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- NEWCASTLE 1458 AM
- GOSFORD   98.1 FM
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- MELBOURNE 1026 AM
- ADELAIDE  972 AM
- PERTH     585 AM
- HOBART    747 AM
- NORTHERN TASMANIA 92.5 FM
- DARWIN   102.5 FM
FORTY-FIRST PARLIAMENT
FIRST SESSION—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

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(1) Chosen by the Parliament of Queensland to fill a casual vacancy vice Hon. John Joseph Herron, resigned.
(2) Chosen by the Parliament of Victoria to fill a casual vacancy vice Hon. Richard Kenneth Robert Alston, resigned.
(3) Term expires at close of day next preceding the polling day for the general election of members of the House of Representatives.
(4) Chosen by the Parliament of Tasmania to fill a casual vacancy vice Susan Mary Mackay, resigned.
(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
Minister for Trade and Deputy Prime Minister
Treasurer
Minister for Transport and Regional Services
Minister for Defence
Minister for Foreign Affairs
Minister for Health and Ageing and Leader of the House
Attorney-General
Minister for Finance and Administration, Leader of the Government in the Senate and Vice-President of the Executive Council
Minister for Agriculture, Fisheries and Forestry and Deputy Leader of the House
Minister for Immigration and Multicultural Affairs and Minister Assisting the Prime Minister for
Women’s Issues
Minister for Families, Community Services and Indigenous Affairs and Minister Assisting the Prime Minister for Indigenous Affairs
Minister for Industry, Tourism and Resources
Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service
Minister for Communications, Information Technology and the Arts and Deputy Leader of the Government in the Senate
Minister for the Environment and Heritage

The Hon. John Winston Howard MP
The Hon. Mark Anthony James Vaile MP
The Hon. Peter Howard Costello MP
The Hon. Warren Errol Truss MP
The Hon. Dr Brendan John Nelson MP
The Hon. Alexander John Gosse Downer MP
The Hon. Anthony John Abbott MP
The Hon. Philip Maxwell Ruddock MP
Senator the Hon. Nicholas Hugh Minchin
The Hon. Peter John McGauran MP
Senator the Hon. Amanda Eloise Vanstone
The Hon. Julie Isabel Bishop MP
The Hon. Malcolm Thomas Brough MP
The Hon. Ian Elgin Macfarlane MP
The Hon. Kevin James Andrews MP
Senator the Hon. Helen Lloyd Coonan
Senator the Hon. Ian Gordon Campbell

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

Minister for Justice and Customs and Manager of Government Business in the Senate
Senator the Hon. Christopher Martin Ellison

Minister for Fisheries, Forestry and Conservation
Senator the Hon. Eric Abetz

Minister for the Arts and Sport
Senator the Hon. Charles Roderick Kemp

Minister for Human Services and Minister Assisting the Minister for Workplace Relations
The Hon. Joseph Benedict Hockey MP

Minister for Community Affairs
The Hon. John Kenneth Cobb MP

Minister for Revenue and Assistant Treasurer
The Hon. Peter Craig Dutton MP

Special Minister of State
The Hon. Gary Roy Nairn MP

Minister for Vocational and Technical Education and Minister Assisting the Prime Minister
The Hon. Gary Douglas Hardgrave MP

Minister for Ageing
Senator the Hon. Santo Santoro

Minister for Small Business and Tourism
The Hon. Frances Esther Bailey MP

Minister for Local Government, Territories and Roads
The Hon. James Eric Lloyd MP

Minister for Veterans’ Affairs and Minister Assisting the Minister for Defence
The Hon. Bruce Frederick Billson MP

Minister for Workforce Participation
The Hon. Dr Sharman Nancy Stone MP

Parliamentary Secretary to the Minister for Finance and Administration
Senator the Hon. Richard Mansell Colbeck

Parliamentary Secretary to the Minister for Industry, Tourism and Resources
The Hon. Robert Charles Baldwin MP

Parliamentary Secretary to the Minister for Health and Ageing
The Hon. Christopher Maurice Pyne MP

Parliamentary Secretary to the Minister for Defence
Senator the Hon. John Alexander Lindsay (Sandy) Macdonald

Parliamentary Secretary (Trade)
The Hon. De-Anne Margaret Kelly MP

Parliamentary Secretary to the Minister for Immigration and Multicultural Affairs
The Hon. Andrew John Robb MP

Parliamentary Secretary to the Prime Minister
The Hon. Malcolm Bligh Turnbull MP

Parliamentary Secretary to the Treasurer
The Hon. Christopher John Pearce MP

Parliamentary Secretary to the Minister for the Environment and Heritage
The Hon. Gregory Andrew Hunt MP

Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry
The Hon. Sussan Penelope Ley MP

Parliamentary Secretary to the Minister for Education, Science and Training
The Hon. Patrick Francis Farmer MP

Parliamentary Secretary (Foreign Affairs)
The Hon. Teresa Gambaro MP
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)
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<tr>
<td>Shadow Minister for Consumer Affairs and</td>
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<td>Shadow Minister for Population Health and Health Regulation</td>
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<td>Shadow Minister for Agriculture and Fisheries</td>
<td>Joel Andrew Fitzgibbon MP</td>
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<td>Shadow Assistant Treasurer, Shadow Minister for Revenue and Shadow Minister for Small Business and Competition</td>
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<td>Shadow Minister for Transport</td>
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<td>Shadow Minister for Sport and Recreation</td>
<td>Senator Kate Alexandra Lundy</td>
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<td>Shadow Minister for Homeland Security and Shadow Minister for Aviation and Transport Security</td>
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<td>Shadow Minister for Veterans’ Affairs and Shadow Special Minister of State</td>
<td>Alan Peter Griffin MP</td>
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<td>Shadow Minister for Defence Industry, Procurement and Personnel</td>
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<td>Shadow Minister for Justice and Customs and Manager of Opposition Business in the Senate</td>
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<td>Shadow Minister for Overseas Aid and Pacific Island Affairs</td>
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<td>Shadow Parliamentary Secretary for Reconciliation and the Arts</td>
<td>Peter Robert Garrett MP</td>
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<td>Shadow Parliamentary Secretary to the Leader of the Opposition</td>
<td>John Paul Murphy MP</td>
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<td>Shadow Parliamentary Secretary for Defence and Veterans’ Affairs</td>
<td>The Hon. Graham John Edwards MP</td>
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<td>Shadow Parliamentary Secretary for Science and Water</td>
<td>Senator Ursula Mary Stephens</td>
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The PRESIDENT (Senator the Hon. Paul Calvert) took the chair at 9.30 am and read prayers.

ARCHIVES AMENDMENT BILL 2006

First Reading

Senator SANTORO (Queensland—Minister for Ageing) (9.31 am)—I move:

That the following bill be introduced: A Bill for an Act to amend the Archives Act 1983, and for related purposes.

Question agreed to.

Senator SANTORO (Queensland—Minister for Ageing) (9.31 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 SANTORO (Queensland—Minister for Ageing) (9.31 am)—I table the explanatory memorandum relating to the bill and move:

That this bill be now read a second time.

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

Leave granted.

The speech read as follows—

ARCHIVES AMENDMENT BILL 2006

The Archives Amendment Bill 2006 implements some of the recommendations of the Australian Law Reform Commission report number 85, ‘Australia’s Federal Record: A Review of the Archives Act 1983’. The majority of the Commission’s 223 recommendations have already been implemented administratively whilst others have been rendered unnecessary by subsequent events.

After exploring historical elements of archival institutions and various possible clarifications and enhancements to the utility of the Archives Act, the Australian Law Reform Commission recommended that an objects clause be inserted into the Archives Act 1983 (the Act). The objects clause confirms that the Act provides for a National Archives of Australia (the National Archives) whose functions include identifying the archival resources of the Commonwealth, overseeing Commonwealth record-keeping by determining standards and providing advice to Commonwealth institutions in relation to good record-keeping practices and preserving, promoting and making publicly available, the archival resources of the Commonwealth.

The Australian Law Reform Commission stressed the importance of consistent and accountable standards being promulgated by the National Archives. The Australian Law Reform Commission examined the functions and powers of the National Archives and recommended clarifying its functions, predominantly in relation to its role in promoting good record-keeping practices generally. Currently the National Archives’ role is confined to promoting good record-keeping practices in relation to records that form part of the archival resources of the Commonwealth.

In the two decades since the Act was drafted, the way information is recorded has changed dramatically due to technological advances that have occurred over that time. For the last decade the National Archives have, as a matter of policy, accorded the same status to electronic records as is given to paper records. The proposed amendments establish clear and comprehensive coverage of the range of material to be retained by the National Archives, by taking into account the technological advances in record-keeping already made and providing for those advances to be made in the future.

Currently, the National Archives holds vast stores of records some of which will ultimately be determined not to form part of the archival resources of the Commonwealth. The National Archives is not simply a repository or storage facility – its role is to preserve records that are of national significance or public interest because they relate to matters such as the history of Australia or its government, persons currently or previously associated with Commonwealth institutions or international or other organisations the member-
ship of which includes, or has included the Commonwealth or a Commonwealth institution. The Archives Amendment Bill 2006 clarifies that only Commonwealth records that form part of the archival resources of the Commonwealth must be transferred to the care of the National Archives.

Whilst the National Archives has highly trained professional archivists with wide ranging skills, the National Archives will not always be the appropriate repository for all archival resources. There may, for example, be other persons or institutions that have more appropriate storage facilities for particular records or equipment that allows the records to be accessed or read. The proposed amendments enable the National Archives to allow another person to hold archival resources of the Commonwealth in accordance with arrangements agreed to by the Director-General of the National Archives where it is more appropriate for that other party to do so. This amendment is essential to ensure that the ultimate repository for material is the most appropriate one, taking into account the form and content of the material. Importantly, records held under such arrangements will not be any less accessible than records which remain in the custody of the National Archives.

Records can deteriorate rapidly if not stored appropriately. Records that form the archival resources of the Commonwealth will be required to be transferred to the National Archives as soon as they cease to be current Commonwealth records, but in any case, within 25 years of their creation. This will ensure that appropriate action can be taken by archivists as early as possible in the life of a record to ensure its longevity.

The Australian Government considers that the amendments contained in the Archives Amendment Bill 2006 will ensure that the National Archives is better equipped to carry out its functions, including clarifying its role in relation to its responsibilities to provide advice and standards for record-keeping by agencies. This will ensure that agencies implement and follow good record-keeping procedures that will aid the identification of archival resources of the Commonwealth and lead to the appropriate transfer of those archival resources to the care of the National Archives.

Ordered that further consideration of this bill be adjourned to the first day of the next period of sittings, in accordance with standing order 111.

**MIGRATION AMENDMENT (EMPLOYER SANCTIONS) BILL 2006**

**Second Reading**

Debate resumed from 5 September, on motion by Senator Minchin:

That this bill be now read a second time.

**Senator STERLE** (Western Australia) (9.32 am)—I rise to speak to the Migration Amendment (Employer Sanctions) Bill 2006. The bill sets out a scheme of sanctions on employers and labour suppliers who knowingly or recklessly engage illegal workers. Labor will support this bill as far as it goes, but the provisions of the bill are seven years late and reek of compromise. The Howard government claims to be concerned about people who seek to work illegally in Australia, but I have my doubts about how genuine that concern is. Despite the supposed concern we hear at election time, the government’s own stated current estimate is that there are around 46,000 visa overstayers in Australia on any given day. After 10 long years of Howard government blather about border security, this admission proves our borders are more porous than ever. So much for, ‘We will decide who comes to this country and the circumstances in which they are here.’

We all know that hollow rhetoric only applies to a handful of terrified people who occasionally venture here in rickety boats, not the illegal workers who fly here to steal Australian jobs and undermine Australian working conditions each and every day. The Howard government proudly boasts about stopping people who come here by boat, but we all know that the biggest threats to Australia’s border security fly into this country—and they steal jobs. How else would these
visa overstayers be able to finance their stay unless they were picking up cash work from bosses who turn a blind eye?

The Howard government’s approach to date in dealing with the problem of illegal workers in Australia has been to busy itself, ignoring reports that it has commissioned. The 2000 edition of the Department of Immigration and Multicultural Affairs’ report on immigration compliance offers an insight into just how irresponsible the Howard government has been in the vital task of protecting Australia’s borders. Chapter 9 of the report relates to the problems of illegal work in Australia. The report says that, during 1999-2000, 2,519 people were found to be working illegally in Australia by department compliance staff. The report also says:

The Minister launched the report of the Review of Illegal Workers in Australia in December 1999. The recommendations included:

- a system of sanctions for those employers and labour suppliers who recruit or refer for employment people without the right to work in Australia, underpinned by a system of administrative warnings.

Here we have a report that is six years old—before *Tampa* and all the Howard government’s crocodile tears about deciding ‘who comes to this country and the circumstances in which they come’—talking about the review that the minister had launched a year earlier.

Just so we are clear: seven long years ago, the Howard government launched a review that recommended that they introduce a system of sanctions for bosses who employ people who have no right to work in Australia, and they have only now gotten around to bringing the matter before the Senate. Yet the slack clowns have the hide to bang on about how irresponsible they are with Australia’s border security. The Howard government has not just been slack and incompetent in getting this bill to the Senate; they have managed to make a dog’s breakfast of the bill’s content.

Honourable senators will recall that the report of the review of illegal workers in Australia recommended seven long years ago that the Howard government implement:

a system of sanctions for those employers and labour suppliers who recruit—and the wording is important: employers ‘who recruit’—people without the right to work in Australia.

The Howard government was left to fill in the details of the circumstances in which an employer who recruits people without the right to work in Australia will be liable for sanctions and the obligations required of employers to take responsible, reasonable steps to look into the right to work of people they recruit. After seven long years, the Howard government has come up with a bill that proposes that offences will only apply where the employer or labour supplier knew the person was an illegal worker or was reckless to that fact.

That is quite different from the approach that has been taken in other countries. It is a weak and gutless approach. It is an approach that is born of a desire to appease crooks. Countries such as Switzerland and Canada have already introduced measures where the threshold test to prosecute bosses who employ illegal workers is merely acting negligently or failing to exercise due diligence in checking work rights. This is a much lower threshold test to ‘knowingly or recklessly’, the one the Howard government has decided to use in this bill. It does not take a genius to work out that with this bill the Howard government is bending over backwards to make it virtually impossible for dodgy bosses who turn a blind eye to illegal workers in order to lower their wage costs to be actually convicted. That is the way of the Howard gov-
I invite senators to compare the Howard government’s approach to dealing with workers in past bills with the way they deal with bosses in this bill. The Howard government are only too happy to guillotine debate to ram through legislation to impose $30,000 fines on Australian workers who withdraw their labour for one day, but they take seven long years to get around to legislation imposing $13,000 fines on bosses who recklessly employ illegal workers. The Howard government are all too happy to give the Australian Building and Construction Commissioner outrageously undemocratic powers to pursue workers and their representatives. The Howard government legislated to give the commissioner the power to compel workers and union officials to answer questions in an interrogation without the right to silence or protection from self-incrimination under sufferance of six months imprisonment. Six months jail for refusing to dob on your mates but a slap on the wrist for the crooked practices of dodgy bosses in the horticultural industry, for example. That is a clear indication of this government’s priorities and they should be ashamed. Labor will support the bill as it is a small, albeit flawed, step towards dealing with the problem of illegal work in Australia— even if it has taken the Howard government seven long years to get around to it.

Senator HUTCHINS (New South Wales) (9.39 am)—It is certainly a pleasure to follow my colleague Senator Sterle in this debate today and to carry on comments that Senator Sterle was making quite forcefully about the nature of the Migration Amendment (Employer Sanctions) Bill 2006 and the lack of effort by the federal government until this point now, seven years after it was reviewed. You would have to think that the government is starting to get a little delusional at the moment. I have been trying to look on the web today to see the comments by Mr Hardgrave—and I am not quite sure what ministerial title he holds. I gather that at the moment one of the answers to our skills crisis in Australia is to train Africans in their detention camps, or whatever they are called, in Kenya and to bring them over here. I want to talk about that a little later but I think that it indicates the two difficulties that the Howard government has had before it for some seven years and is still grappling with.

Firstly, we are undoubtedly experiencing a skills crisis and we are undoubtedly—as I will mention shortly—experiencing a crisis with the lack of employment and career opportunities particularly for young people. Secondly, as this legislation puts forward, we are now dealing with the crisis that has been exposed for some time of the exploitation of so-called ‘skilled guest workers’. As my Labor colleagues have said, Labor does support the bill and does support the sanctions contained in the bill for employers who knowingly or recklessly employ or refer for work unlawful noncitizens or noncitizens in breach of visa conditions.

As Senator Sterle articulately outlined, this issue has been before the federal government for seven years and it is only lately that the government has decided to respond to the Review of illegal workers in Australia: improving immigration compliance in the workplace. That report found significant problems with the number of illegal workers in Australia, the subsequent denial of jobs to Australians and the loss of revenue through uncollected tax and falsely claimed social security benefits. This was reported to the Commonwealth government seven years ago, but here we are in September 2006 finally dealing with this issue. We still have not dealt with the issue of the lack of a skilled workforce available amongst Australian citizens.
Under the previous regime that will no longer apply once this bill is carried, the penalties for illegal employment were weighted heavily against the worker. They were liable under section 235 of the Migration Act. However, for the employer there were no relevant primary offences and the fines under both the Migration Act and the Criminal Code did not exceed $10,000.

