in which I indicated that I was aware of work by Single Vision Grains Australia. The study was not a Government-initiated study. It was initiated independently by Single Vision Grains Australia.

Asia-Pacific Economic Cooperation Meeting
(Question No. 1920)

Senator O’Brien asked the Minister representing the Minister for Trade, upon notice, on 8 June 2006:

With reference to the Minister’s statement on 4 June 2006 that it is not unusual to send parliamentary secretaries to attend APEC (Asia-Pacific Economic Cooperation) ministerial meetings: can details be provided of all occasions on which Australia has been represented at an APEC ministerial meeting by a parliamentary secretary.

Senator Coonan—The Minister for Trade has provided the following answer to the honourable senator’s question:

In my statement on 4 June, as in my answer to a question from the Leader of the Opposition in the House of Representatives on 1 June, I was making the clear point that my non-attendance at the APEC Ministerial Meeting in no way diminished my commitment to achieving a successful conclusion to the Doha Round of multilateral trade negotiations. I said that I had spent a deal of time in the period before the APEC meeting in conversations on the WTO negotiations with a number of my Cairns Group colleagues and with the United States Trade Representative Susan Schwab and EU Trade Commissioner Peter Mandelson. I told the House that the Parliamentary Secretary for Trade would capably represent Australia’s interests at the meeting in Vietnam, which she did. I also said on 4 June that sending parliamentary secretaries on occasion to APEC meetings was not unusual and that many other APEC ministers had been represented by their equivalents to parliamentary secretaries at ministerial meetings in the past.

Asia-Pacific Economic Cooperation Meeting
(Question No. 1921)

Senator O’Brien the Minister representing the Minister for Trade, upon notice, on 8 June 2006:

(1) Can details be provided of the parliamentary secretary’s trip to the June 2006 APEC (Asia-Pacific Economic Cooperation) Ministerial meeting in Vietnam, including:

(a) the Parliamentary Secretary’s date of departure from Australia;
(b) a detailed itinerary including all official meetings;
(c) details of departmental officers who accompanied the parliamentary secretary;
(d) details of other persons who accompanied the parliamentary secretary; and
(e) the parliamentary secretary’s date of return to Australia.

(2) What date did the Minister inform APEC officials that he would not attend the 12th Meeting of APEC Ministers Responsible for Trade.

Senator Coonan—The Minister for Trade has provided the following answer to the honourable senator’s question:

(1) (a) Wednesday, 31 May 2006
QUESTIONS ON NOTICE

(b) Wednesday, 31 May 2006: Departed Sydney and arrived in Ho Chi Minh City
   Thursday, 1 June 2006: Ministerial breakfast hosted by the Hon Phil Goff, New Zealand Min-
   ister for Trade; Ministerial Retreat; Working Luncheon with Business hosted by the MRT
   Chair; Dinner and Cultural Event hosted by the MRT Chair
   Friday 2 June 2006: Breakfast hosted by HE Mr Nikai, Japanese Minister of Economy, Trade
   and Industry; Ministerial Plenary of the MRT; Joint Press Conference

(c) No Departmental staff accompanied the Parliamentary Secretary on the visit.

(d) The spouse of the Parliamentary Secretary and one personal staff member accompanied the
   Parliamentary Secretary on the official visit.

(e) Friday, 2 June 2006

(2) Tuesday, 30 May 2006

Conclusive Certificates
(Question No. 1953)

Senator O’Brien asked the Minister for Immigration and Multicultural Affairs, upon no-

(1) Since October 1996, on how many occasions has a conclusive certificate been issued in relation to
   departments or agencies within the Minister’s portfolio exempting a document or documents from
   disclosure under the Freedom of Information Act 1982 (FOI).

(2) For each occasion: (a) what was the date; (b) what was the department or agency of which the FOI
   request was made; (c) what officer made the decision; (d) what was the document or documents
   excluded from disclosure pursuant to the certificate; and (e) was an appeal made against the deci-
   sion in the Administrative Appeals Tribunal; if so what was the case name and its outcome.

Senator Vanstone—The answer to the honourable senator’s question is as follows:

(1) To the best of departmental officers’ knowledge, the Department of Immigration and Multicultural
   Affairs has not issued any conclusive certificates under sections 33, 33A and 36 of the Freedom of
   Information Act 1982.

(2) Consequently, the Department of Immigration and Multicultural Affairs does not consider any ap-
   peals lodged with the Administrative Appeals Tribunal do relate to the issuing of conclusive certifi-
   cates by the department.

Industry, Tourism and Resources: Monetary Compensation
(Question No. 1996)

Senator O’Brien asked the Minister representing the Minister for Industry, Tourism and

What is the quantum of payments made as settlements to claims for monetary compensation by the
   departments and agencies for which the Minister is responsible that are consistent with Legal Services
   Directions issued under section 55ZF of the Judiciary Act 1903, by financial year, since the first Legal
   Services Directions were issued.

Senator Minchin—The Minister for Industry, Tourism and Resources has provided the

The Legal Services Directions commenced effect from 1 September 1999. The bodies in my portfolio
   currently consist of the Department of Industry, Tourism and Resources, Intellectual Property Australia,
   GeoScience Australia, Tourism Australia and the National Offshore Petroleum Safety Authority. In
   terms of the legal settlement of common law claims against those entities, I provide the information set

QUESTIONS ON NOTICE
out below. I note that the information does not include ex-gratia payments or payments under the scheme for compensation for detriment caused by defective administration. All the payments, reflected in the figures below, were consistent with the Legal Services Directions.

1 September 1999 to 30 June 2000 - $96,000
1 July 2000 - 30 June 2001 - $8,415
1 July 2001 - 30 June 2002 - nil
1 July 2002 - 30 June 2003 - nil
1 July 2003 - 30 June 2004 - $5,415
1 July 2004 - 30 June 2005 - $431,969.80
1 July 2005 - 30 June 2006 - $315,806.78

**Non-Forest Vegetation Program**

*(Question No. 2011)*

**Senator Milne** asked the Minister for the Environment and Heritage, upon notice, on 13 June 2006:

1. What level of uptake has there been for Tasmania’s Non-Forest Vegetation Program, funded through the National Heritage Trust, since its commencement.

2. How much land has been conserved under the program.

3. How much land, classified as part of Tasmania’s biodiversity hotspots, has been conserved by the program.

4. (a) How much money has been paid to landowners under the program; and (b) what percentage of the total budget for the program does this represent.

5. How do these results compare with the program’s targets.

6. What does the Government consider to be the main obstacles to the program meeting its targets before its completion.

**Senator Ian Campbell**—The answer to the honourable senator’s question is as follows:

1. The Non-forest Vegetation Program is strategically targeting landholders with high priority threatened non-forest vegetation. To date, 34 properties have been assessed and are at various stages in the negotiation process. These properties cover a total of 48,166 hectares. An additional seven properties are awaiting assessment.

2. To date, a total area of 347 hectares on six properties has been secured under conservation covenants in perpetuity.

3. The Non-forest Vegetation Program is working closely with the Midlands Biodiversity Hotspot Project, also funded by the Natural Heritage Trust. Within the biodiversity hotspot area, 205 hectares has been conserved so far through these initiatives working together with a further 6,211 hectares on 17 properties under negotiation for protection under a conservation covenant or vegetation management agreement.

4. (a) To date, the Non-forest Vegetation Program has paid $66,050 to landowners, with a further $492,498 to be paid pending finalisation of documentation. An additional $1,449,311 is in the early phases of negotiation. (b) The above amounts represent 67 per cent of funding available to go to landholders.

5. The Program has a target of achieving 6,125 hectares of threatened non-forest vegetation protected under a vegetation management agreement and/or conservation covenant by its due completion.
date in June 2007. It is on track to achieve this target with 3,301 hectares currently committed and an additional 7,462 hectares under negotiation.

(6) Whilst the Program anticipates meeting its targets before its completion, it has had to deal with several challenges, including:

- Promotion and uptake of the voluntary incentives component of the Program to individuals unfamiliar with market-based approaches to conservation; and
- In many cases conservation incentives are not attractive compared to the opportunity costs of new commercial ventures such as irrigated cropping.

Growing Regions Conference

(Question No. 2019)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 16 June 2006:

With reference to the Growing Regions Conference in July 2006, to be hosted by the department: will the conference tour to Beaudesert Shire on 28 July 2006 include: (a) a journey on the Regional Partnerships-funded Beaudesert Rail; if not why not; and (b) an inspection of the Dairy Regional Assistance Program-funded Beaudesert Polocrosse Field; if not, why not.