Under the new provisions in this bill, employers found in breach can face imprisonment of between two and five years for allowing an unlawful noncitizen to work or a noncitizen to work in breach of a visa condition. This bill fixes a discrepancy in the seriousness of the punishment applicable to both employees and employers. It recognises the culpability of employers who allow people to work for them who would otherwise not be permitted to do so under the law. The second message it sends is to unscrupulous employers who seek to profit from cheap, illegal labour: obey the law and cease your exploitation of illegal workers.

There are substantial numbers of visa overstayers in Australia—46,000 as of December 2005—and they are potentially in the workforce and earning money without paying taxes. We on this side call on the government to follow through on these measures with inspections so that employers using illegal labour are suitably identified and punished. There is a justifiable expectation from the Australian community that these employers will be prosecuted. However, this government has a record of indifference towards the exploitation of workers under the Australian visa system.

We saw only this week the case of ABC Tissues, which employed 50 Chinese workers on 457 visas. They were found to be unskilled in the jobs they were brought here to do. They could not read or understand the English safety signs, were unaware of safe work practices and did not have licences to operate the machinery on the site. I hope it does not disturb the government that, if these Chinese workers came from western China, they are more likely to be Muslims! I do not know if that is disturbing enough for the Commonwealth government to get off its bum and get around to doing something.

We are in the grip of a skills crisis, and that is the reason we have to import skilled workers from overseas, despite the exploitation that they are liable to experience, under the 457 visa system. It is expected that some 40,000 457 visas will be granted this year. That number has increased over the last four years by 66 per cent. On the department of immigration website, the description for the 457 visa says:

This visa is for employers who would like to employ overseas workers to fill nominated skilled positions in Australia.

I feel very sorry for those men and women who have been brought to Australia under bodgie schemes, under schemes that have been misleading. We have had plenty of instances of exploitation of such people, particularly of women in the sex industry. In fact, when I was on the Parliamentary Joint Committee on the Australian Crime Commission, chaired by Bruce Baird, we were involved in an inquiry into just this issue, and we saw there was exploitation of women in particular in this area. But we are still receiving evidence of the exploitation of men and women in relation to these so-called skilled migration schemes and have received some only recently.

I have been advised that there is a Bankstown company that tried to deport a father of two after his fingers were chopped off in its workshop. Workers Online reports:

... a 46-year-old Korean says the employer refused to call an ambulance after four of his fingers were hacked off at work.
This man said:

… he didn’t believe his employer had workers compensation cover, required by law.

He admitted he was working in Australia illegally, but his predicament has sparked calls from a number of people for rogue employers to face sanctions as set out in this legislation. The man said:

… he lived inside the Bankstown factory where he was required to labour for up to 120 hours a week. He said, for two years, he was paid a flat rate of $10 an hour, with no holidays, sick leave, or super.

As I said earlier, his fingers were chopped off on 19 May this year. This man is desperate.

Only in today’s newspaper we have reports about a Melbourne printing company called Aprint, which hired four Chinese labourers on 457 visas. The Age reports that the company paid them below the minimum wage, did not pay any overtime and made $10,000 of arbitrary deductions from their pay. One man, Jack Zhang, was sacked as soon as the $10,000 was fully deducted from his pay. That was at a rate of $200 a week for 50 weeks. Mr Zhang had a four-year contract. The money was paid to the company’s owner, Dor Tu, who claimed it was for legal fees and travel. This money is on top of the $10,000 Mr Zhang paid in China before he entered Australia. Mr Zhang was also found to have been working 60 hours a week. His weekly pay for ordinary hours was $751.92, which places his hourly rate at around $12.50—below the minimum rate of $12.75. He was also paid a flat rate of $12 an hour for overtime when he should have been paid double time. The AMWU, the union that brought this to the newspaper’s attention, estimates this gentleman was underpaid by about $388 a week compared to the award rate. Mr Zhang must now find another sponsor to hire him or he will have to leave Australia in 28 days.

This is an example of what has been able to occur under the manipulation of the visa scheme. That is why this legislation is welcome. But it is seven years too late for people like the man in the Bankstown factory, people like Mr Zhang or the exploited women in the sex industry throughout Australia. In our country we are seeing Australian workers being denied these work opportunities and appropriate skills training. Why is the government’s solution to the skills crisis to import labour?

This morning, as I said, we heard a suggestion from Mr Hardgrave—I think he is the minister for employment services; I am sure a coalition member will correct me if not, if he or she gets up later. Mr Hardgrave has suggested that the Commonwealth government would build TAFE colleges in Kenya—I think that is correct—for people who are waiting in camps there, and in other places in Africa. I think he only started with Kenya; he might move on, but Kenya is the first place. How ridiculous is that? How ridiculous is it, Madam Acting Deputy President, for you, a senator who comes from a manufacturing state, Victoria, to stand by and see your coalition colleagues advocate a proposal like that? A Queenslander, I think Mr Hardgrave is; is he a Queenslander? I do not know. He should hang his head in shame. It goes to show just how out of whack Queensland people are when they vote for the coalition.

The ACTING DEPUTY PRESIDENT (Senator Troeth)—Senator Hutchins, I think you will find that Mr Hardgrave is a Queenslander member, the member for Moreton, and he is also the Minister for Vocational and Technical Education.

Senator HUTCHINS—Thank you very much, Madam Acting Deputy President. The point I want to make is that, since the coalition has been in power, 300,000 young Aus-
ustralians have been turned away from TAFE colleges. No funding has been made available for that. Three hundred thousand—that is, 30,000 a year—since John Howard has been in power. What is the government’s answer to this debilitating skills crisis? It builds colleges in East Africa or South Africa. I have no problem with that and I do not make a racist comment about it, but it just strikes me as strange that we have the money to build these TAFE colleges in other parts of the world but we deny them to our own people.

Let me go to the government’s record on skills investment. It is, as I said, appalling. Australia is the only advanced economy that has gone backwards on education spending since 1995. Spending has been cut by eight per cent. The average in OECD countries has been to increase education spending by 38 per cent. Ten years of John Howard’s government has had the effect of deskilling this country. By 2010, it has been estimated that Australia will fall short of tradespeople by 100,000. The government makes much of the unemployment rate, but, significantly, there are two million Australians who want to work, or want more work, but cannot get it. What this points to is the skills base failing to correspond to the demands of industry, causing a generation of Australians to sit idle—untrained, unskilled and ignored by the Howard government.

At the last sitting of parliament, I made a contribution concerning the loss of jobs in regional New South Wales. I mentioned the jobs that are being lost at the Central Coast, the central west of New South Wales, Western Sydney and the Illawarra. I mentioned that there are hundreds of jobs being lost. Those people would welcome the opportunity to retrain or reskill, but what is the government’s contribution to them? They are indeed making available to some sections and to some of these men and women an ability to get more redundancy pay. Big deal. That can last for only so long. They would say: ‘Why can’t I work in a job where there is a demand for that skill? Why are you trying to continue to bring people in from overseas? Why are you building TAFE colleges in East Africa when you should be doing it here for Australians?’ The second part about that, as we all know, is that it is meant to put downward pressure on wages. We saw evidence outlined in today’s paper by the Australian metalworkers union. They have outlined exactly how much less a man earned in a week by working under those conditions. We cannot compete with our neighbours. We are a First World country, but without an investment in skills we cannot be competitive.

On Tuesday, in the Sydney Morning Herald, Bob Birrell, the Director of the Centre for Population and Urban Research at Monash University, said:

There are plenty of skilled workers in the Philippines, China, India and elsewhere willing to work for wages and conditions well below the market rate in Australia.

Australian workers are increasingly having the odds stacked against them under the coalition. Work Choices strips away overtime, leave loading and leave entitlements. It exposes workers to instant dismissal without recourse for appeal. To add insult to injury, the coalition are making it easier to import cheap overseas labour that does not even meet the skills criteria in some cases. Those people can enter the workforce for up to four years on a 457 visa, and that places downward pressure on wages.

Australian workers do not want charity; they want a fair go. They want a government that is looking after them. I started my contribution by saying that I think that the government is becoming delusional. If they really think that putting money into TAFE colleges in East Africa is going to go well
out there in the electorate, they are becoming delusional. It will be up to people like you, Madam Acting Deputy President Troeth—from Victoria, the primary manufacturing state in this country—to change the direction of this government or they will be out on their bum at the next election.

Senator MARSHALL (Victoria) (9.58 am)—I rise to make some brief comments about the Migration Amendment (Employer Sanctions) Bill 2006. This bill amends the Migration Act 1958 to introduce new offences for employers, labour suppliers and other persons who allow illegal persons to work. Currently, it is an offence under section 235 of the act for an unlawful noncitizen to do any work in Australia, whether for reward or otherwise, and for a noncitizen who holds a visa that is subject to a work condition to work in Australia in contravention of that condition. While penalties are applicable to persons who work illegally in Australia, there are no mechanisms in the act to penalise persons who allow noncitizens to work in Australia illegally.

The proposed new offences have the objective and are supposed to be the mechanism that the government is putting in place to deter employers and labour suppliers from employing illegal workers or referring them for work. The offences are supposed to encourage employers and labour suppliers to verify the work entitlements of potential employees when there is a substantial risk that they may indeed be illegal workers. The proposed new offences carry criminal penalties of imprisonment for five years for an aggravated offence or in other cases imprisonment for two years. A feature of this bill, which we welcome very much, is the much higher penalties for offences where aggravating circumstances are present such as where the illegal worker is in a condition of sexual servitude, forced labour or slavery.

Generally speaking, the Labor Party and I commend the theory behind the bill. It looks to introduce new offences for employers, labour suppliers and other persons who allow, encourage or supply illegal workers to work in Australia, and that is to be commended. However, we cannot escape the reality that without any effective policing we can have any number of laws or sanctions but they simply will not be of any use. They will be completely ineffective.

The government has known about the large problems regarding illegal and unregulated workers since a review entitled Review of illegal workers in Australia: improving immigration compliance in the workplace undertaken by DIMIA in 1999, which outlined the problems and offered several solutions. In fact, the review found that work needed to be done in policing and compliance, that most visa overstayers had found employment of some description and that there needed to be work done to address that. The review said:

The Review found that the current measures in place to combat illegal workers were insufficient to address the extent of the illegal worker population. In particular, the Review concluded that:

while DIMA compliance action is increasingly successful, there is little prospect that the workload will diminish.

They also recommended that a system of sanctions be introduced to discourage business owners, employers and labour suppliers from recruiting illegal workers. So, while the government is content to set up systems, checks, compliance regulations and laws, it does not police them adequately or provide the necessary infrastructure for the application of the laws and sanctions that it is legislating for today, which renders the whole process rather pointless and useless. We can demonstrate that quite clearly with the regular and systematic abuse we have seen of the 457 visas, something that has been a conten-
tious issue for some time and is growing. It is getting more and more out of control when we see these visas in particular being abused and misused and little or no effort being applied by the government to police its regulations. We see a flurry of activity once issues are brought to public attention, but it is all reactive. There is no proactive program in place that we can see to ensure that abuses of 457 visas are not occurring in a systematic and systemic way.

One of the fundamental problems with the 457 visa is that it is a free-for-all for employers to simply engage workers from overseas because they would prefer to do it that way. One has to question the underlying motives of that—and the underlying motives are well known to this government because Senator Vanstone indicated that one of the purposes and one of the benefits of 457 visas was to keep a cap on wages and conditions in this country. That is our experience so far. We have seen workers on these visas being used to replace Australian workers. We have seen these 457 visas being used to drive down wages and conditions. We have seen them being used to force people to work extraordinary hours in quite bad occupational health and safety conditions and standards.

Employers, when looking to use the 457 visa, do not even have to demonstrate that there is a shortage of skills here when they want to use that visa application. They simply are able to make the application, get it passed by government and bring people in from overseas to do work whether there is a shortage or not. People talk about the skills shortage as if there is a shortage everywhere. I want to talk a little about the plumbing and electrical industries. It is said often—and often in this place—that there are severe skills shortages in those two trades. That is simply not the case. While there are some shortages in some of the specialist areas of those trades, it is not across the board. As a consequence of that and the abuse of 457 visas, Australian apprentices who are already engaged in apprenticeships are unable to be kept on, trained and to complete their apprenticeships because there is a misconception that there is a skills shortage across the board.

I received some figures yesterday from VICTEC, which is the largest electrical and plumbing group training company in Australia, based in Victoria. Over the course of this year it has had up to 34 apprentices every month unemployed, and it has been unable to provide work for them during this period when at the same time we have employers bringing in supposedly skilled overseas workers for these trades. Out of a much smaller group of 65 plumbing apprentices in the month of January this year, 16 were sent back and VICTEC were unable to provide work for them.

This is happening across the board, not only in group training companies. My understanding is that all the major electrical contracting companies in Victoria are having serious problems keeping their apprentices employed this year and many of those companies have been employing their apprentices for two weeks on and two weeks off. And people are still saying: ‘Let’s bring in people on 457 visas. Let’s bring them in for these trades.’ The problem is that they do not have to demonstrate that there is a skills shortage. An employer does not even have to demonstrate that they have advertised to fill a vacancy that they had in their workforce before they use these particular visas. One can only conclude that they are being used to undermine the working conditions of Australians who are already employed. And, in this case, the flow-on effects are that Australian apprentices—people who are already engaged in apprenticeships—are unable to be trained and fully employed during their training period.
Moving on to another example—but I will come back to the particular example of electricians—yesterday I again asked the minister about the issue of the abuse of 457 visas at ABC Tissues. I asked the minister to confirm that ABC Tissues had been found to be in breach of immigration, industrial workplace safety, and taxation laws in its employment of temporary foreign workers under the 457 visa scheme. And, further, I asked the minister if she could confirm that her department investigated the company in August 2005 and found breaches under the Migration Act.

I also raised these concerns directly with the minister in this place in June this year. I asked the minister how it was possible that ABC Tissues were able to continue to exploit 457 visas and breach a raft of laws after two investigations by the department in less than one year. The minister responded that on 28 July this year the department had issued companies involved with ABC Tissues with a notice of intention to sanction on a number of grounds, including failure to pay the minimum salary level, failure to comply with other immigration laws, failure to comply with workplace relations laws, failure to ensure necessary licensing of workers, failure to notify Immigration of relevant changes of circumstance and failure to deduct taxation instalments. That is a fairly serious set of breaches across the company, yet we see, in the case of ABC Tissues, that they and the companies involved with them are still able to utilise the 457 visa arrangements.

Even after the ongoing breaches since August 2005 were demonstrated—had been investigated by the department—the use of the 457 visas continues. And it would appear that, while there are eventually going to be some sanctions, no sanctions have been put in place at this point in time. That, I think, clearly demonstrates the point I make that all those things have been and were illegal, yet if there is not proper policing, regulation, oversight and control of these arrangements, you can pass all the laws you like, but they effectively become meaningless. You can have all the sanctions you like but, unless you are going to investigate and prosecute people, the sanctions, again, are purely meaningless. While we commend the government for bringing forward this bill increasing the sanctions—although, as we have said, many years too late—we do not see any evidence of the government getting their act together and ensuring there is a proper policing regime in this area.

DIMA regulations stipulate that workers on 457 visas should be skilled and fully qualified for the work they have travelled to undertake and be able to comply with local safety laws. The ABC Tissues case, which came on top of so many others, was, of course, exactly the opposite. It transpired that the site was closed by ABC Tissues for a fortnight after inquiries by WorkCover and concerns by unions. Workers on the site said none of the Chinese workers could speak English, they could not read safety signs or follow emergency procedures and many had to be trained to perform some of the most basic tasks.

Clearly, there is a minimum standard of safety required on building sites in this country. It is a very dangerous industry. To have some workers not complying with safety regulations—because they are incapable of doing so either because of their skill level or their communication skills—puts everyone else on those sites at risk. It is simply not appropriate to say that we can bring people in small pockets onto a construction site and that they can work in an isolated way and will not have an impact on other workers. It is important for everyone on a site to ensure that safety and skills are applied across the board.
In this case, one tradesman said he was stunned to see one of the guest workers make a non-compliant Chinese power tool fit a socket by stripping the cord and inserting the naked wires straight into the plug. As an electrician myself, I shudder at the thought of that sort of activity and at the thought of the safety implications for the rest of the site when that sort of activity is taking place. There were forklift drivers and electricians without appropriate licences as well as workers being paid in China rather than in Australia. The company could not nominate bank accounts where the workers were paid. They could not specify how much the workers were being paid or confirm that superannuation was being paid. These all fall under the breaches that the minister acknowledges have taken place, yet we still see ongoing use of 457 visas by this company.

As for importing Chinese electricians, I have already made the point that electricians in general—certainly construction electricians—are not in shortage in most areas, apart from Western Australia. I have checked with the industry training board. There is no serious shortage of skilled tradespeople across most of Australia in the general application of electrical workers. There are, specifically, shortages in line workers and substation mechanics, but certainly not in electricians that work in the construction industry. You simply cannot bring a Chinese electrician into Australia and apply the Chinese standards, as they have tried to do in this case, to the Australian system.

First of all, there is a minimum training requirement for tradespeople in this country. In the electrical trade, overseas workers from any country apart from New Zealand would have to get their trade recognition certificate. They would have to come here and demonstrate the quality of their schooling. They would need to sit an exam. If they passed a skills test, which would be a practical test and a theoretical test—and, again, you would not be able to do that if you could not speak English—they would get a trade recognition certificate. But that would be only the first step. They would then require a licence to work as an electrician in this country. They would have to sit and pass the full licensing exam before they could be issued with a licence to work.

So 457 visas would simply seem to allow employers to bring people in through a DIMIA controlled process to do work which they are legally not able to do in this country. But there does not seem to be any policing by DIMIA or any checks and balances. In one particular case Chinese electricians were brought in to work on a construction site. They had no trade recognition and no equivalent standard to Australian electricians. There were no licensing requirements. Again, it was accepted by the minister that there had been breaches in licensing requirements, yet people were working in a way that put other workers at risk and, of course, ultimately the work did not comply with the Australian standards. To top it off, this occurred in an area where there is no direct skills shortage. This is the opposition’s concern about this legislation.

As I have said, while we welcome the bill in itself, if there is no proper policing, no regulation, no oversight of these issues—and we do not see any evidence of any—the bill’s sanctions simply become meaningless. We call on the government to put proper structures and resources in place to ensure that there is such oversight. The government does not have to look past the examples of the 457 visa abuse. Cases are coming up day after day where those visas are being abused. The response seems to be reactive. We do not hear of cases—I cannot say there are none but we certainly do not hear of them, and if there are any we would like to hear about them—where the department, in a proactive
way, have initiated investigations which have identified breaches of the 457 visa conditions and are able to tell us what remedial action has been taken. I suspect we will not be hearing of those examples because what we believe to be the case is that no such activity takes place.

**Senator GEORGE CAMPBELL** (New South Wales) (10.17 am)—The Migration Amendment (Employer Sanctions) Bill 2006 amends the Migration Act 1958. It does so by introducing new offences for employers, labour suppliers and other persons who allow illegal workers to work in this country. Currently it is an offence under section 235 of the act for an unlawful noncitizen to do any work in Australia, whether for reward or otherwise, and a noncitizen who holds a visa that is subject to a work condition to work in Australia in contravention of that condition. We know that currently there are penalties that are applicable to persons who work in this country illegally. They range up to having to leave the country if they are caught in those circumstances.

However, there are no mechanisms—and there have been no mechanisms—in the act to penalise persons who allow noncitizens to work in Australia illegally. In fact, there has been no way in which we have been able to put pressure on employers who set out to exploit people in the workplace who are in this country illegally or as tourists and to breach our current laws. They are able to do so, and have always been able to do so, with impunity. So it is not before time that this legislation has been introduced. The proposed new offences will deter employers and labour suppliers from employing illegal workers or referring them for work and will encourage employers and labour suppliers to verify the work entitlements of potential employees when there is a substantial risk that they may be illegal workers.

The proposed new offences carry criminal penalties of imprisonment for five years for an aggravated offence and, in any other case, imprisonment for two years. A feature of the bill is the much higher penalties for offences where aggravating circumstances are present. These include where the worker is in a condition of sexual servitude, forced labour or slavery. But, interestingly enough, the penalties specified in the bill will only take effect six months after the passage of the bill. You have to ask: why the time lag?

There has been an argument that there should be an imposition of strict liability on employers. It is true that the definition of ‘recklessness’ within the bill will allow some employers to escape liability even though they have employed illegal workers. There will be some areas where it will be difficult to establish that an employer did so knowingly or recklessly. However, it is difficult to justify the introduction of strict liability as it would put an extraordinary imposition on employers. It is not always easy to assess whether or not someone is an illegal worker. In particular, people without work rights can be granted tax file numbers, which would otherwise be the simplest test. Consequently, the level of checking that strict liability would impose on employers could be seen as excessive. For this reason, liability is imposed on an employer only if they act knowingly or recklessly.

The flip side of this, however, is that it leaves holes that offending employers may be able to get through. The onus of proof may be too heavy in many otherwise legitimate cases. However, it has to be said that whilst these amendments to the Migration Act are welcome—and, as I said, they are being made not before time—and while they may, in a lot of circumstances, prevent persons who otherwise would not be able to work here from being exploited in the work-
place, there will still be many who are able to slip through the net.

However, these conditions will not apply in the circumstances of temporary migrant workers—workers who are brought here on 457 visas or 456 visas for temporary employment in this country. A spate of issues have arisen in relation to temporary migrant workers over the past couple of years, a number of which have been identified by my colleague Senator Marshall in his contribution here this morning. We have seen workers employed in Australia on 457 visas where the visa terms are nowhere near the reality of the people’s employment or the circumstances under which those persons are being employed.

Some 40,000 workers, we understand, will be granted 457 visas this year. That is a boom of some 43 per cent up from the 28,000 who were employed last year. The visas were intended for companies looking to import skilled labour that was otherwise unavailable because of skill shortages. These skill shortages, I might add, did not suddenly hit us between the eyes; skill shortages were identified very early in the piece. In fact, I recall chairing a committee—the Senate Employment, Workplace Relations and Education Committee—in an inquiry it held in 2003, and its report entitled *Bridging the skills divide* made something like 49 recommendations to this government on ways and means of dealing with the issue of skill shortages, most of which were totally ignored.

So the skill shortage is not something that has suddenly emerged. It was identified early and people—employers and employer organisations—have been clamouring for this government to do something about it. It is a situation that was substantially ignored by this government over a number of years and it has directly led to a circumstance where visas are being issued to import skilled labour because of the claim those skills are no longer available.

The requirement of those visas essentially was that the company would demonstrate an inability to find appropriate labour in Australia and then ask to import a worker to do the job. But, whilst there is a requirement for employers to demonstrate that there is a skill shortage, in practice the department does not require applicants for these visas to demonstrate that they have identified a skill shortage or that they have taken action to establish whether persons with the skills required are available in the area in which the work is going to be undertaken.

It is accepted by this government that the fact that we have an unemployment rate across the board of 5.7 per cent—I think those were the last figures that were issued—is sufficient to establish that we have a labour shortage and that the skills are unavailable. We know that those figures are averaged—that they are a reflection of a sample survey—and we know that unemployment in many parts of this country is substantially higher than the national average, particularly in regional Australia, where a lot of this work is being undertaken by persons on 457 visas. But there is no requirement—the department is not insisting on it—for employers to demonstrate that they have established that in the marketplace there is a shortage of the skills that they are seeking. It is accepted, because the general average shows unemployment has fallen, that the skills do not exist.

At the very best, this is a stopgap measure in dealing with our skill shortages, which, as I have said, have been caused essentially by the neglect of this government and the way in which they have dealt with the vocational education training system since they were first elected in 1996. Whilst there is a set of requirements governing the way in which
temporary visas are to be applied, that is not, in practice, what has been happening. The scrutiny of the way in which companies have been functioning in this field has been very minimal indeed.

Workers have been exploited by dodgy bosses using temporary 457 visas. Senator Lundy, who is in the chamber, identified a number of examples in the restaurant industry in Canberra where workers were being substantially exploited under these visas. Senator Marshall has just identified a number of instances where workers have been exploited under these visas.

There are employers out there who have deliberately set out to use the visas to exploit workers in order to maximise the benefit to them. We have seen, for example, workers who are skilled, but not 100 per cent proficient in English, being brought into this country and employed under pretty horrendous conditions. Consider the case, some time ago, of 20 Korean welders who were basically suckered into working long, long hours for low, low wages. They were told to bring their families with them on the promise of quick approval of permanent residency. The labour hire company that was employing them was receiving $40 an hour for these workers and passing on only $15 of that to the workers.

More importantly, when the company discovered that the workers had discussed this with other workers on site, they had those workers escorted from the workplace. One of the welders was visited early in the morning at home by the labour hire firm’s chief solicitor and told to sign a new contract, the new contract being in English only. No negotiations were entered into, and he was refused a copy of the contract. This is not new. This is an issue we raised with the Employment Advocate. Before the 457 visas came onto the horizon, I raised with the Employment Advocate at estimates that we had situations in this country where migrant workers with limited English were being given AWAs that were drafted by people with university degrees and expected to understand the implications of those agreements and sign them on the basis that they understood them. And here is a similar situation in which a worker under a 457 visa is being exploited in the same way.

Other workers were forced to buy cars on their first day in the country for three times the market value of the vehicle. The employer was not only getting the workers to buy the cars but also making a substantial profit on the deal for himself on the way through. Another worker was promised $72,000 a year but was paid $840 a week for a 56-hour week. Some workers have been forced to work long hours for well below market rates, and some have been forced to live in substandard, rat infested accommodation. There was a case in Queensland in which the Office of Workplace Services engaged solicitors to pursue the union because the union took action to protect the workers. They did see sense eventually and dropped the case because they knew they were in an unwinnable situation.

There is no doubt that these visas have been used and abused for the purpose of importing cheap, exploitable labour. Essentially, whilst these workers are being engaged under the concept of filling skills gaps, the reality is that the vast majority of them coming in under 457 visas are simply being brought in by companies who have not tested the labour market and have not demonstrated that there are practical shortages of the skills in question. It is simply to exploit the availability of the workers and hold down wages in this country.

It is said that the minimum wage for people engaged on 457 visas is $41,000. But that
wage is below the market rate, so there are still substantial problems in these areas. Dr Phil Toner of the University of Western Sydney told the *Sydney Morning Herald*:

Clearly the implication is that though the minimum may be $41,000, any jobs that might have a market rate over that are going to see a downward pressure.

He means downward pressure on wages in those areas. That is the fact of the way this system is operating. He also said that the program is a disincentive to spend money on training and that this exacerbates the existing skills shortages. The reality is that the point of the visas is not to address skills shortages; it is essentially to hold down wages. As I said, the changes in this bill, while welcome, will not address any of those issues.

In respect of the 457 visas, the government does have it within its power to deal harshly with employers who breach the conditions of the 457 visas. What the government has not done is to show the political courage to instruct the department to deal harshly with them. It has allowed these cases to occur and the exploitation to run on. As Senator Marshall pointed out in his contribution, it has essentially only been when these issues have been exposed publicly that the government has sought to do anything about addressing the problem. It has been reactive, slow and reluctant in ensuring that the conditions of these visas are being adhered to.

As I said in my initial comments, the changes to this bill are welcome. They do address gaps in respect of the illegal worker situation. A review of illegal workers in 1999 identified that some 53,000 people were at that time overstaying their visas and living in Australia. The review also painted a picture that some overstayers were finding work. These people were in breach of their visa conditions and, if caught, were subject to punishment under the Migration Act. The big problem with the act was that there was no punishment for the employers who were involved in encouraging these people to take up employment, and that situation continues until today. In 2000 a phone advice line was set up for employers. In 2001 a set of graded sanctions were foreshadowed, and warning notices were implemented some time after that. But, until now, there has been no substantial penalty to be pressed upon employers who have been doing the wrong thing.

Even after this bill passes, it will be six months before employers become liable in terms of those penalties. From 1999 until now, the problem has been clear but the government’s response has been inadequate, as it has been in addressing the problems under 457 visas. The question will be: how long will it be before the government moves to address some of the wrongs that are occurring to employees who have been brought into the country under the 457 visas? *Time expired*

Senator KEMP (Victoria—Minister for the Arts and Sport) (10.37 am)—I welcome the support for the Migration Amendment (Employer Sanctions) Bill 2006 that members of the opposition have indicated. I will deal with one or two of the issues which have been raised in the second reading debate. This bill, as senators know, addresses the government’s long-held concerns about those who seek to work illegally in Australia. Illegal work causes a number of problems for the Australian community. It takes job opportunities away from Australian citizens and lawful migrants and that was a point a number of senators made in their remarks.

The cost of detecting illegal workers, of course, is an unwelcome burden on the taxpayer. Very importantly, some illegal work is linked to organised crime, particularly in the sex industry. The trafficking of people, particularly women and children, is a despicable
crime. The government is determined to deal with anyone who knowingly participates in this kind of criminal activity, including employers who seek to exploit the victims of trafficking. Despite the continued success of our immigration compliance activities, the government believes that additional statutory reforms are required. Experience has shown that there must be some method of imposing sanctions on the small number—and I think it is a small number—of employers and labour suppliers who deliberately engage or refer illegal workers.

The bill introduces fault based criminal offences. The proposed offences will only be committed where the employer or labour supplier knew the person was an illegal worker or was reckless as to that fact. This ensures that the focus is on the employers and labour suppliers who are of concern to the government without imposing any additional burden on businesses generally. This bill introduces high penalties for offences where aggravating circumstances are present. These circumstances arise where the illegal worker is being exploited through forced labour, slavery or indeed sexual servitude.

Turning to one of the key points raised during the debate, a number of senators have also suggested that not enough is being done to prevent 457 visa holders from being exploited. Senator George Campbell, in his remarks, made this particular point. The point to note is that the offences in this bill will help to reinforce existing sanctions arrangements and that is clearly one of the reasons that this bill is enjoying support in the Senate. For example, where an employer moves a 457 visa holder into a low-skilled or semiskilled position the offence in clause 245AC of allowing a noncitizen to work in breach of their visa conditions may be committed.

In summary, we believe this bill addresses some very serious issues in Australian society. However, we think it strikes the right balance by ensuring that only those employers and labour suppliers who are of genuine concern to the Australian people will be caught by these offences. I urge the Senate to allow a speedy passage of this bill.

Question agreed to.
Bill read a second time.

In Committee

Bill—by leave—taken as a whole.

Senator NETTLE (New South Wales) (10.42 am)—I rise to move the Australian Greens amendment on sheet 4911:

(1) Schedule 2, page 9 (after line 9), before item 2, insert:

1A At the end of section 73
Add:
(2) If:
(a) the Minister has granted a bridging visa E or equivalent in accordance with subsection (1); and
(b) the applicant for the bridging visa E or equivalent has been in possession of the visa for more than 28 days;
the regulations must provide that the applicant be permitted to work in Australia for the period of the visa.

This amendment deals with the issue of people who are in the community on what is called bridging visa E. These people are asylum seekers and going through the process of having their protection visa assessed by the Department of Immigration and Multicultural Affairs. The decision is granted that they will be able to live in the community whilst that process occurs and they are given a bridging visa E.

As I outlined in my speech in the second reading debate yesterday, people who are on bridging visa E do not have work rights. They can apply to the department of immi-
igration in order to get work rights but there is no automatic access to work rights for people on bridging visa E. In the Senate inquiry that looked into the Migration Act earlier this year, this was a significant issue for us. At that time, the department of immigration provided figures to that Senate inquiry to indicate that last year there were nearly 8,000 people who were living in the community on bridging visa E—that is, without having any automatic access to work rights—and trying to survive.

Yesterday I spoke a little bit about the impact of this for those charity and community groups that seek to support these people, who are given no opportunity to get support by being able to work and provide for their families and who are utterly reliant on charity from a number of these church organisations. When the Senate inquiry looked into this issue at the beginning of this year, we heard from a number of these organisations that provide care for people in our community who are living in these circumstances. One example that I spoke about yesterday was the Melbourne Catholic Migrant and Refugee Office. They told the Senate committee that research has found that ineligible asylum seekers live in abject poverty with virtually no mainstream supports available to them. The impact of this, coupled with prolonged passivity, has caused high levels of anxiety, depression, mental health issues and a general reduction in overall health and nutrition.

Though the bridging visa category E was originally intended to be only three months in duration, there are some asylum seekers who have been on a bridging visa E for over eight years. The burden to support these people has been left to underresourced community and church groups and is unsustainable, particularly for the needs of growing children. Most people seeking Australia’s protection in this situation are completely reliant on charity. This is an issue that a number of these groups have looked into to see what benefit would be provided for the whole of the Australian community if these asylum seekers were able to work whilst living in the community and having their asylum claims assessed. Clearly, there are enormous benefits that would come to asylum seekers and their families in being able to work, be independent and have some dignity and respect rather than continually relying on organisations, which many of these proud individuals do not want to have to do.

There are also benefits to the whole of the community. As I indicated yesterday, the Uniting Church commissioned some independent research into people who were living on bridging visa E within the community. In their research, which was released earlier this year, they indicated that the denial of work rights to asylum seekers in Australia equates to a potential loss of $188 million to Australia’s GDP over a three-year period. They went through a particular cohort of asylum seekers living legally in Australia in Victoria and New South Wales and found that 71 per cent of them have skills that Australia needs. Almost half of them have skills that are in high demand according to the federal government’s own migration occupations in demand list. The leader of the Uniting Church in Victoria and Tasmania at the time said:

Australia is placing most asylum seekers and their families in a position of devastating poverty. Although lawfully in the refugee determination process, they are given no means to survive. They have been given a Bridging Visa E (BVE), but this allows them no access to work rights, healthcare or any form of income support, and the church and the community are picking up the bill.

The Uniting Church indicated that its members are donating thousands of dollars to support asylum seekers living in the community who have been denied the right to work.
to support their families. The Uniting Church’s Justice and International Mission Unit estimates that, through its members—and this is just in the synods of Victoria and Tasmania—it spends over $1 million dollars of financial and in-kind support on this group of people. The leader of the Uniting Church in Victoria and Tasmania goes on to say:

The solution is simple ... providing work rights to asylum seekers whilst they await a decision on their protection or humanitarian visa, would enable individuals and families to live independently, save the community millions of dollars, and would contribute to the Australian economy.