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

(a) and (b) No, as other projects were chosen as part of the tour.

Growing Regions Conference

(Question No. 2020)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 15 June 2006:

With reference to the Growing Regions Conference in July 2006, to be hosted by the department, can the following details be provided: (a) the disaggregated costs associated with the conference; and (b) the details of conference funding sourced from sponsors, including the sponsor’s name and the sum provided.

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

All figures GST exclusive as at 30 June 2006:

(a) Professional Services $164,420; Travel $82,019; Communications $28,115; and Other $11,224.

(b) Rural Industries Research and Development Corporation $7,273; Department of Family and Community Services and Indigenous Affairs $4,545; Charles Sturt University $455; Department of Industry Tourism and Resources $455; Rural Solutions SA $455; and Department of Immigration and Multicultural Affairs $455.

Growing Regions Conference

(Question No. 2021)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 15 June 2006:

With reference to the departmental document ‘Sponsorship Prospectus, Growing Regions Conference, Brisbane Hilton Hotel, 25-27 July 2006’: How many sponsors have been secured by the department in each of the following sponsorship categories: (a) platinum; (b) gold; (c) silver; (d) bronze; (e) official
conference dinner; (f) conference proceedings; (g) hypothetical session; (h) debate forum; (i) casual conference dinner; (j) concurrent sessions; (k) program/handbook; (l) keynote speaker; (m) plenary speaker; (n) welcome reception; (o) pocket program; (p) lunch; (q) morning or afternoon tea; and (r) satchel sponsors.

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

As at 30 June 2006 the following sponsorships have been secured: (n) welcome reception, one; (p) lunch, one; and (r) satchel sponsors, eight.

**East Timor**

(Question No. 2032)

**Senator Hutchins** asked the Minister representing the Minister for Foreign Affairs, upon notice, on 15 June 2006:

With reference to the coronial inquest into the death of journalist Mr Brian Peters in East Timor in October 1975, and testimony by investigating officers of the New South Wales Homicide Squad to that inquest that cooperation has not been forthcoming from the Attorney-General’s Department and the Department of Foreign Affairs and Trade:

(1) Is the Minister aware of any requests for mutual assistance for New South Wales Homicide Squad investigating officers to travel to East Timor and interview witnesses and conduct an examination of remains.

(2) What steps are being taken to facilitate these requests.

(3) Why has there been a delay in the facilitation of these requests.

(4) What mutual assistance agreements exist between East Timor and Australia.

(5) If no formal agreements exist, what other mechanisms are available to facilitate mutual assistance.

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

(1) to (5) Mutual assistance requests are a matter for the Attorney-General’s Department. I would refer the Senator to the Minister for Justice and Customs’ answer to Question No. 2033.

**New Apprenticeship Incentive Program**

(Question No. 2034)

**Senator Wong** asked the Minister representing the Minister for Vocational and Technical Education, upon notice, on 16 June 2006:

With reference to the New Apprenticeship Incentive Program: for each year since 1996, how much has the department paid to Hanssen Pty Ltd (ABN 93 058 600 427), broken down by category of incentive paid.

**Senator Vanstone**—The Minister for Vocational and Technical Education has provided the following answer to the honourable senator’s question:

Hanssen Pty Ltd has not received any payments under the Australian Apprenticeships Incentives Programme (formerly the New Apprenticeships Incentives programme) in the period 1996 – 2006.

**Marnic Worldwide Pty Ltd**

(Question No. 2035)

**Senator O’Brien** asked the Minister representing the Minister for Agriculture, Fisheries and Forestry, upon notice, on 16 June 2006:
(1) As part of his assessment of a claim for damages lodged by Marnic Worldwide Pty Ltd, on how many occasions has Mr Ross Dalton sought advice from the Department of Finance and Administration.

(2) In each case: (a) when was the request for advice made; (b) what was the nature of the request; (c) when was the advice received; and (d) what was the nature of the advice.

Senator Abetz—The Minister for Agriculture, Fisheries and Forestry has provided the following answer to the honourable senator’s question:

(1) and (2) The investigation officer sought advice as appropriate from the Department of Finance and Administration in relation to the application of the Compensation for Detriment caused by Defective Administration (CDDA) scheme guidelines. The question is central to the fact finding and quantum consideration process and therefore providing further details could prejudice the process in accordance with the CDDA guidelines.

Marnic Worldwide Pty Ltd

(Question No. 2036)

Senator O’Brien asked the Minister representing the Minister for Agriculture, Fisheries and Forestry, upon notice, on 16 June 2006:

(1) As part of his assessment of a claim for damages lodged by Marnic Worldwide Pty Ltd on how many occasions has Mr Ross Dalton sought legal advice.

(2) In each case: (a) from whom was the advice sought; (b) when was the request for advice made; (c) what was the nature of the request; (d) when was the advice received; and (e) what was the nature of the advice.

Senator Abetz—The Minister for Agriculture, Fisheries and Forestry has provided the following answer to the honourable senator’s question:

(1) and (2) The investigation officer sought advice as appropriate from the Department’s legal representative (MinterEllison Lawyers) in respect of any legal issues concerning the claim, in particular the application of the Compensation for Detriment caused by Defective Administration scheme guidelines. Any request for legal advice is subject to legal professional privilege and release of further details could prejudice consideration of the claim.

Marnic Worldwide Pty Ltd

(Question No. 2037)

Senator O’Brien asked the Minister representing the Minister for Agriculture, Fisheries and Forestry, upon notice, on 16 June 2006:

(1) As part of his assessment of a claim for damages lodged by Marnic Worldwide Pty Ltd, on how many occasions has Mr Ross Dalton sought accounting or business advice.

(2) In each case: (a) from whom was the advice sought; (b) when was the request for advice made; (c) what was the nature of the request; (d) when was the advice received; and (e) what was the nature of the advice.

Senator Abetz—The Minister for Agriculture, Fisheries and Forestry has provided the following answer to the honourable senator’s question:

(1) No occasions.

(2) Not applicable.
Marnic Worldwide Pty Ltd
(Question No. 2038)

Senator O’Brien asked the Minister representing the Minister for Agriculture, Fisheries and Forestry, upon notice, on 16 June 2006:

(1) On what date did the department’s legal advisors write to Marnic Worldwide Pty Ltd seeking the provision of documents from the company which would set out the basis of its claim for damages.

(2) On what date were those documents provided to the department.

(3) On what date were those documents provided to Mr Ross Dalton.

(4) Did the material provided to Mr Dalton differ from that he relied upon to prepare his first report on this claim, that found there had been defective administration by Australian Quarantine and Inspection Service.

(5) Has the provision of this additional material expanded the facts that need to be agreed before an assessment of compensation can be made.

Senator Abetz—The Minister for Agriculture, Fisheries and Forestry has provided the following answer to the honourable senator’s question:

(1) The Department through its legal representatives wrote to Marnic Worldwide Pty Ltd (Marnic) on 13 March 2006, 23 March 2006, 28 April 2006 and 25 May 2006 seeking the provision of any material which may assist the investigation officer to determine any compensation payable in accordance with the Compensation for Detriment caused by Defective Administration (CDDA) guidelines.


(3) The investigating officer was provided the document on 10 November 2005 after he was appointed by the Minister.

(4) No.

(5) No.

Marnic Worldwide Pty Ltd
(Question No. 2041)

Senator O’Brien asked the Minister representing the Minister for Agriculture, Fisheries and Forestry, upon notice, on 16 June 2006:

(1) As part of his investigation of a claim by Marnic Worldwide Pty Ltd for compensation did Mr Ross Dalton interview officers of the Australian Quarantine and Inspection Service; if so, what are the names and positions of these officers.

(2) As part of his investigation of a claim by Marnic Worldwide Pty Ltd for compensation did Mr Ross Dalton interview officers of Biosecurity Australia; if so, what are the names and positions of these officers.

(3) In relation to each of the above interviews, how were the interviews conducted and where are the records of interview held.

QUESTIONS ON NOTICE
Senator Abetz—The Minister for Agriculture, Fisheries and Forestry has provided the following answer to the honourable senator’s question:

(1), (2) and (3) The investigation officer sought advice from officers of the Australian Quarantine and Inspection Service and Biosecurity Australia in respect of matters of fact and technical issues surrounding the claim. The question is central to the fact finding and quantum consideration process and therefore providing further details could prejudice the process in accordance with the Compensation for Detriment caused by Defective Administration guidelines.