The Senate Legal and Constitutional References Committee inquiry that looked into this issue earlier this year heard from a number of other organisations, such as the St Vincent de Paul Society. They highlighted the plight of children and the sick who are living in these situations when they said:

The plight of people within the community on Bridging Visa E with no work rights, medical care and welfare support is quite desperate and of grave concern to the Society, especially given that in many cases children are also affected ... It is a particular concern when individuals are released for health reasons without a health management plan, or the resources to provide health care, being put in place prior to their release.

We heard from a number of organisations about the way in which they scrabble to find a general practitioner, dentists or other health professionals who are willing to see patients for free or for a nominal cost because they are not given this access to health care. They are not given access to health care, to Medicare or to work rights so that they can earn the income to allow them to provide for their families whilst living in Australia.

This Australian Greens amendment enables those people to have access to work rights. We have designed an amendment which says that people get that access after 28 days. We did that because we wanted the point of the amendment to be for those people who have been on bridging visas for years. For example, we heard from the Catholic Church about one individual asylum seeker who has been living in the community for eight years with no right to work, no right to earn income and therefore no capacity to provide for himself and his family. These are the people that we want to ensure have access to work rights, which is why the amendment has been designed this way.

I want to go to some of the details of the Uniting Church survey in Victoria that looked at the skills that people in these areas had. They found that 71 per cent of them had skills in the skilled occupation list for the general skilled migration program. And, as I said earlier, 45 per cent of them had skills that were considered in high demand according to the government’s own migration occupations in demand list. Forty-three per cent of the people they surveyed—asylum seekers living in the community with no work rights—held professional qualifications, 33 per cent of them held trade qualifications and, of all those surveyed, only one stated that they were unwilling to update their skills. That one was an award-winning chef with 25 years experience who had been working for an international hotel chain and felt there was no need for an update in skills. These are the individuals we are talking about.

I will give some examples of the people that they surveyed—and remember, this is just a small group of asylum seekers, whom they accessed for this survey, living in Victoria. The situation is likely replicated around the country. They surveyed a welder, someone with a bachelor of economics and a technical diploma in machine and shopwelding. He had eight years experience in high-technology Japanese companies, supervising Japanese workers. He was able to perform
five different types of welding, with arc, oxy and mig welding skills, and he was also able to program robot welders. Just one of these skills would be enough for him to qualify as a first-class welder for the skilled migration program—and he had five areas of welding expertise. He was fluent in five languages, including English. He had run his own export and import business. Yet he is living in the community on a bridging visa E with no access to work rights. So he is not able to contribute to fixing the skills shortages that exist across this country. He is not able to contribute to earning income so that he can provide for his family. In fact, people like this gentleman are left in the community for years—some of them for many years, some for eight years, as we heard from the Catholic Church—and are not able to contribute their skills to the Australian community. This is the reason why the Uniting Church did this survey: to indicate the loss to the whole community from these people not being able to contribute to the Australian economy and to the Australian community. Of course there are substantial difficulties for them in their individual circumstances but, as the Uniting Church found, there is a potential loss of $188 million to Australia’s GDP over three years by not allowing these people to have work rights.

Right now the department of immigration is carrying out a review of this issue, as I mentioned yesterday. I notice we had the minister in here earlier during this debate. I would really appreciate it if we could hear any update from the department about what is going on in relation to that review. When the Senate inquiry looked at this issue earlier this year we also heard from one of these individuals, a stateless Palestinian asylum seeker who is living in the community on a bridging visa E. He had this to say to the Senate inquiry:

Although I am no longer in an immigration detention centre, having been released from the Baxter facility in April of 2003, I simply moved from a small detention to a big detention. My life is hopeless. I was psychologically damaged by my two year’s experience in detention and my condition gets worse, not better, because there is no solution in sight for my problem. The Department of Immigration has washed its hands of me and is not taking any action to help me find a solution. I am not allowed to work and I am not entitled to welfare benefits. I am full of despair and often consider committing suicide.

This is just one of the many thousands who are living in the Australian community on bridging visa E and do not have access to work rights.

We have heard many speeches in here today about the need to ensure that we address the skills shortage that exists in this country. As people have acknowledged, there are many ways in which we can do this—and investing in skills and training opportunities for individuals is at the forefront of those. But one of those other options for us—indeed, it is an option that the government have considered, as they indicated, in relation to this particular bill—is allowing those people who are on visas, living in the community, who do not have access to the right to work, to be able to have that access.

The Senate inquiry at the beginning of this year looked at this issue. We heard from a vast number of people about the importance of this issue. As a result of that long inquiry that we were involved in, the Senate inquiry made a recommendation: to ensure that people who were on a bridging visa E and living on the community were able to have access to work rights. It is a request that we have heard throughout the community, whether it be from refugee advocates, from churches—as I have indicated—or from employers who want to be able to employ those asylum seekers who have the skills and training that we so desperately need in our community. It
is a cry that has been heard by this government loud and clear for a long time. I will be interested to hear from the minister about the work that is being done by the government in ensuring that these people do have access to work rights, because right now they are reliant on the goodwill and the charity of people in the community—organisations like the Bridge for Asylum Seekers Foundation, which is based in Sydney. They described the situation this way:

These asylum seekers live in absolute poverty. At times there is no food in the house, children may need urgent medical attention and clothing. There is nothing to do and nowhere to go. They live close to despair, relying entirely on the goodwill of friends in the community. Those families, friends and community networks who provide board and offer accommodation, are often themselves struggling to survive financially. But asylum seekers dare not work, because they will be returned to detention. Those who are stateless and cannot return to their country face indefinite detention or freedom without the means of survival.

This amendment is crucial to allowing these people to live, for them to have the dignity to access work, for them to have the opportunity to provide for their families and for them to be able to contribute to the Australian economy. (Time expired)

Senator LUDWIG (Queensland) (10.57 am)—There are a couple of things I want to clarify, through the chair. As I understand it, the matters that were raised go to a different committee report than the one that dealt with this particular bill. Senator Nettle, perhaps you could nod to give me an indication of whether I am right about that.

Senator Nettle—Both.

Senator LUDWIG—Both. I really did not want the government to hide behind this argument either, quite frankly, because I think many of the matters raised by Senator Nettle do require answering by the government. They are separate questions that have been raised in committee that in fact the government does have a duty to provide some explanation on rather than perhaps hiding behind the issue that I am going to raise. The matter is that it has been a longstanding principle—from the Labor Party’s perspective, in any event—that we do not tag bills. This bill deals with employer sanctions and, if there were an amendment or an addition to that issue, we could perhaps provide a more cogent view about that.

This amendment, in fact, adds to the existing Migration Act under schedule 2. It does not, in effect, amend the content of the Migration Amendment (Employer Sanctions) Bill 2006. It adds another issue that the government, of course, should deal with. But it seems to Labor that it is an inappropriate vehicle to use the Migration Amendment (Employer Sanctions) Bill 2006 to deal with it in that way. Much of what Senator Nettle says the Labor Party agrees with in principle. It should be dealt with and it has been dealt with in part. As I think Senator Nettle outlined, a report from the Senate Legal and Constitutional References Committee covered some of these issues. There was also a report by the Senate Legal and Constitutional Legislation Committee dealing with employer sanctions which dealt more specifically with the bill itself. This amendment is not a recommendation that came out of that.

The position we are in is that Senator Nettle has moved an amendment to the substantive act—not to the actual content of the bill—that deals with an area not directly related to employer sanctions. The opposition does support the bill dealing with employer sanctions. With regard to the issue Senator Nettle raises, we think, in principle, there is much merit in it. Labor would support an inquiry into the issue of work rights, as raised by Senator Nettle, but is unable to support the amendment, as framed, for the reasons that I have outlined.
But there is much merit in looking at this issue. Of course, more than just bridging visa Es are issued to asylum seekers or those people to whom it has been determined that this country owes an obligation; there are bridging visas issued in a wide variety of circumstances. In fact, the way this government issues bridging visa Es and the way this government uses bridging visa Es should form part of an even broader inquiry. Only this week, Labor moved for an inquiry into the use of 457 visas—that is, the temporary business visas. However, this government opposed that and did not let it proceed. This issue certainly would have been a matter that could have been examined as part of that inquiry. If the Greens want to raise a broader inquiry dealing with this specific matter, certainly the shadow minister would be open to that course. It is a serious issue and I think Senator Nettle has highlighted many of the reasons for it to be dealt with. Senator Nettle pointed quite clearly to why this government has failed to cogently deal with this issue.

It is an area that Labor have also looked at internally in our social policy committee as to the appropriateness of the various restrictions on work rights and Medicare access for asylum seekers, including the 45-day rule. It is an area that also strikes a chord with Labor in that it does require further examination and further work. However, simply to move an amendment in this way tends to cast it into an area where it may in fact have a broader reach than was intended. The amendment does not go to the employer sanctions issue. As I said earlier, I do not want the government to pick up that argument and run with it. I think the government should answer many of the questions raised by Senator Nettle in a way that at least satisfies some of the issues Senator Nettle has raised.

Senator KEMP (Victoria—Minister for the Arts and Sport) (11.04 am)—Senator Nettle has moved an amendment and has argued the case for this amendment. By way of an aside, I was very pleased to hear Senator Nettle quoting the churches. A few bills will be coming into this chamber in the foreseeable future and I think the churches can be quoted, but it is not always the most telling point to make. I do not doubt the sincerity with which Senator Nettle brings this amendment before the chamber, and I listened very carefully to the arguments. I thought Senator Ludwig made an interesting point and I agree with it: this bill is probably not the appropriate place to deal with this particular issue.

The Migration Amendment (Employer Sanctions) Bill 2006 is designed to ensure that employers employ only those visitors or immigrants who are appropriate. The issue of work rights, which was one spoken about by Senator Nettle for bridging visa E holders, is really a separate issue to do with the management and protection of visa applicants and others. Senator Nettle is aware of the fact that we are having a review at the moment, and one of Senator Nettle’s specific questions relates to the status of this review. This review involves work rights and support for bridging visa holders. So they are being considered as part of this review and the minister expects to receive the department’s report on the review within the next month.

Bridging E visas provide lawful status to noncitizens in a range of circumstances, including those who are unlawful in making arrangements to depart Australia and those who have had a negative decision and are challenging it in the courts or requesting ministerial invention. As at 6 April 2006, there were just over 7,000 BVE holders in Australia, many of whom were people making arrangements to leave. The department is currently reviewing the bridging visa system. As part of this review, the department has consulted with a number of interested par-
ties, including several non-government organisations. Work rights and support for bridging visa holders are being considered, as I said, as part of this review.

It is worth noting that around two-thirds of protection visa applicants apply shortly after their arrival in Australia—and Senator Nettle may not be aware of this—and have work rights and access to Medicare while their application is being considered. Asylum seekers who are unable to meet their basic needs for food, accommodation or health care and who have no other support may qualify for support under the Asylum Seeker Assistance Scheme while their initial application is being considered. To add to that as a point of interest, around a third of the BVE holders have work rights. The government will not be supporting the amendment moved by Senator Nettle. We do not think that this is the appropriate bill for this matter. There is a review, which Senator Nettle referred to, and that review will be in the hands of the government within the next month.

Senator BARTLETT (Queensland) (11.08 am)—I will put on the record the Democrats’ support for this amendment. It is very much consistent with the longstanding Democrats policy and approach on this issue. A few of the comments that have been made do need a response, I think, and we need to do that in the context of recognising the reality of what this amendment goes to. A significant number of people including people with children are in the Australian community lawfully for very long periods of time with absolutely no support at all. That is the context and that is the reality today. This amendment seeks to ameliorate that situation and I think it should be supported.

We have heard comments that this is not the right bill for it, that the Migration Amendment (Employer Sanctions) Bill 2006 does not really address that matter. There is a point to be made there, although I think that it is also able to be linked, frankly. This legislation goes to employers being sanctioned if they employ people without work rights. The reality and the inevitability of forcing people to live in the Australian community for years with zero support is that some of them will by necessity end up having to work illegally to survive. I suggest that goes right to the core of what this legislation is about. We do not want employers employing people who do not have work rights. We do not want people being employed illegally. But we also do not want people left to starve in the Australian community for years and forced to work illegally. And we do not want people to be put in a situation where they might know somebody in that circumstance who is in absolutely desperate straits, who provides them with some sort of casual work—even a very small amount, cash-in-the-hand stuff—which could put them within reach of this legislation.

So I think that it does link. It may seem tenuous but it is a genuine linkage. People who consciously and knowingly work illegally whilst they are in the community unlawfully or people who are here as tourists, for example, who then work when they do not have entitlements to are the problem. But it should not be a circumstance that people who are lawfully resident in Australia for an indefinite period of time—sometimes a very long period of time—are being forced to work just for survival. That is not an appropriate circumstance for a nation like Australia.

As I said in my second reading contribution, there are issues to be balanced here, and I think this amendment seeks to go to those. It does seek to bring in work rights if people have been in possession of the bridging visa E for more than 28 days without work rights and that goes some way to addressing the problem of people seeking to get onto these
visas and then stretching out their time here consciously and working the whole time. That is a valid concern. It is one of the reasons some of these restrictions were brought in. But I think that if those concerns are balanced against families, particularly asylum seeker families, left in the community without support or living on charity and in penury for years at a time, then certainly from the Democrats’ point of view it is very clear what the balance should tilt towards. It should be to ensuring that children are not raised in poverty and that people are not left in penury particularly if they are asylum seekers.

I think that it is insufficient to reason that this should not be supported because it is the wrong bill or that we do not tag bills with amendments to deal with other matters. Labor has just spent a number of hours in the second reading stage continuing their campaign on the 457 visa. Again, this has some linkage with the legislation, although I suggest that it does not go to its heart. I think they spent the whole time utilising the opportunity of this legislation to repeat at great length points they wanted to make as part of a broader campaign. So I think it is a bit cute to say that they cannot support this amendment because it is a little bit off topic when we have had a few hours of slightly less than perfect on-topic speeches.

Be that as it may, there is another point that does need to be emphasised. There is a review, and we appreciate that, and I hope that that review does lead to improvements in the current arrangements. The Democrats do not support many aspects of the current arrangements. We opposed the introduction of the 45-day rule, which meant that a number of people who sought protection after they have been in Australia for longer than 45 days got put into the circumstance where they could be without support for prolonged periods of time. We have seen the consequences and they have not been very pretty.

I will also never forget losing a disallowance motion that I moved in this place which put an extra group of people into the category of being without any support once their RRT claim was finalised—a disallowance motion of mine that went down on the vote of then Senator Colston, creating a tied vote and defeating it. I suppose one is not allowed to reflect on a decision of the Senate, even if it is about eight years old, but it is very hard not to when basically a corrupted vote led to this mechanism being in place and many people suffering as a consequence. At least the situation is being reviewed now. I believe this amendment would not circumvent that review; it would address a problem that is real. Certainly, as I said at the start, it is very consistent with the position the Democrats have had for a long time and that we continue to campaign for. It is one that I urge all parties to give consideration to implementing.
ployee sanctions under the migration legislation. This amendment bill is about employer sanctions, not sanctions on employees. Sanctions on employees have existed for some time. That is, if a person does not have a visa that allows them to work then they are in breach of the legislation as it currently stands—and this legislation does not cavil with that. What this amendment bill does specifically is introduce employer sanctions which are, as I have stated in this place, long overdue. Employer sanctions are a matter that was raised back in 1999 with the then immigration minister, Mr Ruddock, with regard to dealing with illegal workers. It is about time this government acted in that area—and, although belatedly, they are acting, and we do support them on that issue.

We do note that the government will have a review of the bill’s provisions. At the risk of upsetting the minister, I do not know when the review will be finalised, what it will contain or whether it will in fact provide recommendations that will go towards remediying the issues that were raised by Senator Nettle. If my comments suggest that I do lack a little bit of confidence in the review getting to that stage, I suspect the minister understands why I might have that lack of confidence. But the government has indicated it will review the effects of the bill, and it should. It should then bring forward a more comprehensive position. Without seeing that, I cannot comment on it, but I would expect that the government would then act on any recommendations it made to fix the problems that Senator Nettle raised.

On the matter of a more comprehensive review by the Senate Legal and Constitutional Legislation Committee, or the references committee, certainly Labor would support that in principle. We would reiterate to the Democrats, as well as to the Greens, that if they also wanted to support a broader inquiry into this area, Labor would support them coming onboard. I would have more confidence in our getting to the bottom of some of the issues and putting forward more proactive recommendations than I would have in any alternative position that the government might put up. But the numbers in this place probably dictate that, without the government’s support for a reference to the committee, that inquiry will not get up, similar to the 457 visa inquiry.

That was one of the other substantive matters that you raised, Senator Bartlett—that this bill was not dealt with by the legislation committee. This matter was not referred to them and therefore they made no recommendations about bringing forward a bridging visa E type work permit. Senator Nettle has pointed to a range of quite concerning circumstances where people do not have work rights—and I suspect the government could also point to a few. There are situations that come to mind where bridging visa Es are provided and where, it would seem to me, they are not the appropriate thing to provide. For example, a holiday visa overstayer, who is therefore in breach of their visa conditions, finds work, and the government, in one of their rare compliance audits—perhaps I should not say that; I should say in one of their compliance audits—discovers them and gives them a bridging visa E before they then send them on their way. In that case, the penalty is in fact repeating the offence. In other words, they were discovered working unlawfully and they are going to be sent back, but they are given a bridging visa E which allows them to work until such time as they do go back. It would seem an illogical result to me. It may not come to pass; the government may change its position and not provide them with a bridging visa E in those circumstances.