Marnic Worldwide Pty Ltd

(Question No. 2042)

Senator O’Brien asked the Minister representing the Minister for Agriculture, Fisheries and Forestry, upon notice, on 16 June 2006:

(1) As part of his assessment of a claim for damages lodged by Marnic Worldwide Pty Ltd, has Mr Ross Dalton sought any advice in relation to how a claim for compensation relating to non-financial damage associated with stress, pain or suffering might be assessed; if so: (a) from whom was the advice sought; (b) when was the advice sought; (c) what was the nature of the request for advice; (d) when was the advice received; and (e) what was the nature of the advice provided.

(2) If Mr Dalton has not sought advice of this nature in relation to the Marnic claim, why not.

Senator Abetz—The Minister for Agriculture, Fisheries and Forestry has provided the following answer to the honourable senator’s question:

(1) No.

(2) The investigation officer will seek advice as appropriate for consideration of the compensation payable in relation to the claim.

Australian Quarantine and Inspection Service

(Question No. 2048)

Senator O’Brien asked the Minister representing the Minister for Agriculture, Fisheries and Forestry, upon notice, on 16 June 2006:

(1) How many areas within the Australian Quarantine and Inspection Service have ISO accreditation.

(2) In each case, when was accreditation sought and when was accreditation approved.

Senator Abetz—The Minister for Agriculture, Fisheries and Forestry has provided the following answer to the honourable senator’s question:

(1) Two areas within the Australian Quarantine and Inspection Service have ISO accreditation.

(2) AQIS Business Software Solutions sought accreditation in July 1997, accreditation was approved in June 1998; AQIS Compliance and Investigations sought accreditation in March 1999, accreditation was approved in July 1999. Both programs have remained certified since with an annual audit program.

Dampier Rock Art Precinct

(Question No. 2067)

Senator Bob Brown asked the Minister for the Environment and Heritage, upon notice, on 16 June 2006:

(1) What is the current status of the World Heritage nomination of the Dampier Rock Art Precinct in Western Australia.

QUESTIONS ON NOTICE
(2) Was a commitment made by the Western Australian Minister for the Environment to provide the Commonwealth with assistance in the preparation of the nomination.

(3) Has that assistance been provided; if so, when; if not, will the Minister seek the assistance of the Western Australian Government as previously agreed.

Senator Ian Campbell—The answer to the honourable senator’s question is as follows:

(1) A nomination of the Dampier Rock Art Precinct in Western Australia to the World Heritage List is not being prepared.

In March 2003, a workshop of rock art experts was convened by the Department of the Environment and Heritage to consider places across Australia that might be suitable for a serial World Heritage nomination. The Dampier Archipelago was one of the places considered.

A serial World Heritage Rock Art nomination will not proceed until all places to be included in the nomination have been included in the National Heritage List.

(2) In 2003 there was Ministerial and Departmental correspondence leading to informal discussions between officers from the Department of the Environment and Heritage and Western Australian Government officials about preliminary and procedural aspects of a possible World Heritage Serial Rock Art nomination.

(3) No further discussions have been undertaken.

Regional Airport Funding Program

(Question No. 2073)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 16 June 2006:

With reference to the Regional Airport Funding Program, can the following details be provided:

(1) The quantum of available funding, by year for the life of the program;

(2) The quantum of allocated funding, by year; and

(3) Details of airports that have received funding, including the quantum of funding and nature of funded works, by airport.

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

With reference to the Regional Airport Funding Program, can the following details be provided:

(1) The $35 million in funding for the Regional Airport Funding Program was an announcement made as part of the 2003/04 Budget. An announcement of a further $1.5 million in funding was part of the 2005/06 Budget. This is not an ongoing funding program.

(2) As above.

(3) Due to the confidentiality requirements regarding individual airport’s Transport Security Programs, as set out in Part 2, Subpart 2.06 of the Aviation Transport Security Regulations 2005, specifications for each airport’s security measures cannot be provided. Some examples of implemented measures include fencing, lighting, CCTV, alarm systems and signage.

Airports that have received funding, including the quantum of funding are listed below.

<table>
<thead>
<tr>
<th>NT</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Bathurst Island Aerodrome</td>
<td>$279,410.00</td>
</tr>
<tr>
<td>Elcho Island Airport</td>
<td>$124,719.00</td>
</tr>
<tr>
<td>Garden Point Aerodrome</td>
<td>$254,754.00</td>
</tr>
<tr>
<td>Airport</td>
<td>Amount</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>----------------</td>
</tr>
<tr>
<td>Hooker Creek Airport</td>
<td>$164,433.00</td>
</tr>
<tr>
<td>Kalkurung Airport</td>
<td>$265,472.00*</td>
</tr>
<tr>
<td>Katherine/Tindal Airport</td>
<td>$94,250.01**</td>
</tr>
<tr>
<td>Lake Evella Airport</td>
<td>$293,904.00</td>
</tr>
<tr>
<td>McArthur River Mine Aerodrome</td>
<td>$168,439.00</td>
</tr>
<tr>
<td>Maningrida Airport</td>
<td>$179,601.00</td>
</tr>
<tr>
<td>Ramingining Airport</td>
<td>$32,965.00 (Stage 1 only)</td>
</tr>
<tr>
<td>Ramingining Airport</td>
<td>$178,574.00 (Stage 2 only)</td>
</tr>
<tr>
<td>Snake Bay Aerodrome</td>
<td>$253,437.00</td>
</tr>
<tr>
<td>Tennant Creek Airport</td>
<td>$485,427.13</td>
</tr>
</tbody>
</table>

* Kalkurung was originally announced as $248,972.00. This was subsequently increased to $265,472.00 due to an increase in the cost of implementing their approved basic security measures.

** Katherine/Tindal Airport was originally announced as $88,513.00. This was subsequently increased to $94,250.01 due to an increase in the cost of implementing their approved basic security measures.

NSW

<table>
<thead>
<tr>
<th>Airport</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Albury Airport</td>
<td>$746,738.00</td>
</tr>
<tr>
<td>Armidale Airport</td>
<td>$313,350.00</td>
</tr>
<tr>
<td>Bankstown Airport</td>
<td>$74,677.86^</td>
</tr>
<tr>
<td>Bathurst Airport</td>
<td>$185,871.00</td>
</tr>
<tr>
<td>Bourke Airport</td>
<td>$56,650.00</td>
</tr>
<tr>
<td>Broken Hill Airport</td>
<td>$50,520.00</td>
</tr>
<tr>
<td>Cobar Airport</td>
<td>$20,495.40</td>
</tr>
<tr>
<td>Cooma Airport</td>
<td>$847,207.00</td>
</tr>
<tr>
<td>Coonamble Airport</td>
<td>$76,562.70</td>
</tr>
<tr>
<td>Dubbo Airport</td>
<td>$15,560.00 (Stage 1 only)</td>
</tr>
<tr>
<td>Dubbo Airport</td>
<td>$155,837.00 (Stage 2 only)</td>
</tr>
<tr>
<td>Dubbo Airport</td>
<td>$55,282.00 (Stage 3 only)</td>
</tr>
<tr>
<td>Grafton Airport</td>
<td>$121,058.00</td>
</tr>
<tr>
<td>Griffith Airport</td>
<td>$27,237.00 (Stage 1 only)</td>
</tr>
<tr>
<td>Griffith Airport</td>
<td>$28,281.00 (Stage 2 only)</td>
</tr>
<tr>
<td>Griffith Airport</td>
<td>$202,441.00 (Stage 3)</td>
</tr>
<tr>
<td>Gunnedah Airport</td>
<td>$43,901.00</td>
</tr>
<tr>
<td>Illawarra Airport</td>
<td>$273,252.00</td>
</tr>
<tr>
<td>Inverell Airport</td>
<td>$293,634.00</td>
</tr>
<tr>
<td>Kempsey Airport</td>
<td>$121,631.00</td>
</tr>
<tr>
<td>Lightning Ridge Airport</td>
<td>$77,402.00</td>
</tr>
<tr>
<td>Lismore Airport</td>
<td>$78,730.00</td>
</tr>
<tr>
<td>Lord Howe Island</td>
<td>$44,851.00</td>
</tr>
<tr>
<td>Merimbula Airport</td>
<td>$859,444.30</td>
</tr>
<tr>
<td>Airport</td>
<td>Amount</td>
</tr>
<tr>
<td>-------------------------</td>
<td>----------------</td>
</tr>
<tr>
<td>Moree Airport</td>
<td>$275,715.00</td>
</tr>
<tr>
<td>Narrabri Airport</td>
<td>$205,276.00#</td>
</tr>
<tr>
<td>Orange Airport</td>
<td>$337,691.47 (Stage 1 only)</td>
</tr>
<tr>
<td>Parkes Airport</td>
<td>$24,033.10</td>
</tr>
<tr>
<td>Port Macquarie Airport</td>
<td>$343,795.00</td>
</tr>
<tr>
<td>Tamworth Airport</td>
<td>$63,498.60 (Stage 1 only)</td>
</tr>
<tr>
<td>Tamworth Airport</td>
<td>$328,654.00 (Stage 2 only)</td>
</tr>
<tr>
<td>Taree Airport</td>
<td>$105,946.00</td>
</tr>
<tr>
<td>Walgett Airport</td>
<td>$110,424.00</td>
</tr>
<tr>
<td>West Wyalong Airport</td>
<td>$53,341.00</td>
</tr>
</tbody>
</table>

^ Bankstown was originally announced as $65,932.86. This was subsequently increased to $74677.86 due to an increase in the cost of implementing their approved basic security measures.

# Narrabri was originally announced as $183,854.00. This was subsequently increased to $205,276.00 due to an increase in the cost of implementing their approved basic security measures.

**QLD**

<table>
<thead>
<tr>
<th>Airport</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Archerfield Airport</td>
<td>$1,144,897.14</td>
</tr>
<tr>
<td>Aurukun Airport</td>
<td>$107,103.00</td>
</tr>
<tr>
<td>Badu Island Airport</td>
<td>$30,388.00</td>
</tr>
<tr>
<td>Bamaga Airport</td>
<td>$94,050.00</td>
</tr>
<tr>
<td>Barcaldine Airport</td>
<td>$22,990.00</td>
</tr>
<tr>
<td>Bedourie Airport</td>
<td>$83,860.00</td>
</tr>
<tr>
<td>Birdsville Airport</td>
<td>$209,244.00</td>
</tr>
<tr>
<td>Blackall Airport</td>
<td>$86,790.00</td>
</tr>
<tr>
<td>Blackwater Airport</td>
<td>$113,267.14</td>
</tr>
<tr>
<td>Boigu Island Airport</td>
<td>$32,280.00</td>
</tr>
<tr>
<td>Bouliia Airport</td>
<td>$206,331.00</td>
</tr>
<tr>
<td>Bundaberg Airport</td>
<td>$222,066.00</td>
</tr>
<tr>
<td>Burketown Airport</td>
<td>$34,650.00 (Stage 1 only)</td>
</tr>
<tr>
<td>Burketown Airport</td>
<td>$37,087.00 (Stage 2 only)</td>
</tr>
<tr>
<td>Charleville Airport</td>
<td>$360,811.00</td>
</tr>
<tr>
<td>Cloncurry Airport</td>
<td>$221,003.00</td>
</tr>
<tr>
<td>Coen Airport</td>
<td>$136,221.00</td>
</tr>
<tr>
<td>Cooktown Airport</td>
<td>$178,931.00</td>
</tr>
<tr>
<td>Cunnamulla Airport</td>
<td>$240,222.00</td>
</tr>
<tr>
<td>Doomadgee Airport</td>
<td>$200,853.00</td>
</tr>
<tr>
<td>Dunk Island Airport</td>
<td>$42,978.58</td>
</tr>
<tr>
<td>Emerald Airport</td>
<td>$288,228.00</td>
</tr>
<tr>
<td>Gladstone Airport</td>
<td>$43,893.87*</td>
</tr>
<tr>
<td>Horn Island Airport</td>
<td>$425,287.00</td>
</tr>
</tbody>
</table>
Hughenden Airport $68,154.00  
Iron Range/Lockhart River Airport $40,253.00  
Julia Creek Airport $88,064.00  
Karumba Airport $91,574.00  
Kowanyama Airport $107,448.00  
Longreach Airport $95,003.00  
Mabuiag Island Airport $52,422.00  
Maryborough Airport $91,779.00 (Stage 1 only)  
Maryborough Airport $289,935.00 (Stage 2 only)  
Moranbah Airport $151,517.16  
Mornington Island Airport $253,402.00  
Normanton Airport $132,115.00  
Edward River/Pormpuraaw Airport $174,322.00  
Quilpie Airport $242,666.00  
Richmond Airport $164,493.00  
Roma Airport $262,902.00  
Saibai Airport $29,291.00 (Stage 1 only)  
St George Airport $80,850.00  
Toowoomba Airport $121,502.00  
Windorah Airport $183,578.00  
Winton Airport $155,145.00  
Yorke Island $173,619.00  
* Gladstone Airport was originally announced as $41,366.25. This was subsequently increased to $43,893.87 due to an increase in the cost of implementing their approved basic security measures.

SA
Ceduna Airport $292,228.00  
Coober Pedy Airport $43,485.60  
Kingscote Airport $135,770.46  
Mount Gambier Airport $444,385.10  
Paradise Airport $2,065,540.00  
Port Lincoln Airport $225,555.00  
Whyalla Airport $239,396.27  
Olympic Dam Airport $707,142.86  

TAS
Cambridge Airport $38,911.00  
Flinders Island Airport $97,729.69  

VIC
Essendon Airport $1,911,430.70  
Hamilton Airport $102,541.00  

QUESTIONS ON NOTICE
<table>
<thead>
<tr>
<th>Airport</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Latrobe Airport</td>
<td>$161,962.00</td>
</tr>
<tr>
<td>Moorabbin Airport</td>
<td>$663,834.00</td>
</tr>
<tr>
<td>Mount Hotham Airport</td>
<td>$88,029.00</td>
</tr>
<tr>
<td>Portland Airport</td>
<td>$39,953.00</td>
</tr>
<tr>
<td>Warrnambool Airport</td>
<td>$40,441.00 (Stage 1 only)</td>
</tr>
<tr>
<td>Warrnambool Airport</td>
<td>$38,162.00 (Stage 2 only)</td>
</tr>
<tr>
<td>WA</td>
<td></td>
</tr>
<tr>
<td>Albany Airport</td>
<td>$130,644.00</td>
</tr>
<tr>
<td>Argyle Airport</td>
<td>$18,672.00 (Stage 1 only)</td>
</tr>
<tr>
<td>Carnarvon Airport</td>
<td>$81,070.00 (Stage 1 only)</td>
</tr>
<tr>
<td>Carnarvon Airport</td>
<td>$93,585.00 (Stage 2 only)</td>
</tr>
<tr>
<td>Carnarvon Airport</td>
<td>$85,058.00 (Stage 3 only)</td>
</tr>
<tr>
<td>Derby Airport</td>
<td>$159,580.20</td>
</tr>
<tr>
<td>Esperance Airport</td>
<td>$169,539.00</td>
</tr>
<tr>
<td>Fitzroy Crossing Airport</td>
<td>$93,351.25 (Stage 1 only)*</td>
</tr>
<tr>
<td>Fitzroy Crossing Airport</td>
<td>$222,132.00 (Stage 2 only)</td>
</tr>
<tr>
<td>Geraldton Airport</td>
<td>$215,211.00 (Stage 1 only)**</td>
</tr>
<tr>
<td>Geraldton Airport</td>
<td>$215,727.00 (Stage 2 only)</td>
</tr>
<tr>
<td>Halls Creek Airport</td>
<td>$439,858.00</td>
</tr>
<tr>
<td>Jandakot Airport</td>
<td>$885,741.00</td>
</tr>
<tr>
<td>Kalbarri Airport</td>
<td>$38,880.00</td>
</tr>
<tr>
<td>Laverton Airport</td>
<td>$171,314.00</td>
</tr>
<tr>
<td>Learmonth</td>
<td>$155,501.00</td>
</tr>
<tr>
<td>Leinster Airport</td>
<td>$221,457.14</td>
</tr>
<tr>
<td>Leonora Airport</td>
<td>$183,465.20***</td>
</tr>
<tr>
<td>Meekatharra Airport</td>
<td>$66,820.00</td>
</tr>
<tr>
<td>Mt Magnet Airport</td>
<td>$439,708.00</td>
</tr>
<tr>
<td>Ravensthorpe Airport</td>
<td>$16,923.00 (Stage 1 only)</td>
</tr>
<tr>
<td>Ravensthorpe Airport</td>
<td>$28,676.00 (Stage 2 only)</td>
</tr>
<tr>
<td>Shark Bay Airport</td>
<td>$118,417.16</td>
</tr>
</tbody>
</table>

* Fitzroy Crossing Airport’s (Stage 1) funding was originally announced as $86,948.95. This was subsequently increased to $93,351.25 due to an increase in the cost of implementing their approved basic security measures.