Granted, those people are at the other end of the substantive problem that Senator Nettle raised, but we do not know without a
proper review or inquiry to look at it more broadly. That is why Labor find ourselves in the position where we do not know all the unintended consequences that might arise. We also know the reality, unfortunately, is that this government will not support such an inquiry and it will not get up, more’s the pity. But I hope Senator Vanstone heard some of the issues raised by Senator Nettle and will provide a more holistic answer than was provided by Senator Kemp, although he did his best. Perhaps Senator Vanstone can add some more helpful information for Senator Nettle.

Senator VANSTONE (South Australia—Minister for Immigration and Multicultural Affairs) (11.22 am)—I thank Senator Ludwig for his contribution. I am not sure that Senator Nettle will be happy with what I have to say. What she would like to achieve by virtue of this is quite clear, and I can assure you that the government will not support it, but at the same time I am keen to reinforce that we are having a review. We have been looking at this issue for some time. I have not been happy with some of the ideas that have come up. It is a very difficult area. No-one wants anybody who should be looked after to be in perilous circumstances. They should be able to get the asylum seeker assistance support scheme if that is the situation that they are in. Equally, we do not want to set up a system whereby, when people who may have arrived lawfully and have become unlawful because they have just decided to overstay or they have been through the asylum seeker process and have received a no, we say to them: ‘We set up this very expensive edifice called the migration system. You went through it and you went to the relevant tribunals and through all the courts. You got a no. We know you’re unhappy with that, but, by the way, here’s a visa to stay here lawfully and work as long as you like.’ In the end, there has to be an end point for some people, unless you want to have an open door.

We need to design a system that gets rid of some of the clutter that is there now. I think there is too much clutter. It is not so much complicated—that is, difficult to understand—as messy. The bridging visa arrangements are a bit like a game of pick-up sticks at the moment. I think the arrangements can be simplified. The government can recognise that perhaps the end point in some circumstances will be the same, so we might as well just bite the bullet and wear it. There has to be a means of arriving at a point where someone says: ‘I’ve had every opportunity. I’ve used up a lot of Australian taxpayers’ money to have my case heard. It has been properly heard and I am now going to go.’ In some cases we might agree and in other cases we might disagree about when you get to that point. But, just for the sake of argument, when you get to that point, saying to someone, ‘You’ve got to go—and, by the way, you can keep working and just keep thinking about it,’ is crazy. The alternative is to say, ‘You’ll go into detention and we’ll forcibly deport you.’ It is not sensible to have to get to that point either. It would be better if we could design a system whereby people have all their rights and opportunities and exercise them if they want, at vast expense to taxpayers, but then accept the decision when it finally gets to it.

Through you, Mr Temporary Chairman, I say to Senator Nettle and some advocacy groups that an acceptance of when the answer is no would, I think, facilitate much speedier and easier treatment of the ones for whom the answer is yes. I say that because, in any group of 100 people that you are looking at, you know that there are some who are not genuine. You will obviously carefully look at all of them in order to find the genuine ones. If you had greater confidence that, amongst the 100 people, 99 per cent were
genuine, I think you would find that there would be easier administration of this. The administration of the immigration area is made harder by people trying it on and it is made harder by people not accepting the final outcome. What I and the department want to achieve is something that is simpler and easier for people to understand. I think that, if it is simpler and easier to understand, that necessarily makes it fairer. It needs to accommodate people who—and I think there would be some broad agreement on this—need to be accommodated, but there needs to be some finality for those who have had their chance, have had their go, and now should go.

Senator NETTLE (New South Wales) (11.26 am)—I thank the minister for her comments, and I will address some of those in a moment. I first want to deal with the issue of whether or not the amendment is relevant to the bill. The contributions on that issue that we heard from Senator Kemp, from the government, and Senator Ludwig, from the opposition, were not only disappointing but dishonest. If they turn to either the explanatory memorandum of this bill—

The TEMPORARY CHAIRMAN (Senator Marshall)—Senator Nettle, I do not think that is appropriate. I think you were referring directly to specific senators when you said that their contributions were dishonest. That is inappropriate and you should withdraw that.

Senator NETTLE—I withdraw the reference to the individuals and maintain that the position put forward by the government and the opposition that this amendment is not related to this piece of legislation is absolutely false. The explanatory memorandum deals with this issue as one of the six options put forward about how we deal with the very issue of people working illegally in the community. One of the six options that the government proposed extended the work rights to people in the community who do not currently have work rights. I can point any of the people present to the pages—about four of them—in the explanatory memorandum relating to this bill which deal with this issue. I can also point anyone present to the pages in the report of the inquiry into this piece of legislation that deal with this very issue. That is why this amendment is here. It is one of the options that the government looked at and dismissed. Also, it is an option into which there has been not one inquiry but two inquiries—six months of inquiry last year in which we looked at this issue, an inquiry that was chaired by a member of the opposition and for which a recommendation came out. That recommendation—and I shall read it for the Senate—was: ‘The committee recommends that all holders of bridging visa class E should be given work rights.’

So, when Senator Ludwig indicates that the opposition would support an inquiry into this bill, I am well aware of that, because there have been two inquiries already. One of those inquiries, chaired by the opposition, recommended precisely what this amendment does. The organisations in the community, as I indicated previously—like the Unit-ing Church in Victoria and Tasmania—which have spent over $1 million in providing financial assistance and in-kind support for people who do not have work rights, do not actually want another inquiry; they want some change on this issue. They want to ensure that people who currently rely on these organisations for charity are able to have the dignity and the respect that they deserve and be able to look after themselves and their families.

The minister spoke about people in this situation. As we have all indicated, there are a number of reasons why people may be on a bridging visa E. I am happy for the minister
to correct me if I am wrong but, in the evidence given by her department to the inquiry into this legislation on this issue, they talked about the number of people who had protection visa applications on hand with the department or who were going through merits review. It is my understanding that there are people who are given a bridging visa E so that they can live in the community while their claim is being assessed. They will be at a variety of stages, I would imagine, in going through that procedure but there are people who are still having their claims assessed that are on bridging visa Es. If I am wrong about that I am more than happy to be corrected, but it is my understanding that there are people who are living in the community having their asylum claims assessed.

As I indicated previously when I spoke to the chamber, some of these people have been on bridging visa Es for eight years. The example the Catholic Church provided to the Migration Act inquiry indicated the circumstances of an individual who had been on this kind of visa for eight years without the ability to work. These are the people we are trying deal with in this amendment, and that is why we have framed it in this way: we are talking about the people who have been on this visa for a long time and whether or not they should have an entitlement. I acknowledge the minister says that it is an issue we need to deal with and that is why I asked, prior to her being here, about where the review was up to, knowing that the department is doing a review into this issue.

It is an ongoing concern, and I acknowledge the minister’s comments that it is an ongoing concern that needs to be dealt with. Given that we have had two inquiries looking into this issue, one of which has recommended that people on bridging visa Es be given access to work rights, I am moving this amendment on behalf of the Australian Greens to ensure that those people do get access to those work rights. I can see from the refusal of the government and the opposition to support this that it may not pass, but what I and all of those people who support people in our community who are on bridging visa Es without work rights are hoping is that, out of the government review into this issue, this issue will be addressed so that those people who live in the community for years and rely on charity and church groups to support them are able to hold their heads high, access employment and look after their families.

Perhaps while the minister is here she could indicate, if possible, how many people in the community are in this situation. We have had some indications—and I note comments already about the number of people on bridging visa Es, what proportion have work rights and what proportion do not and the contribution to this inquiry by the department—but if the minister were able to give a figure about the number of people in the community on bridging visa Es without work rights to the Senate, it would help us to be clear in this debate and would be much appreciated.

Senator VANSTONE (South Australia—Minister for Immigration and Multicultural Affairs) (11.32 am)—My advice is that there are about 7,000 people on BVEs in Australia, many of whom are making arrangements to leave and many of whom are people who would have put their asylum claim in within 45 days—that is, they came here with the intention of doing it. That is fair enough. That is what it is meant to be: you can come to Australia, seek asylum and be dealt with properly. There will be others within that group who will not have applied within 45 days and a number—and I cannot put a figure on it—who will only have discovered in their own minds that they might need protection about seven years after getting here when they have finally been caught overstaying...
ing. It is amazing what insight people have into the protection they need once they have been caught, and that just further delays it.

Through you, Madam Temporary Chairman, the senator raises one of the problems with the immigration system. She talks of a family who have been here for eight years going through the processes. When you consider that the immigration department either wins or the other side withdraws from over 90 per cent of their cases, you have to ask yourself: who is telling some of these people to hold on and waste their money, time and effort and, more importantly, their own heart-strings and nervous energy pursuing a matter to the nth degree?

We have a system that enables people to do that. I have indicated that we are reviewing the system. We want something that is more sensible, but the proposition being put—that everybody on a bridging visa who does not have work rights is a person who is being persecuted and not looked after—is frankly crazy. People who need it can get the asylum seeker assistance, and we are not going to set up a system whereby people will be given lawful status in Australia and work rights to stay forever and a day. We will set up a system that we think is simpler, cleaner and therefore, I think, fairer but it will have an end point.

Senator NETTLE (New South Wales) (11.34 am)—Thank you to the minister for the indication that there are around 7,000 people on bridging visa Es in the community. If she is able to at a later date provide us with some more information about how many of those people do not have work rights, that would be appreciated. The minister spoke about her belief that people who need it have access to the Asylum Seeker Assistance Scheme. The minister may well be aware of a report into people on bridging visa Es carried out by the Hotham Mission, in which they make a number of recommendations, including that asylum seeker children should have access to the Asylum Seeker Assistance Scheme throughout the protection visa and the 417 stages from the time of lodging to final outcome and that that should include asylum seekers released from detention on bridging visas. These are recommendations that have been made by one of the organisations involved in the asylum seeker project in Victoria to ensure that people do have access to the Asylum Seeker Assistance Scheme that the minister has spoken about. I would question whether everyone who needs it has it—otherwise, why would these organisations be recommending that children have access to that particular scheme?

The minister spoke about the need for people to accept final outcomes, which is something that we have heard her say here in the Senate on a number of occasions. One of the great difficulties for asylum seekers who are in this situation is that throughout the process they are given a number of decisions which are presented to them as final outcomes. I think of one asylum seeker that I spoke with recently, who was on Nauru for several years. He was given a number of final outcomes, in which he was told that he was not an asylum seeker. He had the experience of having departmental officials talking to him about a scheme known by the government as ‘voluntary repatriation’, whereby he was offered either $1,000 or $2,000—I cannot remember which it was—to go back to his country of origin. He did not accept.

Some time later, he received another final outcome from the department—one which, after the several years that he had spent on Nauru and the three previous final outcomes he had been given by the department of immigration, said that he was now being recognised as a refugee. And there are numerous asylum seekers throughout the community, many of whom I and I am sure others have
met, who have gone through the experience of being given decisions by the department of immigration that are presented to them as final outcomes. After sometimes years in detention and in Nauru they are given a different final outcome—one which says they are a refugee.

That is one of the difficulties that I have with the minister’s comments that these people should accept the final outcomes. The track record of her department is not one which is able to give me as a parliamentarian or indeed asylum seekers in this country confidence that the final outcomes, as the minister puts it, that are being given are based on genuine and expansive investigations into the circumstances of each case. If that were the case then we would not see people who have sat in Nauru for many years, when they finally get access to some legal advice or when a migration agent is finally able to go to Nauru to hear their cases, all of a sudden getting a different final outcome, which says: ‘You are asylum seekers. We have kept you on Nauru for however many years and told you that you were not refugees, but now that you have been able to have access to a migration agent we have found that you are refugees.’

I read in the Sydney Morning Herald today about one such asylum seeker, a gentleman from West Papua. This man’s father was one of the thousand chosen by the Indonesians and asked to vote on whether West Papua should be part of Indonesia. Unsurprisingly, the father, like the other 1,025 hand-picked individuals, said, ‘We will comply with the threats being put to us and say that West Papua should be part of Indonesia.’ His son—who was being threatened and intimidated in the village that he lived in in the south of West Papua, in Merauke—travelled with his wife and children over to Papua New Guinea.

According to the Secretary of the Department of Border Affairs in Papua New Guinea—whom I met with some weeks ago, when I was there—the man was in Papua New Guinea for fewer than seven days before he arrived by boat in the Torres Strait. At that point, he and two colleagues handed over a letter which indicated that they were claiming asylum. They were taken in a helicopter by the Australian government and department of immigration and put in a hotel, where they had no access to Amnesty International, to the Red Cross, to lawyers, to human rights advocates or to journalists who wanted to speak to them. The department of immigration provided him with an Indonesian interpreter, who said: ‘Do not raise your concerns about the issue of the independence of West Papua. You should not raise in your discussions with the department of immigration, which has employed me as an interpreter, your concerns about the independence of West Papua, because that issue has been dealt with.’ So, he was provided with an interpreter by the department of immigration whose advice was: ‘Do not talk about the persecution you have experienced in your country at the hands of my government.’ Of course, that was the Indonesian government. As a result of that, some discussions occurred between the Australian government and the government of Papua New Guinea. Australia has signed agreements with the government of Papua New Guinea in which the Australian government has said that if people spend more than seven days in Papua New Guinea fleeing persecution in West
Papua then the Papua New Guinean government must agree to take them back. The Greens do not agree with those agreements, but we have signed them.

So I was very interested to have the meeting I had in Papua New Guinea with the secretary of Border Affairs. He indicated to me in our discussions that the gentleman we are talking about, whose story was in the *Sydney Morning Herald* today, had not spent seven days in Papua New Guinea before arriving in the Torres Strait on his way to Australia. During that period of time, his wife and children were in a village near the border with Papua New Guinea. And, during that period—in which he was being held by the department of immigration in a hotel in the Torres Strait without access to lawyers, human rights advocates, journalists or support—his youngest daughter died.

The man is now in East Awin settlement, which is one of the most remote parts of Papua New Guinea. To travel there involves an extraordinarily expensive flight to one of the nearby towns. Then you go along the Fly River by canoe. And then, if you have a tractor with a big enough axle, you go along the muddy road that takes you in the direction of the refugee camp. But you cannot get a tractor all the way down the road, so you have to get off and walk into the camp, which holds 2,500 West Papuan refugees, who have been found by the UNHCR to be refugees.

Some people have been living there for 20 years. When I was in Papua New Guinea I met a 25-year-old woman who was living on the edges of Port Moresby. She had spent several years of her life in this settlement, where this man who was held by the department of immigration in the Torres Strait is now, and I asked her what it had been like there. When I asked her that question tears started rolling down her face. She apologised to me. She said: ‘I’m sorry. When you ask me that question it reminds me of how horrible it was.’

She and her family come from a small island in the north of West Papua. They have been fisherpeople all their lives. That is how they have survived. They were put into this settlement which, as I described, is in a completely remote area, a landlocked area, of Papua New Guinea. They were put there without the capacity to survive. Some families have been there for 20 years and are still there. She was lucky. She had an uncle in Port Moresby who was able to fly her and her family to Port Moresby, where they now struggle to survive. The day I saw them they were cooking food for a soccer team they had set up amongst the West Papuan refugees living in that area, because they wanted some activities for the young men to do so they could have a meaningful engagement in their lives and not get caught up in any criminal elements in that area.

This was her experience and this was the experience of the man who arrived on an island in the Torres Strait seeking the protection of the Australian government. He is now in that refugee camp. He did not spend more than seven days in Papua New Guinea. No, the secretary of that department in Papua New Guinea told me he spent less than seven days there. But the Australian government made a special arrangement to allow this man and his two colleagues to be taken back to this remote settlement where they are now. This arrangement was made at a time when the Australian government was proposing in legislation to this parliament that all asylum seekers who arrived here by boat should be taken to Nauru—legislation that came out directly as a result of the arrival in Australia of 43 West Papuans and the response and the criticism of the Indonesian government.

While this was going on, some West Papuans arrived in the Torres Strait. They
were held incommunicado from any people in the community they wanted to engage with. They were given an Indonesian interpreter who said to them, ‘Don’t raise the issues of the independence of West Papua.’ Then a special arrangement was made with the government of Papua New Guinea to take these people back. This man now lives in a remote settlement where the only resources provided are as a result of the goodwill of the Catholic Church in that area. The UNHCR recently bought some water tanks so they could get water while living in that refugee camp.

Those are the circumstances in which this man has found himself through his interaction with the department of immigration. So when the minister says to me that she wants asylum seekers who go through this procedure in Australia to accept their final outcome, I think about that gentleman and I think about the many other people in Australia and elsewhere who have had similar experiences with the department of immigration. Vivian Solon, Cornelia Rau: I wonder what confidence they have in the department to make genuine decisions on their final outcome.

If the minister spent more time ensuring that her department could make accurate final outcome decisions perhaps she would have some success in the area in which she seeks success. But right now I have no confidence that the minister and her department will be able to make accurate final outcome decisions with the raft of asylum seekers that they deal with. When the minister asks me and asylum seekers to have confidence, I believe she needs to look at the track record of her government and her department. (Time expired)

**Senator VANSTONE** (South Australia—Minister for Immigration and Multicultural Affairs) (11.49 am)—I will not indulge myself by giving a soliloquy on my last visit to a refugee camp. I will just thank Senator Nettle for pointing out that people do spend up to 20 years in these stinking, terrible places. That is one of the reasons the government has a very strong commitment to border security: because we do not believe that people should be able to self-select who comes and takes our refugee and humanitarian places. We will take advice from the UNHCR. We have certain disagreements with them, and they are sometimes quite substantial, but they are the appropriate body to make those decisions. That is why we have strong border control—because we say: ‘No, you’re not going to take our places. These places are for those most in need and they are in these camps.’

Senator Nettle referred to decisions vis-à-vis people on Nauru and the point was made that an initial decision or a review decision might not be correct. I simply make two points in relation to that. What the senator is talking about is a case load on Nauru that was notoriously difficult. The difference between people from Afghanistan and Pakistan, when they might be in neighbouring villages, is just a line on a map; it is nothing more than that. Those people who arrive with their papers and who can give a cogent story assist themselves in being identified. Those people who do not arrive with any ID—particularly if they feel that they cannot keep their ID, albeit they managed, for example, to fly to Indonesia and have some form of identity documents, even if they were false documents, required for the purpose of escaping—can usually, when they arrive, give a cogent story as to where they lived. If they cannot do that it necessarily brings it into question.

What has happened is that after the expiration of time people’s circumstances might have changed in a country. That does not mean there was a wrong decision in the first
place. It means they were not in need of protection then but their circumstances have changed and they are now in need of protection. A change of heart there, I think, is a good thing. It is a good thing that a department recognises when there are changed circumstances and is prepared to say, ‘We didn’t think you were a refugee then but we do now.’ Furthermore, it is a good thing that, if someone is able to produce material that, for example, identifies someone as being from Afghanistan and not Pakistan, a government is prepared to accept that. That is not a case for saying, ‘We’ll just stay here forever,’ and to run the line that Senator Nettle was trying to run, that the immigration department’s decisions are incompetent and that therefore it should never be trusted and people should be able to stay here at taxpayers’ expense for as long as they like until finally somebody gives in.

The UNHCR came out with the same assessments that we did on Nauru. This was not a function of the nasty, mean Australian government. The same assessments were made by the United Nations High Commission for Refugees. And in both case loads there were subsequent changes.

**Senator Nettle** (New South Wales) (11.53 am)—I wonder whether the minister is able to indicate whether the Australian government has accepted any West Papuan refugees assessed by the UNHCR to be asylum seekers—the 2,500 living in the settlement or any of the other thousands that live in Papua New Guinea—through the offshore program.

**Senator Ludwig** (Queensland) (11.54 am)—Thank you. It has been helpful for Minister Vanstone to answer many of the issues that have been raised by Senator Nettle. But in answering those and looking at bridging visa E, it might be helpful to understand the visas more broadly. In other words, it might be helpful to look at the type of visa a person was on prior to bridging visa E and then the outcome of that—that is, how many visas, like tourist visas, have been cancelled and bridging visas E then issued—because this is not only a humanitarian issue; it is more broad than that. But the minister can take that on notice. I will not pursue that during this committee stage. I will follow it up during estimates hearings.

In answer to Senator Nettle, I do not want you to think that our objection was grounded only in that issue. It was a subsidiary issue. The main objection is that it is a broad application that you have sought to amend, and you have used section 73 to do that. The specifics of much of the work in the committee stage usually go to amending or adding to the bill that we have before us. In fact, you could have perhaps used section 245 as a way in, with a type of amendment, which could have given you the ability to use the provisions of this bill. Certainly, when I look at it—I am not trying to give you advice—I see that as a way of providing the outcome hearings, and you would be well aware of the fact that we take advice from the UNHCR as to from where we take the people most in need. And you would be familiar with the broad outlines that have been covered at estimates on numerous occasions when you have been there—namely, that about 70 per cent of our case load comes from Africa, and the remaining case load comes from a range of other places. If you want to put a specific question about a specific camp, as opposed to any other, I am happy to take it on notice and get the answer for you.
you were seeking, rather than the method you have chosen. So I am not cavilling with the fact that it is an issue. I am saying, more specifically, that it is not Labor’s view—it might be your position—that we should use a type of tagging mechanism which amends section 73 of the Migration Act. My preference would have been to amend the existing bill to provide for the issue that you have outlined.

As I have said, the better way—because it is not an issue that arose directly—would be to have this matter subject to a review. Certainly the offer is still open to have a review into this area, to examine it more closely and put it up. The government, I know, is conducting its own review but, as I have said, I am not confident about the outcome of that. I would put more weight in a legal and constitutional legislation committee. The government might be able to indicate, even today, whether it would support a motion which would allow a reference of that issue to be brought forward, if the Greens and Democrats were minded to agree to it.

The other issues that I raised still remain valid. Senator Nettle, I should not direct my comments to you. More broadly, to be slightly pedantic, if you examine the EM, option 6—which you go to—comes under the RIS, the regulatory impact statement. It is not part of the explanatory memorandum which deals with the bill. You referred to option 6 but that was rejected by the government. I wonder why they are conducting a review into it if it was rejected as part of that process but, be that as it may, it is a broad government examination of the problem dealt with during a regulatory impact statement; it is not directly related to the provisions in the bill.

That is the only point I make. It is a fine point. It does not prevent you from using the committee stage to amend the legislation. You are certainly free to do that, as you have done, and we will form a view on that and vote accordingly. All I am saying is that our position—not your position—is that it is not a usual thing for us to do. We do not necessarily agree with it, but that is not why we do not support your amendment. The broad view is as I outlined earlier. I will not go to those areas again. This is just a part of the reasoning we bring to bear in making a decision not to support the amendment.

As I said, the principle you enunciated is supported by Labor. This is an area of great concern and a problem that needs to be addressed very seriously and urgently. I am not confident—as you are not, I suspect, Senator Nettle—that the government is taking it sufficiently seriously with a review. I am not confident as to when the review will be finalised and that any recommendations of the review will go to fixing all the issues you have raised. They are serious and they impact upon people negatively. There are people who suffer in the community as a consequence of actions by this government in this area of migration—as in other areas as well, might I say.

Senator NETTLE (New South Wales) (12.00 pm)—I want to check as to whether the minister is able to provide the Senate with any more detail and numbers about the 7,000 people who are on bridging visas. I take it the answer is no. Is the minister able to indicate whether she anticipates that any legislation will come before the parliament as a result of the review being carried out by the department in looking at the issue of bridging visas? Is it anticipated that there will be a legislative response? Is the minister able to indicate that?

Senator VANSTONE (South Australia—Minister for Immigration and Multicultural Affairs) (12.01 pm)—That is not certain at this point.

CHAMBER
Senator Nettle (New South Wales) (12.01 pm)—Thank you. I suppose we are left with the situation where we have the opportunity here today to decide whether or not people living in the community with a bridging visa E and having their claims for asylum assessed should be able to work. The Australian Greens say that they should. This amendment is before the Senate today so that we can determine whether or not these people, some of whom are here for eight years and some of whom are here for a far shorter period, will be able to work. Some of those 7,000 people living in the community on a bridging visa E will have work rights—I am not quite sure how many—but many of them will not. In fact, I believe it was indicated to the Senate previously that the majority will not.

Should they have the capacity to contribute to the Australian community? Should people like the welder I spoke of previously, who has expertise in five different types of welding, any one of which would qualify him as a first-class welder for the skilled migration program, be allowed to do so? Should people like the head chef with 30 years experience in an international hotel chain be able to contribute? These are the questions the Senate is being asked today. Should these people be able to contribute to alleviating the skills shortage that exists in Australia and to the Australian economy? Should they be able to look after themselves as individuals and provide for their families or should they have to rely on the goodwill of the church and community organisations around this country? Just in Victoria and Tasmania the Uniting Church spends over $1 million looking after these people, so one can anticipate that, across the country, millions of dollars are being contributed through church and welfare organisations to provide for these people who are living in the community whilst their asylum claims are being assessed. Should they or should they not be able to work? That is the question the Senate is being asked today, and the Australian Greens say that they should.

The Australian Greens say that, during the years that these people are sometimes on bridging visas, they should be able to work, provide for their families, contribute to the Australian economy and be a part of our community. That is the contribution we would like to see, and the opportunity is here before us today to determine whether or not to give these people the opportunity to contribute their skills to our country and to provide for their families rather than to rely on the goodwill and the charity of the church organisations which currently provide for them—and which have to provide for them. They do not have access to work rights and they do not have access to the same Medicare services as others in the community. They are reliant on the goodwill and generosity of the Australian people. That goodwill and generosity is there amongst the Australian people, and we ask today that it be there on the part of the Australian government. That is the question which is before the Senate today and on which the Australian Greens say yes. Let these people earn an income and contribute to our community whilst they wait for their asylum claims to be assessed. I commend the amendment to the Senate.

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

The committee divided. [12.09 pm]
(The Chairman—Senator JJ Hogg)

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AYES

Allison, L.F. Bartlett, A.J.J.
Brown, B.J. Milne, C.
Debate resumed from 21 June, on motion by Senator Abetz:

That this bill be now read a second time.

Senator LUDWIG (Queensland) (12.15 pm)—I rise to speak on the Financial Transactions Reports Amendment Bill 2006. This bill is essentially a post facto attempt by the government to make up for the fact that it mucked-up the bill the first time around. Perhaps it is worth while going into the history of the government’s muck-up. This bill amends provisions introduced by the Anti-Terrorism Act (No. 2) 2005 which implement the special recommendations of the Financial Action Task Force in combating terrorism funding. The Financial Action Task Force, or FATF, is an intergovernmental body designed to develop and promote policies to combat international money laundering and terrorism financing. To that end, it has developed two different sets of recommendations. Firstly, there were 40 recommendations on anti-money laundering. The latest update took place in 2003. In October 2001, following, of course, the September 11 attacks, there was another set of nine special recommendations specifically relating to financing of terrorist activity. So there were 40 more broad anti-money laundering recommendations from FATF and a further nine dealing with the financing of terrorist activity.

In 2003, the Minister for Justice and Customs promised that Australia’s Financial Transaction Reports Act would be updated and brought into line with both the special and the general recommendations. Currently, it is more than three years and counting since that promise was made and still no bill has been brought to parliament. Last year we saw some small attempt by the government to bring Australia into line with world stan-
dards on this issue through the Anti-Terrorism Act (No. 2), which Labor supported. That bill, amongst other things, was designed to bring Australia up to speed with a number of recommendations from FATF, but it was a stopgap measure. The new provisions introduced by the bill were only interim. They were designed to provide a temporary fix while the government’s long-delayed revision of the Financial Transaction Reports Act was being drafted. Unfortunately, it is nearly a year later and there is still no end in sight for that particular piece of legislation.

In any case, the problem with the legislation was simply the utter lack of consultation, and we are seeing the problem being exacerbated again. During the course of the Senate Legal and Constitutional Legislation Committee’s inquiry into the bill, an inquiry that the government wanted to hold over a single day, we found out that the Attorney-General’s Department had not consulted with industry on the final text of the bill. Let us fast forward a few months, and industry has finally managed to convince the Howard government that the changes introduced in the antiterrorism bill that the government have allowed to come into force will devastate sections of it. Surprise! That is not scaremongering by the Labor Party. Let us turn to the explanatory memorandum if you think we are putting it out there. The EM says:

If the amendment to restrict the application of Division 3A of Part II of the FTR Act to ADIs— that is, authorised deposit institutions— is not made, then certain legitimate non-bank money remitters assert that they could be put out of business.

That is what they then put forward after they brought forward legislation and this fix to fix their fix.

Now we have come to a situation where the government was forced to go back and amend its sloppy legislation, which was only intended to be a bandaid solution in the first place. There is stopgap after stopgap. But that is not the end of it; we were surprised again. It caught me off guard completely when yesterday afternoon the Senate found there was another amendment to fix the problem in this bill as it appears before the Senate. We now have the government piling ad hoc solutions on top of each other as belatedly as yesterday. They then found that the original stopgap was not enough: there is another amendment to this bill to fix the first bandaid, and now we have a supplementary EM to fix this bill because it apparently did not fix the problem. I do not know how many fixes you need but the fix is on by this government.

Labor will support the legislation. We would have been happy with it if it had not been a bandaid solution and we would have been much happier to support it if the government had consulted on it, got it right and provided an outcome that suited industry, suited the fight against terrorist financing and ensured that the legislation was properly drafted. But we are not happy with it—let us make that plain. We will support the legislation because it is necessary. If we do not then, if the explanatory memorandum is to be believed, legitimate Australian businesses will be put out of business. That is not what the Labor Party stands for; it might be what the Howard government’s unintended consequences do, but they seem to be working pretty hard to try to fix it with bandaid solutions. However, we are not happy with this legislation because it is sloppy. It is a sloppy drafting by this government. It is not acceptable for the government to have the attitude that they can continually bring in poorly drafted legislation and then expect the private sector to do the checking for them, because that seems to be what has happened. The private sector foreshadowed, even after
they had not been consulted, that there might be some problems with it. If the government had consulted the private sector in the first place, we may have been able to at least avoid some of this happening now.

But, again, it is important to note that the situation will finally be resolved when the government brings forth its long-awaited—three years and counting, by my reckoning—anti-money-laundering and counterterrorist financing laws to update the Financial Transaction Reports Act. Let us hope that that does not suffer the same fate and is bandaided when we find it in parliament. I can say it has been consulted on. Let us hope it does not suffer the same piecemeal attack.

Going to some of the background: this bill introduces a number of changes to the legislation. Basically, the bill does three things. It provides a new definition of ‘account’ for certain parts of the act. It provides a new definition of ‘customer information’ for parts of the act. It removes non-ADI—that is, authorised deposit institutions; basically banks—cash dealers from the operation of certain sections of the act. I will deal with each of these in turn.

Firstly, the bill alters the definition of ‘account’ under the act. The new definition of ‘account’ will apply only to division 3A of the act—that is, the division dealing with international funds transfer instructions. The changes to the definition of ‘account’ bring this section into line with that in the draft AML-CTF bill and were brought about due to concerns of industry. Bringing the definition of ‘account’ into line with that in the draft AML-CTF bill means the industry will only have to go through one rather than multiple system changes. Let us hope that that is still the case with the current round. Under the new section an account includes:

(a) a credit card account; and
(b) a loan account (other than a credit card account); and
(c) an account of money held in the form of units in:
   (i) a cash management trust; or
   (ii) a trust of a kind prescribed by the regulations.

Labor supports these matters; they are needed by AUSTRAC, the government and financial institutions to ensure that they can conduct legitimate business under this legislation. It also properly addresses the area. However, a further point of contention has been raised by the Australian Bankers Association with the current definition and the inclusion of credit cards. This is because credit card account numbers are quite often used as stand-alone loans in a transaction and no signature is required if the credit card is being used to purchase something over the phone or the internet.

The Attorney-General’s Department has indicated that it will discuss the matter of credit card accounts further with the ABA. However, I think we really seriously have to ask ourselves why this was not done before the current bill was introduced. Are we going to be back here in another couple of months amending the legislation yet again because the Attorney-General’s Department has found another hole in its ad hoc, bandaid solution—as we found out only yesterday that it had? If the government had listened to industry, I suspect they would have remedied it a lot earlier than this, but be that as it may.

The next change that this bill makes is the alteration of the definition of ‘customer information’ to allow a greater latitude for the use of ID numbers attached to international funds transfer instructions. Currently, every time a bank sends an instruction for the transfer of funds to another institution overseas, a range of information must be included. The range of information that may be
included was expanded substantially yester-
day afternoon when the government brought 
forward its supplementary amendments—
perhaps I could call them the bandaid to the 
bandaid solution. There is now a wide range 
of information that may be included, includ-
ing the customer’s address, business number 
and date and location of birth. In any case, 
the proposed amendment will allow for 
much greater use of identification numbers 
rather than account numbers. Account num-
bers will now only be required to be included 
when the instruction relates to the transfer of 
money directly from a single account held by 
the customer. In other cases an identification 
number will suffice. This amendment is de-
dsigned to simplify the transfer of IFTIs and 
provide a more practical option for financial 
institutions.

Turning to cash dealers, as per division 3A 
under the legislation as it stands—unless 
there is a late amendment: although it is not 
yet in force, a cash dealer is required to sup-
ply customer information alongside an inter-
national funds transfer instruction where the 
cash dealer who is not an ADI is acting on 
behalf of another person who is not an ADI. 
So, if I am a cash dealer and I am sending an 
international funds transfer instruction on 
behalf of another person who is not an ADI 
then I am obliged to include certain informa-
tion to identify the customer—account num-
bers, names and addresses. This is a re-
quirement of special recommendation VII of 
FAIF. However, one of the main changes of 
this bill is to significantly restrict the applica-
tion of this section. The bill will effectively 
remove non-ADI cash dealers from the op-
eration of division 3A—that is, there will not 
be any requirement for those dealers to in-
clude customer information with any outgo-
ing international funds transfer instructions. 
The stated reason for this is that it seemed 
impractical to require the IFTIs sent from 
one institution in one country to the same 
institution in another country to include 
originator information, because in effect this 
would require the institution to pass on the 
information to itself. That makes sense.