** Geraldton Airport’s (Stage 1) funding was originally announced as $210,987.00. This was subsequently increased to $215,211.00 due to an increase in the cost of implementing their approved basic security measures.

*** Leonora Airport’s funding was originally announced as $161,617.00. This was subsequently increased to $183,465.20 due to an increase in the cost of implementing their approved basic security measures.
Civil Aviation Safety Authority

(Question No. 2075)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 16 June 2006:

With reference to the letter from the Chief Executive Officer of the Civil Aviation Safety Authority (CASA), Mr Bruce Byron, to ‘all Australian pilots’ on 16 June 2006:

(1) Can the Minister confirm Mr Byron is aware of examples of pilots who have ‘abandoned the final stage of an instrument approach and transferred to visual reference too early’.

(2) In each case, what action has Mr Byron and/or CASA taken.

(3) If no action has been taken, why not.

(4) How many copies of Mr Byron’s letter have been issued.

(5) What is the cost of this exercise.

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

(1) Mr Byron drew the attention of pilots to three fatal aircraft accidents in the last 18 months reported by the Australian Transport Safety Bureau involving aircraft that appeared to be conducting Global Navigation Satellite System/Area Navigation (GNSS/RNAV) instrument approach procedures. In at least two of these accidents the factual information showed the aircraft departed significantly from the published instrument approach while in controlled flight, the most recent involving a PA31 aircraft conducting an approach to Mount Hotham.

Abandoning the instrument approach and transitioning to visual reference too early is a long standing and well documented problem worldwide and has been cited as a significant factor in a number of accidents. In his letter, Mr Byron stated that “from a personal perspective, and based on an aircraft operating career of over 40 years I have certainly heard of examples where fellow pilots abandoned the final stage of an instrument approach and transferred to visual reference too early”.

(2) CASA has advised that no action has been taken against specific pilots but CASA has issued the letter to provide a general warning against the practice of not conforming to published instrument approach procedures in the light of the accident reports.

CASA has also published numerous articles on flying instrument approaches in its magazine, Flight Safety Australia, including an article on the Illyushin IL 76 accident at Baceau in the July/August 2004 edition, where use of a non-standard instrument approach procedure was a significant factor. The article included similar warnings to pilots.

(3) Pilots are regularly checked on their proficiency in flying instrument approaches, including adherence to published procedures, but CASA has no way of monitoring every instrument approach that is flown and relies on pilots and operators to follow appropriate procedures in day to day operations. Therefore advice and education is seen as the most effective way to maintain the safety of these operations.

(4) CASA distributed 72,892 copies to pilots and other aviation personnel.

(5) The estimated cost was $10,894.

Civil Aviation Safety Authority

(Question No. 2076)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 16 June 2006:

QUESTIONS ON NOTICE
(1) Can details be provided of all costs associated with Civil Aviation Safety Authority (CASA) corporate and public relations since the 2002-03 financial year, by financial year.

(2) For each financial year since 2002-03, what was number, classification and related salary band of CASA staff engaged in corporate and public relations activities.

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

(1) The total costs associated with the CASA corporate and public relations since 2002-03 financial year, by financial year as follows.

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Corporate Relations</th>
<th>Public Relations</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002-03</td>
<td>1,566,347</td>
<td>403,405</td>
<td>1,969,753</td>
</tr>
<tr>
<td>2003-04</td>
<td>971,409</td>
<td>366,301</td>
<td>1,337,710</td>
</tr>
<tr>
<td>2004-05</td>
<td>1,601,995</td>
<td>586,475</td>
<td>2,188,470</td>
</tr>
<tr>
<td>2005-06</td>
<td>1,739,006</td>
<td>*</td>
<td>1,739,006</td>
</tr>
</tbody>
</table>

*In the 2005-06 Financial year, Corporate relations and public relations are combined.*

(2) The numbers of CASA staff engaged in corporate and public relations activities from 2002-03 to 2005-06 are as follows:

- 2002-03 = 18
- 2003-04 = 16
- 2004-05 = 17
- 2005-06 = 13

The CASA salary classifications changed on 16 February 2006 under the 2006-2008 Certified Agreement. All staff engaged in corporate and public relations activities are now employed under the Corporate Services Level Classifications.

The classification and salary breakdown for previous years is not readily available as staff were under the previous ASO classifications. To obtain the data would require a considerable commitment of resources, which I am not prepared to commit at this time.

The number, classification and related salary band of CASA staff engaged in corporate and public relations during 2005-06 are listed below:

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Number of Staff (Average)</th>
<th>Classification</th>
<th>Salary Band</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005-06</td>
<td>2</td>
<td>CS5</td>
<td>$82,645 - $98,597</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>CS4</td>
<td>$71,783 - $79,519</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>CS3</td>
<td>$54,703 - $68,923</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>CS2</td>
<td>$43,371 - $52,482</td>
</tr>
</tbody>
</table>

**Civil Aviation Safety Authority**

*(Question No. 2077)*

**Senator O’Brien** asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 16 June 2006:

Can details be provided of the Civil Aviation Safety Authority’s expenditure on media monitoring since the 2002-03 financial year, by financial year.

**Senator Ian Campbell**—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:
Expenditure on media monitoring services by the Civil Aviation Safety Authority since 2002-03 is as follows (including GST):

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002-2003</td>
<td>$66,774.88</td>
</tr>
<tr>
<td>2003-2004</td>
<td>$57,034.84</td>
</tr>
<tr>
<td>2004-2005</td>
<td>$44,489.54</td>
</tr>
<tr>
<td>2005 - 22 June 2006</td>
<td>$55,345.05</td>
</tr>
</tbody>
</table>

**Australian Hearing Services**

*(Question No. 2079)*

**Senator Allison** asked the Minister for Ageing, upon notice, on 20 June 2006:

1. On average, how many congenitally deaf Australians become ineligible for the services of Australian Hearing Services each year when they reach the age of 21.

2. If purchased through a private provider, what are the costs of obtaining hearing devices available at a subsidised rate through Australian Hearing Services.

3. What information does the Minister have on the level of financial hardship experienced by previous child clients of Australian Hearing who are no longer able to access subsidised hearing devices when sourcing their hearing devices.

4. Is the Minister considering any form of assistance for congenitally deaf Australians who become ineligible for the services of Australian Hearing Services when they reach the age of 21.

**Senator Santoro**—The answer to the honourable senator’s question is as follows:

1. An average of about 800 Australian Hearing clients will turn 21 each year.

2. There is no single cost for hearing services and devices purchased outside of the Australian Government Hearing Services Program. Costs of devices purchased privately vary depending on the device selected and what the provider chooses to charge. According to the Australian College of Audiology (ACAud), costs for devices could be in the range of $1,000 to $5,000 for each device. The cost of audiological services is often included within the device price.

3. None. Information on the financial status of private hearing clients is not reported to the Government.

4. The Government does provide a level of support to hearing impaired Australians through the private health insurance rebate which makes private health insurance more affordable by reducing its cost (by 30% for this age group). As the level of coverage of hearing services varies between health funds and products, I would encourage hearing impaired Australians to shop around for the most appropriate cover for their needs. Consumers should also be aware that they may face waiting periods for benefits.

   The Government provides further support to hearing impaired Australians who require hearing devices through the net medical expenses tax offset. Australians with net medical expenses over a $1500 threshold in a financial year are entitled to a tax offset equal to 20% of the amount over the threshold. Hearing aids qualify as a claimable medical expense for the purposes of the offset.

**Aged Care**

*(Question No. 2081)*

**Senator McLucas** asked the Minister for Ageing, upon notice, on 20 June 2006:

With reference to the answer to question on notice E06-129 relating to the Community Affairs Legislation Committee’s additional estimates 2005 – 06: Are any of the 10 residential aged care facilities that did not meet the 2004 state and local government fire safety standards the same as those that have not met the 2005 fire safety standards.

**Senator Santoro**—The answer to the honourable senator’s question is as follows:
Yes. There are currently three homes that declared they did not meet State, Territory and Local Government fire and safety regulations in 2004. These three homes have also not met the 1999 Certification Instrument required by 31 December 2005. All three homes have substantial building works in progress.

**Aged Care**

(Question No. 2099)

*Senator McLucas* asked the Minister for Ageing, upon notice, on 20 June 2006:

(1) For each of the calendar years: (a) 2000; (b) 2001; (c) 2002; (d) 2003; (e) 2004; and (f) 2005:

(i) how many applications were there for low care, high care and extra service places, by state and by aged care planning region,

(ii) how many bed licenses have been allocated but then returned, and

(iii) what was the timeframe between allocations and return and the reasons for the return.