These changes are necessary to compen-
sate for poor drafting and a lack of proper 
consultation in the first place. But we have 
no wish to see legitimate cash dealers put out 
of business through no fault of their own. 
The Howard government, in this instance, 
has brought shoddy legislation before par-
liament, amended its own act and has now 
brought in further amendments to amend it. I 
will take the opportunity in the committee 
stage to ask whether that was a matter that 
you consulted on in the supplementary EM 
as well. I am sure you will be able to arm 
yourself with a response during the second 
reading debate.

However, these changes cannot stand in 
the long term. If you have a situation where 
some cash dealers are subject to these re-
quirements but others are not then you are 
essentially erecting a maginot line—a strong, 
impenetrable fortress that can easily be cir-
cumvented, that you can go around. As I 
noted above, the requirements for cash deal-
ers to include customer information in the 
IFTIs are stated under the FTAF special rec-
ommendation VII and there are serious con-
cerns that the bill before us would effectively 
step back, in terms of compliance, from 
those standards. That seems to be the case, 
although it is a little confusing. I am sure the 
department and the minister will be able to 
tell me whether I am right about that. It is 
only a temporary solution. The longer term 
solution of course will be with the AML-
CTF bill when it hits parliament and is 
steered through.

The department has suggested that the 
current framework of the FTR Act is unsatis-
factory for the proper implementation of this 
requirement and that the special recommen-
dation VII obligations will be properly enacted when the final version of the AML-CTF bill is released. Perhaps the minister could advise when, and whether that will be in the first or second tranche. We have no date for when the second tranche of the AML-CTF bill will be brought forward. However, this still leaves this problem with the final version, which we have not seen as yet.

A further issue with the bill was identified by the Australian Bankers Association, the ABA, relating to its application to their hub-and-spoke system. As identified in submissions to the Senate inquiry, the ABA noted that a number of their member organisations operated via a system whereby payments sent by one institution to one of their offshore sites are routed through Australia. I bring this up at this point because, once again, the response of the Attorney-General’s Department was that it ‘would like to seek further input from the ABA before any amendments were made to the bill to clarify this situation’. But that was after they did not consult and after they brought the amendment forward. When the ABA appeared before the Senate committee—which the government said could sit for one day—the ABA said: ‘Now we’ve looked at it, there is a problem. Can you fix it?’ The government came back yesterday afternoon and the Senate was presented with amendments that in part deal with exactly the problem that the ABA brought up. Surely this is something that the government should have looked into before the bill was brought into the Senate—at least that way they could have made it a little tidier. My concern is that we will be back here again in a couple of months fixing yet another problem that has resurfaced in the legislation. Is it the case that, when this gets broad application, more problems will arise on the interim solution?

Once again, we will support this bill, because we feel that it is unfair to saddle the legitimate business community in Australia with the mistakes of the Howard government. They are mistakes by the Howard government. It is sloppy legislative drafting, and they know it. They have brought it in piece-meal. We deplore the ramshackle, ad hoc approach that passes for legislative drafting under this government. I will touch on that further in the committee stage.

The approach to this legislation by the government has been down a very troubled path. They have not followed what you would call a model of consultation to ensure they got it right. I will be moving amendments in the committee stage to ensure that the title of the bill more accurately reflects what is intended to be achieved—that is, to fix drafting errors which are present because of the government’s ineptitude and unwillingness to consult before bringing this legislation before the parliament. The government might understand and know these types of amendments because they are the ones who do it. I will move an amendment to rename the bill the Anti-Terrorism (Correction of Government Legislative Errors) Bill 2006. It is the title which most accurately reflects the intent of the legislation before us today. And perhaps I could add an addendum to that: a supplementary amendment that we got yesterday which amends the bill.

This is an arrogant government—it really is. When you look at how it has approached this legislation you will see that. It is an arrogant government which has failed again and again to get it right. It has failed to bring into parliament legislation which would make Australia compliant with the Financial Action Task Force 40 plus nine recommendations. The government’s ad hoc, bandaid solutions seem to only paper over the cracks in the legislation—which is now the subject of a further bandaid solution. They are piling
bandaids on top of bandaids trying to fix the legislation—and it is only a short-term fix, in any event. We are still waiting for the major piece of legislation to come before parliament, and I suspect we will see that before the end of this year. It is not good government policy. It is government policy that has been made on the run. And it is government policy that is really moved by panic. I foresee shadow that I will be moving that amendment.

It is a stopgap measure to plug another stopgap measure—that is all there is to say about this government’s approach to legislation and accountability. That is what it really is about. That is this government’s approach to legislation and accountability: ‘We’ll be sloppy about it. If we need to fix it, we’ll be driven to fix it. If you point out the error, if it suits us we’ll fix it and we will bring an amendment in here to do it.’ It seems to be the way they deal with legislation and the accountability that goes with it—and that is disappointing. But Labor will support this bill. (Time expired)

Senator MURRAY (Western Australia) (12.35 pm)—According to the explanatory memorandum, the purpose of the Financial Transaction Reports Amendment Bill 2006 is to ‘vary the amendments to the Financial Transaction Reports Act 1988 made by schedule 9 of the Anti-Terrorism Act (No. 2) 2005’. The amendments are to the new division 3A, which was inserted by schedule 9 of the ATA at part II of the FTRA. So the shadow minister is quite accurate that this is a bill designed to correct drafting errors and perhaps unintended consequences.

The proposed amendments include: an amendment to the definition of ‘account’ for the purposes of division 3A, clarification of the definition of the term ‘customer information’ in section 17FA of the FTRA, an amendment to the definition of ‘customer information’ for incoming international funds transfer instructions under section 17FB of the FTRA and an amendment to restrict the application of division 3A to authorised deposit-taking institutions only and not all cash dealers.

Australia’s anti-money-laundering program is encapsulated in the Financial Transaction Reports Act and places obligations on financial institutions and other financial intermediaries. Enacted in 1988, it is Australia’s primary anti-money-laundering legislation and was initially aimed at the financial, gambling and criminal sectors. It imposes obligations to report significant and suspicious transactions and international fund transfers, makes it an offence to open a bank account in a false name, and requires cash dealers to verify identities of cash holders or signatories.

It also requires reporting of certain transactions and transfers and creates record-keeping obligations. When division 3A comes into force in December this year it will require cash dealers in Australia to include required information about the ordering customer with an international funds transfer instruction when transmitting international funds transfer instructions out of Australia. It will be an offence not to include this information, which is reported to Austrac, the Australian Transaction Reports and Analysis Centre, Australia’s anti-money-laundering regulator and specialist financial intelligence unit.

When the Financial Action Task Force, an intergovernmental body designed to establish international standards and develop and promote policies to combat money laundering and terrorist financing, conducted an evaluation of Australia’s anti-money-laundering and counterterrorism financing legislation, they noted that the estimated value of money-laundering offences in Aus-
Australia amounts to between $2 billion and $3 billion per year—and I suspect that may be a conservative estimate. Although Australia has in place anti-money-laundering legislation, it does still continue to represent a major challenge and problem for law enforcement agencies.

Because the hard yards in this particular area of law had been done in the time of a Labor government, money laundering some years ago was considered a fringe issue by this coalition government. But in the wake of the September 11 events in the United States and, over the subsequent years, major terrorist attacks in other countries around the world including Spain and the United Kingdom, anti-money-laundering has moved very quickly up the ladder of geopolitical concern. That is because terrorism cannot operate at this high level of activity without very significant funds. Of course this new interest in anti-money-laundering will have useful effects on criminal and drug activity and the way in which the people involved in those activities move moneys around the world, and on tax evasion.

In recognition of all this, very soon after the United States September 11 events, the Financial Action Task Force expanded its mandate in October 2001 and issued eight special recommendations dealing with specific issues relating to terrorist financing. In October 2004 they published a ninth special recommendation. In conjunction with the nine special recommendations, the 40 recommendations have also been modified and there have been reviews over the years, the most recent being in 2003. According to their 2005-06 annual report, the Financial Action Task Force consider that the so-called 40 plus nine recommendations:

... form a comprehensive framework for governments to develop their domestic efforts against money laundering and terrorist financing.

I note with some approval the scathing comment by Senator Ludwig in his additional comments to the Senate report on this bill. He said at 1.4:

These measures themselves were brought forward from the Government’s long delay in bringing forward the anti-money laundering regime due to botched consultation with affected industries, and were themselves perhaps prompted by the Howard government’s failure to meet the international Financial Action Task Force mutual evaluation on anti-money laundering and counter-terrorism financing, in which the Government scored just 9 out of 40 on anti-money laundering, and 0 out of 9 on counter-terrorism financing.

That sort of criticism really does need to be noted and I, amongst others, have chivvied the government about their delays in getting on with these vital tasks. It is pointless sending our troops and making all the efforts we do around the world to assist in counterterrorism activity when we do not back that up with as much domestic law change as we can in this field concerning the financing or the potential financing of crime and of terrorism.

As a member nation of the Financial Action Task Force, Australia has worked towards maintaining the Financial Action Task Force standards, and has made some changes in response to the changing world in which we live including the introduction of the Suppression of the Financing of Terrorism Act in 2002. The Suppression of the Financing of Terrorism Act is aimed at restricting financial resources available to terrorist organisations and making the financing of terrorists a criminal offence as well as requiring cash dealers to report terrorist financing transactions—a very good intention that lies behind that act.

However, in an evaluation of Australia’s anti-money-laundering and counterterrorism financing laws by the Financial Action Task Force in 2005, it was reported that our system was falling behind the task force stan-
The Financial Transaction Reports Amendment Bill 2006 is therefore part of the government’s long-coming response to international pressure to crack down on the potential for money laundering, particularly with respect to the financing of terrorism. I cannot see it simply as a bill designed to correct a drafting mistake; it is part of a continuing response.

According to the Parliamentary Library’s Bills Digest No. 64 on the Anti-Terrorism Bill (No. 2) 2005, the government is particularly concerned with rectifying the non-compliant status that the Financial Action Task Force deemed Australia to have in relation to special recommendation VII, which relates to wire transfer of funds. Whilst such legislation is of critical importance in an age where information exchange is taking place at increasingly rapid rates and through a plethora of national and international channels, such legislation also needs to be approached with care and concern for those ordinary, law-abiding citizens which it captures in its operation.

Although one may suggest that the bill currently under consideration is of a dry and somewhat technical nature, it still does impact upon an issue which is of central and increasing concern in the society in which we live: that of privacy. Privacy is a matter which has concerned this government in its 10 years of office and it is a matter which concerns our society. Privacy concerns were issues strongly highlighted by the Senate Legal and Constitutional Committee in their report on the exposure draft of the Anti-Money Laundering and Counter-Terrorism Financing Bill 2005. The anti-money-laundering and counterterrorism financing laws, of which the Financial Transaction Reports Act is a part, legislates mandatory reporting requirements in relation to people’s personal financial information.

**MATTERS OF PUBLIC INTEREST**

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

Mr Bruce Smith

Senator FIFIELD (Victoria) (12.45 pm)—The term ‘freedom fighter’ conjures up images of flag-waving revolutionaries marching through the streets, or perhaps brightly coloured and costumed superheroes, the stuff of comic books and cartoons. We almost certainly do not picture a well-groomed, neatly dressed, moustachioed gentleman of a century ago. Yet that is what Bruce Smith was. He was a freedom fighter who devoted his life to advocating for individual freedom, not because it was popular but because it was in society’s best interests. Bruce Smith is not exactly a household name in Australia, nor has he been graced with a parkland statue, but his unassuming name masks his legacy as one of Australia’s significant and early liberal thinkers.

Arthur Bruce Smith was born in Surrey, England, in June 1851, educated in England and then at Wesley College in Melbourne. He studied law at the University of Melbourne before returning to London, where he was called to the bar in early 1877. Later that year, he returned to Melbourne and was admitted to the Victorian bar on the same day as Alfred Deakin. The two men would be prominent figures in Victorian and federal politics for the next couple of decades.

Bruce attempted to make his first foray into politics when he stood for the Victorian Legislative Assembly seat of Emerald Hill in February 1880. He was unsuccessful. That was in fact the first of five attempts he made to enter Australian parliaments. He moved to Sydney the following year and practised at the bar. But Bruce’s political ambitions remained strong and, on 23 November 1882,
he won a by-election for the New South Wales Legislative Assembly seat of Gundagai. As luck would have it, parliament was dissolved that same day, so Bruce again went to the polls and was re-elected 20 days later, on 13 December.

An issue of the *Bulletin* that year praised Smith, saying he added ‘the strong common sense of the experienced commercial man to the acumen of the practised advocate’. Smith resigned that seat in 1884 and returned to Melbourne to become joint managing director of his father’s shipping company, WM Howard Smith and Sons Ltd. He went on to found the Victorian Employers Union in 1885 and served as its first president until 1887.

Bruce enjoyed writing and over the years contributed to several journals, including the *Victorian Review, Melbourne Review, Centennial Magazine* and the *Sydney Quarterly Magazine*. He returned to Sydney in 1888 and founded the New South Wales employers union.

Smith made a fourth run at parliament and re-entered via the New South Wales Legislative Assembly, this time in the seat of Glebe in 1889. He joined with the free traders and served in Parkes’ last ministry as secretary for public works and then colonial treasurer. The turbulent politics of that time took their toll on Bruce, and his commitment to his immediate family saw him again bow out of politics in 1894. In 1901 Smith made his fifth and final attempt to enter parliament, becoming the first federal member for Parkes, a seat he would hold for 18 years and be re-elected to six times before being defeated in 1919.

Smith never wavered from his enduring belief in the values of liberalism. During his parliamentary career he was one of the most fervent opponents of immigration restriction, the White Australia policy, compulsory arbitration and the new welfare liberalism espoused by some of his colleagues. He was also a vocal supporter of the women’s movement, advocating equal rights and opportunities for both genders. He continuously argued that freedom and liberty were the most effective instruments to ensure societal wellbeing, not ‘meddling legislation’, as he termed it. Smith retired to his home in Bowral in 1925 and died there in 1937, aged 86.

Smith penned a number of works including *Our Commonwealth* in 1904 and the brilliantly titled *Paralysis of a nation*, attacking socialism, in 1914. But his most important contribution was his documentation of his political philosophy in the aptly titled work of 1887, *Liberty and liberalism*. One hundred and twenty years later, the principles that underscore Smith’s commentary are still relevant. His work has stood the test of time.

Throughout his life he remained true to his belief in championing the rights of individuals and the value of free enterprise—as he coined it, ‘true liberalism’. Perhaps the most important message Bruce Smith left is the reminder that governments have limited capacity to improve the welfare of individuals. Australians are better off when encouraged and nurtured to work on improving themselves rather than turning to the state for answers. One of Smith’s ideological allies, John Bright, spoke in this same vein when he observed:

… there is a danger of people coming to the idea … that a government can do anything that is wanted—that, in fact, it is only necessary to pass an Act of Parliament to make any one well off. There is no more serious mistake than that.

Liberalism is often shouted down by the Left as an instrument of the wealthy, but Smith knew that those who suffer most from loss of liberty are actually the poorest members of society. Smith reminded those of us charged with the responsibility for legislating that
acts of parliament remove ‘a liberty from somebody, because it must of necessity speak of something which shall or shall not be done, where before it was optional’. As the federal member for Parkes, Smith stunned other members of the House when he addressed them stating:

I have not that exalted opinion of the powers of Parliament. It can transfer things from one person to another, and it can do a great deal of harm.

Bruce Smith held freedom as sacred and recognised legislation as potentially its greatest threat. It is fascinating to compare the ideas of Smith with the opposing ideas of the political Left. Though the Left claim the battleground for women’s rights, they forget that classical liberals like Bruce Smith stood strong for their equality. In a speech to the House in 1901, Bruce Smith argued that women should receive equal workplace pay. And it was not the Left but rather proponents of liberalism like Bruce Smith who were the most fervent critics of the White Australia policy.

The socialists of Smith’s time, much like their ideological kin today, assert moral ownership over the notion of ‘opportunity for all’, but equal opportunity has always been a strong ideal of true liberalism. Many of Smith’s battles were against those who misinterpreted the goals of liberalism or deliberately skewed them for personal advantage. Smith said:

Liberalism does not seek to make all men equal: nothing can do that. But its object is to remove all obstacles erected by men, which prevent all having equal opportunities.

It might at first glance appear odd that a member of a government would be lamenting the influence of the very entity that they are representing. But the spirit of liberalism is not anti government—that amounts to anarchy—but one in which the intervention of government in the private life of a citizen is sought to be thoroughly minimised.

Today Bruce Smith would be turning in his grave. Right around the country, Labor state governments are presiding over a series of emerging nanny states. They tell us what we should say, how we should feel and what we should think, and none is worse than the government of the sovereign state of Victoria, currently headed by Mr Bracks. A case in point is that the Bracks government’s Charter of Human Rights and Responsibilities Act 2006—the bill of rights—illustrates exactly what Bruce Smith warned against. This is the sort of meddling legislation that purports to advance freedom and liberty but in fact does exactly the opposite. This bill of rights hands to the judiciary the power and responsibility to make laws.

Labor’s bill of rights requires the courts to ensure that every single piece of legislation—past, present and future—must be interpreted in a way that is consistent with human rights. This gives a legislative power to the courts—a power that properly resides with democratically elected parliaments. It does nothing to protect people’s rights; rather, it limits them by prescribing them. As the old proposition goes: to define a right is to limit it. The problem with prescribing rights is that, once you start detailing some, other important rights are omitted. For example, property rights are included in the bill, but the bill’s explanatory memorandum expressly states that the bill does not deal with the issue of compensation for property being taken.