(2) Are any of the returned licenses reallocated: if so, how.

(3) Have there been any applications to transfer allocated but not operational bed licenses over the past 5 years; if so: (a) how many; (b) in which years; (c) and which if any, were approved.

(4) What was the vacancy level in residential aged care facilities as of December 2005.

(5) Can details be provided of all resident classification scale upgrades and downgrades, by state for the financial year 2005-06 to 30 March 2006.

*Senator Santoro*—The answer to the honourable senator’s question is as follows:

(1) (i) to (f) Details of the number of applications for low care and high care residential places are at Attachment A. Information for the 2000 calendar year is no longer available.

Details of applications for Extra Service Status are at Attachment B.

(ii) Data for 2000 and 2001 are not readily available. For the years from 2002 to 2005 inclusive 57 operational places were relinquished and 284 provisionally allocated places were surrendered.

(iii) This data is not held. Aged care places are returned to the Department as a result of decisions by providers.

(2) The number of surrendered, lapsed or relinquished aged care places is taken into account, for planning purposes, when deciding how many aged care places need to be made available in subsequent Aged Care Approvals Rounds.

(3) (a), (b) and (c) No.

(4) The vacancy rate during the three months October to December 2005 was 4.9%.

(5) The table below shows the results from reviews for the period 1 July 2005 to 31 March 2006.

<table>
<thead>
<tr>
<th>Review result</th>
<th>NSW</th>
<th>VIC</th>
<th>QLD</th>
<th>SA</th>
<th>WA</th>
<th>TAS</th>
<th>NT</th>
<th>ACT</th>
<th>Australia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upgrade</td>
<td>89</td>
<td>162</td>
<td>79</td>
<td>100</td>
<td>37</td>
<td>25</td>
<td>0</td>
<td>1</td>
<td>493</td>
</tr>
<tr>
<td>Downgrade</td>
<td>2,048</td>
<td>902</td>
<td>933</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

QUESTIONS ON NOTICE
## QUESTIONS ON NOTICE

<table>
<thead>
<tr>
<th>Review result</th>
<th>State</th>
<th>Reviews</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>SA</td>
<td>279</td>
</tr>
<tr>
<td></td>
<td>WA</td>
<td>434</td>
</tr>
<tr>
<td></td>
<td>TAS</td>
<td>66</td>
</tr>
<tr>
<td></td>
<td>NT</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>ACT</td>
<td>31</td>
</tr>
<tr>
<td></td>
<td>Australia</td>
<td>4,693</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>5,186</strong></td>
</tr>
</tbody>
</table>
## Attachment A

### Aged Care Approvals

#### Round Year

<table>
<thead>
<tr>
<th>Residential applications received by care type</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Care only</td>
<td>2</td>
<td>13</td>
<td>3</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td>Low Care only</td>
<td>0</td>
<td>5</td>
<td>2</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>High &amp; Low care</td>
<td>5</td>
<td>0</td>
<td>1</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>Low Care only</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>High &amp; Low care</td>
<td>9</td>
<td>4</td>
<td>1</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td>Low Care only</td>
<td>0</td>
<td>0</td>
<td>5</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>High Care only</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Low Care only</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td>High &amp; Low care</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Low Care only</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>High Care only</td>
<td>7</td>
<td>4</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Low Care only</td>
<td>0</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>High &amp; Low care</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Low Care only</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>High Care only</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Low Care only</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>High &amp; Low care</td>
<td>7</td>
<td>4</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Low Care only</td>
<td>0</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>High Care only</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Low Care only</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>High &amp; Low care</td>
<td>13</td>
<td>10</td>
<td>2</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Low Care only</td>
<td>0</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>High Care only</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Low Care only</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>High &amp; Low care</td>
<td>23</td>
<td>15</td>
<td>2</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Low Care only</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>High Care only</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Low Care only</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>High &amp; Low care</td>
<td>12</td>
<td>9</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Low Care only</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>High Care only</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Low Care only</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>High &amp; Low care</td>
<td>18</td>
<td>154</td>
<td>23</td>
<td>12</td>
<td>92</td>
</tr>
<tr>
<td>Low Care only</td>
<td>21</td>
<td>15</td>
<td>79</td>
<td>26</td>
<td>23</td>
</tr>
<tr>
<td>High Care only</td>
<td>141</td>
<td>53</td>
<td>20</td>
<td>71</td>
<td>45</td>
</tr>
</tbody>
</table>

### QUESTIONS ON NOTICE
## Aged Care Approvals

### Round Year

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Residential applications received by care type</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>High Care only</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low Care only</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>High &amp; Low care</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low Care only</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>High Care only</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low Care only</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>High &amp; Low care</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>ACT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ACT</td>
<td>0</td>
<td>3</td>
<td>5</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>TOTAL</td>
<td>0</td>
<td>3</td>
<td>5</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td><strong>WA</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goldfields</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Great Southern</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Kimberley</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Metropolitan East</td>
<td>2</td>
<td>5</td>
<td>1</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>Metropolitan North</td>
<td>2</td>
<td>11</td>
<td>9</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Metropolitan South East</td>
<td>3</td>
<td>6</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Metropolitan South West</td>
<td>3</td>
<td>7</td>
<td>4</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Mid West</td>
<td>0</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Pilbara</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>South West</td>
<td>3</td>
<td>4</td>
<td>8</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Wheatbelt</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>TOTAL</td>
<td>15</td>
<td>37</td>
<td>27</td>
<td>11</td>
<td>20</td>
</tr>
</tbody>
</table>

### QUESTIONS ON NOTICE
### Aged Care Approvals

**Round Year 2001 2002 2003 2004 2005**

<table>
<thead>
<tr>
<th>Residential applications received by care type</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>High Care only</td>
<td>Low Care only</td>
<td>High &amp; Low care</td>
<td>High Care only</td>
<td>Low Care only</td>
</tr>
<tr>
<td>VIC</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Barwon-South Western</td>
<td>3</td>
<td>28</td>
<td>10</td>
<td>3</td>
<td>16</td>
</tr>
<tr>
<td>Eastern Metropolitan</td>
<td>14</td>
<td>34</td>
<td>19</td>
<td>13</td>
<td>20</td>
</tr>
<tr>
<td>Gippsland</td>
<td>13</td>
<td>8</td>
<td>17</td>
<td>11</td>
<td>4</td>
</tr>
<tr>
<td>Grampians</td>
<td>0</td>
<td>6</td>
<td>0</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Hume</td>
<td>11</td>
<td>7</td>
<td>10</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Loddon/Mallee</td>
<td>7</td>
<td>13</td>
<td>4</td>
<td>3</td>
<td>10</td>
</tr>
<tr>
<td>Northern Metropolitan</td>
<td>8</td>
<td>33</td>
<td>12</td>
<td>9</td>
<td>9</td>
</tr>
<tr>
<td>Southern Metropolitan</td>
<td>16</td>
<td>66</td>
<td>31</td>
<td>14</td>
<td>28</td>
</tr>
<tr>
<td>Western Metropolitan</td>
<td>15</td>
<td>17</td>
<td>7</td>
<td>6</td>
<td>8</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>87</td>
<td>212</td>
<td>110</td>
<td>64</td>
<td>102</td>
</tr>
<tr>
<td>TAS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>North Western</td>
<td>2</td>
<td>3</td>
<td>5</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Northern</td>
<td>2</td>
<td>4</td>
<td>3</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Southern</td>
<td>1</td>
<td>9</td>
<td>1</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>5</td>
<td>16</td>
<td>9</td>
<td>3</td>
<td>10</td>
</tr>
</tbody>
</table>

---

**QUESTIONS ON NOTICE**
### Aged Care Approvals

#### Round Year

<table>
<thead>
<tr>
<th>Residential applications received by care type</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Care only</td>
<td>50</td>
<td>72</td>
<td>70</td>
<td>37</td>
<td>47</td>
</tr>
<tr>
<td>Low care only</td>
<td>43</td>
<td>40</td>
<td>47</td>
<td>62</td>
<td>39</td>
</tr>
<tr>
<td>High &amp; Low care</td>
<td>83</td>
<td>25</td>
<td>29</td>
<td>68</td>
<td></td>
</tr>
</tbody>
</table>

#### QLD

<table>
<thead>
<tr>
<th>Region</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brisbane North</td>
<td>1</td>
<td>4</td>
<td>0</td>
<td>0</td>
<td>8</td>
</tr>
<tr>
<td>Brisbane South</td>
<td>4</td>
<td>6</td>
<td>9</td>
<td>6</td>
<td>15</td>
</tr>
<tr>
<td>Cabool</td>
<td>9</td>
<td>9</td>
<td>4</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>Central West</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Darling Downs</td>
<td>7</td>
<td>3</td>
<td>6</td>
<td>6</td>
<td>2</td>
</tr>
<tr>
<td>Far North</td>
<td>4</td>
<td>0</td>
<td>4</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Fitzroy</td>
<td>0</td>
<td>3</td>
<td>11</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Logan River Valley</td>
<td>1</td>
<td>3</td>
<td>5</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Mackay</td>
<td>4</td>
<td>3</td>
<td>4</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>North West</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Northern</td>
<td>1</td>
<td>6</td>
<td>4</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>South Coast</td>
<td>4</td>
<td>17</td>
<td>7</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>South West</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Sunshine Coast</td>
<td>3</td>
<td>10</td>
<td>9</td>
<td>7</td>
<td>1</td>
</tr>
<tr>
<td>West Moreton</td>
<td>10</td>
<td>1</td>
<td>0</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Wide Bay</td>
<td>2</td>
<td>6</td>
<td>7</td>
<td>3</td>
<td>5</td>
</tr>
</tbody>
</table>

**TOTAL:** 50 72 70 37 47 43 40 47 62 39 40 83 25 29 68
## Aged Care Approvals

### Round Year

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Residential applications received by care type</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>High Care only</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low care only</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>High &amp; Low care</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>High Care only</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low care only</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>High &amp; Low care</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### SA

<table>
<thead>
<tr>
<th>Region</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eyre Peninsula</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Hills, Mallee and Southern</td>
<td>5</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>Metropolitan East</td>
<td>4</td>
<td>6</td>
<td>3</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Metropolitan North</td>
<td>3</td>
<td>3</td>
<td>7</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Metropolitan South</td>
<td>6</td>
<td>0</td>
<td>2</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Metropolitan West</td>
<td>6</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>Mid North</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Riverland</td>
<td>5</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>South East</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Whyalla, Flinders and Far North</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Yorke, Lower North and Barossa</td>
<td>2</td>
<td>5</td>
<td>12</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>27</td>
<td>29</td>
<td>30</td>
<td>17</td>
<td>13</td>
</tr>
</tbody>
</table>

---

**QUESTIONS ON NOTICE**
## Questions on Notice

### Aged Care Approvals Round Year

<table>
<thead>
<tr>
<th>Residential applications received by care type</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Care only</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low care only</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>High &amp; Low care</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low care only</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>High &amp; Low care</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low care only</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| NT                                            |      |      |      |      |      |
| Alice Springs                                 | 0    | 0    | 0    | 0    | 0    |
| Barkly                                       | 0    | 0    | 0    | 0    | 0    |
| Darwin                                       | 1    | 0    | 0    | 0    | 0    |
| East Arnhem                                  | 0    | 0    | 0    | 0    | 0    |
| Katherine                                    | 0    | 0    | 0    | 0    | 0    |

| TOTAL                                         | 1    | 0    | 1    | 0    | 1    |

---

**QUESTIONS ON NOTICE**
# Attachment B

## Extra Service Status

<table>
<thead>
<tr>
<th>State/Territory</th>
<th>Region</th>
<th>Applications</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2000</td>
</tr>
<tr>
<td>ACT</td>
<td>Central Coast</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Central West</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Far North Coast</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Hunter</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>Illawarra</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Inner West</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Mid North Coast</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Nepean</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Northern Sydney</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Orana Far West</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Riverina-Murray</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>South East Sydney</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Southern Highlands</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>South West Sydney</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Western Sydney</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Queensland</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Brisbane North</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>Brisbane South</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Darling Downs</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Logan River Valley</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Northern</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>South Coast</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>Sunshine Coast</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Wide Bay</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>South Australia</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Metropolitan East</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Metropolitan North</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Metropolitan South</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Metropolitan West</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Northern</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Southern</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Victoria</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Barwon-South Western</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>Eastern Metro</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Hume</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Loddon Mallee</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Northern Metro</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>Southern Metro</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td>Western Metro</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Western Australia</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Metropolitan East</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Metropolitan North</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Metropolitan South</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Metropolitan South East</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Metropolitan West</td>
<td>1</td>
</tr>
</tbody>
</table>

## Questions on Notice
Rathdowney Dam
(Question No. 2101)

Senator Bob Brown asked the Minister for the Environment and Heritage, upon notice, on 21 June 2006:

With reference to the proposed dam at Rathdowney on the Logan River in Queensland:

(1) When and how did the Government first become aware of the proposal.
(2) (a) What official notification of the proposal has come to the Government; and (b) when and how did this notification arrive.
(3) What response has the Government made.
(4) What would be the environmental impact of the dam.
(5) Will any threatened species or communities be affected; if so, what are they.

Senator Ian Campbell—The answer to the honourable senator’s question is as follows:

(1) See (2) below.
(2) (a) No official notification has been received (b) not applicable.
(3) The Department has been in contact with Queensland officials, and has been advised that the proposal will be referred if required.
(4) Once a referral has been received it will be clearer what environmental impacts may occur.
(5) See above.

Traveston Dam
(Question No. 2102)

Senator Bob Brown asked the Minister for the Environment and Heritage, upon notice, on 21 June 2006:

With reference to the proposed dam at Traveston on the Mary River in Queensland:

(1) When and how did the Government first become aware of the proposal.
(2) (a) What official notification of the proposal has come to the Government; and (b) when and how did this notification arrive.
(3) What response has the Government made.
(4) What would be the environmental impact of the dam.
(5) Will any threatened species or communities be affected; if so, what are they.

Senator Ian Campbell—The answer to the honourable senator’s question is as follows:

(1) See (2) below.
(2) (a) No official notification has been received (b) not applicable.
(3) The Department has been in contact with Queensland officials, and has been advised that the proposal will be referred if required.
(4) Once a referral has been received it will be clearer what environmental impacts may occur.
(5) See (4) above.
National Standards for Child Care Services Project
(Question No. 2103)

Senator Allison asked the Minister representing the Minister for Families, Community Services and Indigenous Affairs, upon notice, on 21 June 2006:

With reference to the answer to question on notice no. 1699 (Senate Hansard, 14 June 2006, p. 133) and the project brief available on the website referred to in the answer, which notes that ministers resolved at the November 2004 Community and Disability Services Ministers Conference (CDSMC) that there should be a review of national standards, including long day care, family day care, and outside school hour care and in-home care by the end of 2005:

(1) What is the timeline for the National Standards for Child Care Services (NSCCS) Project being undertaken as part of the work of the Children’s Services Sub-Committee within the Council of Australian Governments process.

(2) Was this an open tender process; if so, when was the tender advertised; if not, how was the consultant engaged.

(3) When was the consultant engaged to undertake the review.

(4) When will the review be completed.

(5) Has the consultant provided the department with a draft report from the review or any other documentation relating to the review.

(6) Has the Minister been provided with a draft report from the review or any other documentation relating to the review.

(7) Will the report be made publicly available; if so, when; if not, why not.

Senator Kemp—The Minister for Families, Community Services and Indigenous Affairs has provided the following answer to the honourable senator’s question:

The consultant provided a final draft report to the Children’s Services Sub-committee (CSSC) on 24 April 2006. The final draft report is expected to be provided to the Community and Disability Services Ministers Committee (CDSMC) at their 26 July 2006 meeting. The Ministers will consider the release of the report to the Council of Australian Governments (COAG) Senior Officials Group (Human Capital Stream) of the National Reform Agenda project and the public.

An open tender process for ‘the provision of Consultancy Services for the review of the current approach to the setting of Child Care National Standards for Long Day Care, Family Day Care, Outside School Hours Care and In-Home Care’ was advertised on 6 April 2005 and closed on 6 May 2005. The Queensland University of Technology (QUT) was the successful tenderer and signed a contract with the Australian Government on 24 June 2005.

Information Leakages
(Question No. 2108)

Senator Ludwig asked the Minister for Justice and Customs, upon notice, on 22 June 2006:

With reference to cases concerning the unauthorised leaking of government information by members of the Australian Public Service, can the Director of Public Prosecutions (DPP) provide the following information broken down by year for the past 4 calendar years, including 2006:

(1) How many cases were carried over from the previous year.

(2) How many cases were referred to the DPP for prosecution.

(3) How many cases were successfully prosecuted.
(4) How many cases were concluded without successful prosecution.
(5) How many cases were open at year-end.

**Senator Ellison**—The answer to the honourable senator’s question is as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006 (as at 27 June 2006)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Number of cases carried over from previous year</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>(2) Number of cases referred to the DPP for prosecution</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>(3) Number of cases successfully prosecuted</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>(4) Number of cases concluded without successful prosecu-</td>
<td>2</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>tion</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(5) Number of cases open at end of year</td>
<td>1</td>
<td>2</td>
<td>4</td>
<td>Not applicable</td>
</tr>
</tbody>
</table>

**Telstra: Phone Books**

(Question No. 2117)

**Senator Allison** asked the Minister for Communications, Information Technology and the Arts, upon notice, on 27 June 2006:

(1) What is the availability of phone books, outside the standard annual household distribution.
(2) Is it true that phone books are no longer available at post offices.
(3) Is it the case that if people move interstate there is no entitlement to the replacement phone book and they must wait for the annual household distribution.
(4) Does the Minister agree that if a person who is paying for a phone service is entitled to a phone book for the household, even outside the annual household distribution.

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

(1) Telstra, which is required as a condition of its carrier licence to produce and provide an alphabetical public number directory, has advised that following the annual distribution of the White Pages and/or Yellow Pages directory, Sensis makes additional copies of the directories available to people requesting them.

Copies of local directories are available to households and businesses at no charge by contacting Sensis on 1800 810 211 during normal office hours.

A number of copies of local directories are also available at some 5,200 Australia Post outlets and desk reference copies of directories are made available at state, local and community libraries.

Telstra has also advised that copies of directories covering other areas of Australia are available by contacting Sensis on 1800 910 211. Orders for these ‘out-of-area’ directories incur a charge for freight, handling and production.

Sensis also provides access to the directories on the internet at whitepages.com.au and yellow-pages.com.au, and over the telephone via Directory Assistance (1223 and 12455) and the Sensis 1234 premium operator assistance service.

(2) No.
(3) No.
(4) See the answer to Part (1).
Airservices Australia: Hazard Alert Service
(Question No. 2119)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 29 June 2006:

With reference to the Australian Transport Safety Bureau’s (ATSB) Interim Factual Aviation Safety Investigation Report on the incident known as ‘In-flight breakup near Condobolin, NSW, VH-PYN, Piper PA-31-350’:

1. Did Airservices Australia receive a SIGMET SY01 en-route weather warning at 11.27am.
2. (a) What are the criteria for providing a Hazard Alert Service; and (b) was the information contained in SIGMET SY01 of an ‘unexpected and critical nature’.
3. Why did the air traffic services staff on duty not inform the pilot of the aircraft of the contents of SIGMET SY01.
4. Given the reported observations by the ATSB Aviation Safety Deputy Director, Julian Walsh, that ‘there were conflicting references in the Airservices manual’, has Airservices Australia reviewed these references to ensure consistency; if not, why not.
5. If Airservices Australia has not reviewed the Airservices’ manual to remove conflicting references, is the Minister confident that Airservices current procedures for issuing en-route weather alerts are consistent with section 9(1) of the Air Services Act 1995 that states: ‘In exercising its powers and performing its functions, AA must regard the safety of air navigation as the most important consideration’.

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

(1) Yes.
(2) (a) Airservices Australia advises that to be eligible for the provision of a Hazard Alert, an aircraft must be within 60 minutes flying time of conditions which are assessed by Air Traffic Services as ‘unexpected and critical in nature’ at that time.
(b) An assessment of the ‘unexpected and critical nature’ of the information was not conducted by Airservices Australia as the aircraft was not within the one hour flight time of the SIGMET conditions.

(3) Airservices Australia advises that at the time of issue of the SIGMET, the aircraft was approximately two hours flight time from the line of observed thunderstorms which placed it outside the Hazard Alert criteria.
(4) and (5) The ATSB Interim Factual Aviation Safety Investigation Report (Occurrence Number: 200506266) released on 27 June 2006, does not refer to any ‘conflicting references in the Airservices manual’. The interim report states the investigation is continuing in several areas including the provision of a hazard alert service. I am advised that Airservices Australia is cooperating fully with the ATSB in the ongoing investigation.

Macquarie Marshes
(Question No. 2120)

Senator Bob Brown asked the Minister for the Environment and Heritage, upon notice, on 29 June 2006:

With reference to the answer to question on notice no. 1762 (Senate Hansard, 20 June 2006. p. 91): Has the Commonwealth purchased water for environmental flows to the Macquarie Marshes; if not, why
not; if so: (a) how much in: (i) volume, and (ii) dollar terms; (b) when; and (c) how will the flows be sustained.

**Senator Ian Campbell**—The answer to the honourable senator’s question is as follows:
The Commonwealth has not purchased water for environmental flows to the Macquarie Marshes.
The New South Wales Government has sought funding from the Australian Government Water Fund for two projects: the NSW Wetland Recovery Plan and NSW RiverBank. If funding is approved for these projects then I anticipate that Commonwealth money will be used to purchase water for environmental flows to the Macquarie Marshes.

**Dairy Industry**
(Question No. 2138)

**Senator Siewert** asked the Minister representing the Minister for Agriculture, Fisheries and Forestry, upon notice, on 10 July 2006:
With reference to table 4.4, p. 30, in the Australian Competition and Consumer Commission report Impact of farmgate deregulation on the Australian milk industry, dated April 2001, and the statement that ‘Six months would normally be considered a relatively short period to fully assess the impact of such a substantial change in the regulatory environment’, p. xvi:
(1) Can the Minister provide the average farmgate milk prices, by state, for both market milk and manufactured milk for each quarter year from June 1990 to June 2000.
(2) Can the Minister provide the average farmgate milk prices, by state, for each quarter year from June 2000 to June 2006.

**Senator Abetz**—The Minister for Agriculture, Fisheries and Forestry has provided the following answer to the honourable senator’s question:
(1) The information requested is not available on a quarterly basis.
(2) The information requested is not available on a quarterly basis.

**Wheat Exports**
(Question No. 2204)

**Senator O’Brien** asked the Minister representing the Minister for Trade, upon notice, on 14 July 2006:
For each of the financial years 1996-97 to 2005-06, what has been the quantum and value of Australian wheat exports to Yemen.

**Senator Coonan**—The Minister for Trade has provided the following answer to the honourable senator’s question:
Australia’s exports of wheat to Yemen, in terms of quantity were:

<table>
<thead>
<tr>
<th>Year</th>
<th>Tonnes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996-97</td>
<td>469,772</td>
</tr>
<tr>
<td>1997-98</td>
<td>619,948</td>
</tr>
<tr>
<td>1998-99</td>
<td>529,497</td>
</tr>
<tr>
<td>1999-2000</td>
<td>587,622</td>
</tr>
<tr>
<td>2000-01</td>
<td>507,321</td>
</tr>
<tr>
<td>2001-02</td>
<td>450,113</td>
</tr>
<tr>
<td>2002-03</td>
<td>411,828</td>
</tr>
</tbody>
</table>
For each of the financial years 1996-97 to 2005-06, what has been the quantum and value of Australian wheat exports to Pakistan.

**Senator Coonan**—The Minister for Trade has provided the following answer to the honourable senator’s question:

Australia’s exports of wheat to Pakistan, in terms of quantity were:

<table>
<thead>
<tr>
<th>Year</th>
<th>Tonnes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996-97</td>
<td>766,474</td>
</tr>
<tr>
<td>1997-98</td>
<td>1,267,182</td>
</tr>
<tr>
<td>1998-99</td>
<td>1,289,590</td>
</tr>
<tr>
<td>1999-2000</td>
<td>1,285,703</td>
</tr>
<tr>
<td>2000-01</td>
<td>0</td>
</tr>
<tr>
<td>2001-02</td>
<td>0</td>
</tr>
<tr>
<td>2002-03</td>
<td>8,783</td>
</tr>
<tr>
<td>2003-04</td>
<td>140,131</td>
</tr>
<tr>
<td>2004-05</td>
<td>653,368</td>
</tr>
<tr>
<td>2005-06 (11 mths to May ’06)</td>
<td>146,362</td>
</tr>
</tbody>
</table>

The value of wheat exports to individual markets is not available due to legislated confidentiality requirements. To avoid divulging commercially-sensitive details of individual firms, the ABS restricts release of export statistics on certain commodities, including wheat.