Bruce Smith would be horrified at the perverse implications of this bill. It was the men of his time who decided against a constitutional bill of rights. In a final slap in the face for democracy in Victoria, the Bracks government refused the opposition’s request to put the proposed bill to a referendum. It is, unfortunately, now law. The final word on the Victorian bill of rights should go the au-
author of a personal submission to a parliamentary committee in 2001. It reads:

A bill of rights would pose a fundamental shift in tradition, with Parliament abdicating its important policy-making functions to the judiciary ... A bill of rights is an admission of the failure of parliaments, governments and the people to behave in a reasonable, responsible and respectful manner. I do not believe we have failed.

That personal submission was actually penned by former New South Wales Labor Premier Bob Carr. He got it right.

What disturbs me even more is the restriction of freedom of speech in Victoria as a result of the Racial and Religious Tolerance Act 2001. No-one should ever condone racial vilification. It is completely unacceptable in Australian society to vilify anyone on the basis of their racial background. It was a desire to protect members of our community that prompted the bill. Anti-Semitism was particularly in the minds of the proponents and the authors of the bill, but the act has gone too far. It limits freedom of religious expression, freedom of speech and freedom of conscience in a way that is totally unacceptable in a liberal, pluralistic democracy. Religious vilification should be condemned, but the difficulties of legislating against religious vilification have become evident.

Two Christian pastors have been found guilty by the Victorian Civil and Administrative Tribunal of making fun of Muslim beliefs and practices. The crime was to quote the Koran and evoke laughter from the audience. No-one suggested that the pastors were quoting the Koran incorrectly, just that the response to quoting passages from the Koran was laughter. In Victoria today, laughter amounts to religious vilification. The core business of clerics is to advocate why they believe—to advocate their world view and why their truth is the right one. Of necessity, this means saying why you believe that another’s belief system is flawed. The battle of ideas, the battle of world views and the battle of beliefs is at the heart of what makes us a pluralistic society. Pluralism is not the housing of beliefs in silos; it is the interaction of those ideas and the tolerance of those ideas. But tolerance does not mean a denial of contestability. All ideas in our society should be contestable.

But there is worse to come. A convicted Wiccan paedophile serving time in jail has used the religious vilification provisions of the legislation to pursue the Salvation Army for allegedly vilifying his Wiccan religious beliefs. The paedo philically enrolled in an alpha course—a church run course to explain Christianity. The crime? Those conducting the course did not speak well of witches, astrologers and occultists. The Wiccan was unsuccessful in his action, but the fact that this matter could even go to a directions hearing means that the laws are fundamentally flawed. I again turn to Bob Carr for assistance. He had this to say about such laws:

As they are used in practice, religious vilification laws can undermine the very freedom they seek to protect—freedom of thought, conscience and belief.

This is yet another example of meddling legislation. The solution to the articulation of poor ideas, stupid ideas and offensive ideas is not to gag those articulating them. The solution is to rebut them with good ideas—the sort of legitimate exchange of ideas that people like Bruce Smith spent their lives engaging in. I fear that I am giving Bob Carr too much credit, but I will give him the final word on this particular piece of legislation. He said, ‘Leave these matters to the common sense of the Australian people.’

I congratulate the state Liberal leader, Ted Baillieu, and the shadow Attorney-General, Andrew Macintosh, for their stands on these issues of freedom. The Victorian opposition
is committed to repealing the bill of rights and to reviewing the religious vilification provisions of the Racial and Religious Tolerance Act. Bruce Smith would be proud. We need to be vigilant and resolute and reject being told how to live our lives. It is always time to stand up for individual freedoms, liberty and equal opportunity. It is time to stand against these new nanny states. It is time to revive the spirit of Bruce Smith.

Adult Learners Week

Senator STEPHENS (New South Wales) (12.59 pm)—I want to speak on a very different matter today—that is, Adult Learners Week, which we celebrate around Australia this week, the first week of September, every year. Every year nearly 50 countries around the world organise and prepare learning festivals around Adult Learners Week from 1 to 8 September celebrating the joy of learning in all its forms and settings. They promote the idea of learning throughout life and give special emphasis to adults so that they can express their learning needs, explore the many learning possibilities and experience the joy of learning. Adult Learners Week is truly an international event.

Learning throughout life can be a journey of self-discovery which takes many forms and any direction. It can involve equipping oneself with the means to participate in a rapidly changing world, developing and improving skills, keeping abreast of scientific and technological discoveries and learning how to use them. It can also involve understanding one’s past and its influence on the present and future, discovering the wealth of other cultures, coming to terms with problems in everyday life or simply exploring personal interests. At the collective level, learning throughout life leads to a stronger community and a more equitable society.

The importance of learning throughout life was highlighted at the Fifth International Conference on Adult Education, held in Hamburg in 1997. The conference was a milestone for the development of a vision of adult education that recognises the crucial role of lifelong learning. It positioned adult education as not only a right but the key to the 21st century. In this context, adult learning can shape individuals’ identity and give meaning to their lives as well as ensure active citizenship and full participation in society for all adults.

Adult Learners Week in Australia serves to create and sustain a concerted effort to promote adult learning throughout life among the general public and within learning environments. In Australia, we have about 1.2 million adults enrolled in learning activities every year. Activities around the country raise awareness of the need to create more opportunities for adults to learn. They also celebrate the efforts and achievements of the thousands who find the courage to take that first step into learning. The pursuit of continuous learning for adults, whatever their age, background or circumstance, is such a rewarding and important endeavour. Adult learning has the power to transform lives, sometimes in ways that people never imagined when they set off to take a class, start a course or find that initial informal pathway into renewed development through learning.

Adult, community and continuing education courses have been an integral part of education and training since the first programs were offered around the country through organisations such as mechanics institutes and schools of art in the 19th century. Adult learning was extended through the Workers Educational Association and the establishment of community colleges, neighbourhood centres, church associations, TAFE and regional colleges, workplaces and community organisations such as Toastmasters International, one of the sponsors of Adult Learners Week this year.
As part of this week across Australia, adult learning opportunities and achievements will be celebrated. I mentioned the expression ‘festivals of learning’ and that was certainly the theme in South Australia, where I had the great honour to attend the launch of Adult Learners Week and the presentation of awards last week. A similar event occurred in Brisbane on Thursday, and the national launch of Adult Learners Week by the minister, Mr Hardgrave, occurred on Friday. Adult learning awards are being presented to learners, tutors, communities and training providers around the country in recognition of their achievements. For the ACT, it happened last night; for Victoria, it is this evening.

So who are the adult learners of the year? Learners are recognised through the awards this year like the young woman in South Australia who left school early, was homeless for years and has since found her way back to learning to support her children. She demonstrates life-changing experiences. Valle, in Queensland, who migrated from Spain in 1987, threw herself into adult learning and has turned her life around in just three years, going from her first tentative steps in English language classes to becoming a literacy tutor herself. Since then, she has completed a business certificate and is currently finalising certification to become an English-Spanish interpreter. Adult learners of the year are learners who demonstrate visible improvement to their lives and the lives of others as a result of learning experiences, they have worked hard to maintain their families and work responsibilities at the same time as pursuing their learning goals, they have supported and inspired others engaged in adult learning and their learning has allowed them to participate more intimately in their communities. These are awards that celebrate how individuals conquer the odds and discover the joy of learning and what it can bring. The stories I have heard about this year’s winners are inspiring and profoundly moving, and I commend all those nominated for these awards and congratulate the winners.

We are also recognising adult educators of the year. Each state and territory is recognising their adult educators though awards for their commitment and contribution to helping others to learn, and who demonstrate an incredible range of innovative, flexible and creative teaching skills and that extraordinary capacity to inspire learning in others—people such as Dot Piddington, who has run a group called Self Esteem for Women at Lifeline on the Gold Coast for 18 years. Dot started as a volunteer, then completed a first degree in her 50s and is now studying for her master’s degree. Her pathway is so typical: a volunteer tutor who discovers the joy of learning and follows through with her own learning in ways that transform not just her life but the lives of those with whom she is so intimately involved. Adult learning is infectious, and we heard more stories about that at the ACT awards last night.

This week we are also acknowledging Indigenous adult learners. We are all aware of the link between formal education and economic advantage and that Indigenous Australians are particularly disadvantaged. The winners of these awards have undertaken life-changing learning experiences, making significant improvements to their own lives and to the lives of others as a result of their learning. They include young women like Sandra, who has returned to learning after having a baby, and Troy, who decided to take up learning to gain entry to the police force and who wants to improve the social circumstances of his community.

We are also acknowledging adult and community education organisations in an awards program. These awards acknowledge
the continuing efforts of providers of adult community education that have shown exceptional innovation, quality and commitment to success in the design and delivery of non-accredited learning opportunities for adults. Last night, Erindale College scooped the pool for the awards in that section. Providers include community based organisations, registered training organisations, evening colleges, private training providers, TAFEs and government agencies. Their work has included an amazing range of achievements in collaborative projects with other local agencies, including private agencies and government, and in integrating with other programs, such as reconciliation, environment and heritage learning, healthy ageing, active retirement, small business, rehabilitation, the arts, mental health, social welfare and, of course, employment service provision.

We have also acknowledged some very significant adult learning programs. These awards recognise best practice in program development, design and implementation. They include non-accredited courses, workshops, fields of study, seminars, action learning projects and any other form of structured, managed learning. Last night, members of the Vietnam Veterans Federation received awards for their program, which includes a range of learning opportunities, including a men’s shed and a fantastic men’s choir. There are so many opportunities for us to acknowledge the adult learning that is occurring in our communities, our electorates and our states.

The Adult Learners Week website has almost 900 events registered around Australia as part of Adult Learners Week. There are great events on offer, including ‘Learningful Conversations’, which creates opportunities for people to get together and become involved in conversations about issues of community and personal interest. There is ‘Streets of Learning’, which raises people’s awareness about the adult learning opportunities available in their communities. There is ‘Faces and Spaces’, which gives adult learners the opportunity to work with professional photographers to take photos of the faces of both the people involved in adult learning and the wide range of spaces where formal, informal and incidental learning occur.

These and other events in the program point to an inspiring 2006 Adult Learners Week. On Thursday evening, Mr Lou Hutchinson, the Director of Employment Programs in the South Australian department, reminded us all of something that he learnt growing up, and which I remembered when he recited it. He said:

Labour for learning before you grow old is worth all the riches of silver and gold. Silver and gold will diminish away but learning and manners will never decay.

Mr Hutchinson, like most of us, has his mother’s wise words echoing in his head. He reflected that confident learners are more optimistic about the future, support their children’s learning, readily acquire new knowledge and skills and are more active citizens.

Adult Learners Week is coordinated by Adult Learning Australia, and I would like to take this opportunity to commend the organisation for their continued research and advocacy work on behalf of adult learners everywhere. I particularly want to acknowledge the efforts of the national coordinator for Adult Learners Week, Peter Murphy, who has raised its profile so successfully. We have all received briefing packs and seen and heard the community service announcements, so let’s take them seriously. This year, we have much to celebrate, much to acknowledge and much to consider, as adults in many different circumstances embark on

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learning experiences that will change their lives.

One of the most important aspects of Adult Learners Week is an initiative called Learn @ Work Today, which is being celebrated quite specifically on Friday this week. I encourage everyone in this chamber to become involved. Learn @ Work Today is a national event, and during the learn at work day initiative individuals and organisations throughout Australia will be encouraged to reflect on their learning practices at work and to take opportunities to try something new. It is modelled on a similar promotion that is being held in the UK and the US. It is an opportunity for employers and employees to draw attention to the strategic importance of effective workplace learning and to highlight the enormous amount and variety of learning—from those informal exchanges over morning tea to formal training programs—that occur in workplaces. It also helps to ensure that we have fun and develop a positive attitude towards learning throughout life.

There are many things happening in Australia on Friday. People are having staff training and events. They are doing job swapping or job shadowing. They are having workplace awards. They are having debates in their workplaces. They are having festivals of hidden talents. They are having bite sized courses where people learn little bits of the skills they need, such as how to send an SMS message—even something as simple as that can be a structured learning opportunity.

We have lots of partners involved in the Learn @ Work Today initiative. I encourage all my colleagues to become partners in Adult Learners Week and to go to the Adult Learners Week website, log on and indicate our support. I encourage everyone to support the learning that is going on in our communities through our community colleges, ACE providers, TAFEs and employment program providers to ensure that people involved in this sector understand that they have the support of their parliamentarians in their important work.

Queensland Government

Senator BRANDIS (Queensland) (1.13 pm)—The control of the taxing and spending powers of the Crown is one of the most essential foundations of our parliamentary system. The measures of control of those powers have varied across the centuries, but we can directly trace their source to 1215, when, by clauses 12 and 14 of the Magna Carta, the King undertook to impose no levy upon the people without the ‘general consent of the realm’, obtained by authority of an assembly of the bishops and nobles of England. It was this assembly which, during the course of the centuries that followed, evolved into the parliament as we now know it. In short, the Crown was obliged as early as the beginning of the 13th century to seek the approval of the parliament before it could raise taxes.

Equally important is the control of the parliament over the spending of the consolidated revenue. The two basic rules are that the executive may only spend moneys which have been appropriated by the parliament and that it may only spend such moneys for the purposes declared by the parliament, whether in an appropriation act or some other statute authorising the expenditure of public moneys. This principle, which is embodied in section 83 of the Commonwealth Constitution, reflects longstanding Westminster practice which, as Sir Isaac Isaacs said in 1922, in his judgement in the High Court’s decision in Commonwealth v Colonial Combing Spinning and Weaving Company Ltd, is ‘vital to the working of our federal Constitution as it is to the constitutions of the states’. In my own state, Queensland, that practice is constitutionally required by section 9 of the Constitution of Queensland.
2001, which prescribes that ‘the powers, rights and immunities of the Legislative Assembly’ of the Queensland parliament shall be ‘the powers, rights and immunities, by custom, statute or otherwise, of the Commons House of Parliament of the United Kingdom and its members and committees at the establishment of the Commonwealth’—that is, as they stood on 1 January 1901.

The ability to spend money gives the government of the day enormous power to advantage people by financing certain projects or to disadvantage people by refusing to finance other projects. Thus it is the scrutiny of not only the general amount to be spent through an appropriation bill but the particular purposes to which that money is to be applied which is central to the control of the parliament over the executive. It should go without saying, of course, that the appropriation of moneys to the government is not the creation of a slush fund. Ministers and their departments are not merely given a pool of money to spend as they see fit. That would defeat the whole purpose of parliamentary scrutiny, and that is why money is applied to specific purposes. These purposes are set out in the various budget papers which clearly show the purposes to which the appropriations are to be applied.

Most specifically, that means that if departments are unable to spend the money, need to spend more money, or wish to reallocate money from one purpose to another, they are obliged to come back to the parliament to seek an additional appropriation. This is the consequence of the second of the rules I have mentioned—that is, that funds that have been appropriated by the parliament must only be spent for the purposes declared by the parliament. To do otherwise is unconstitutional and therefore unlawful.

Having regard to the finely developed system of scrutiny I have described, honourable senators might be shocked to learn that there is at least one government in this country which has come to see itself as above such scrutiny, a government which has become so bloated with arrogance that it does not even consider the scrutiny of its expenditure as a nicety, but instead as an irrelevance. I am speaking of the current Labor government in Queensland.

As proof of this, I bring to the attention of the Senate the fact that the Queensland government managed to underspend the capital works budget of the Queensland Department of Health by some $200 million during the last financial year. During the same time, the amount appropriated to the departmental controlled expense of the Queensland health department—$5,354 million—was overspent by approximately $480 million, with an estimated actual expenditure during the financial year of $5,832 million. These figures were obtained by my office after scrutiny of Queensland Budget Paper No. 2 for the last two financial years.

The thing which should be of concern to all Queenslanders, however, is that there has been no additional appropriation authorising the additional spending, nor the apparent reallocation of portions of the capital works budget to recurrent costs. Mr Beattie was in such an unseemly rush to get to the polls that he prorogued the state parliament without even introducing an additional appropriation bill let alone passing it. In fact, the last additional appropriation to pass the Queensland parliament was Appropriation Bill No. 2 2005. Because of this high-handedness with public money, there is no accountability for the mismanagement of the Queensland Department of Health.

In consultation with former Senator Bill O’Chee, my office has analysed moneys appropriated to specific capital works of the Queensland Department of Health during the
2005-06 financial year against the moneys actually spent. What this analysis reveals is the misallocation of appropriated funds, in particular by the underspending of funds allocated for capital works by the reallocation by the executive government, without parliamentary sanction, of those funds to recurrent expenditure. Let me cite some examples.

The Beattie government had promised to spend $9,920,000 on building an emergency department at the Robina Hospital during the 2005-06 financial year, and funds were appropriated for this purpose. What actually happened, however, was that cumulative spending on this project—that is, the capital spending—at the end of the financial year was $3,388,000. Taking into account the $400,000 claimed to have been spent on the project prior to the commencement of the financial year, that means that less than $3 million was actually spent from the capital appropriation during the financial year. But the government has failed to account for this capital works money and has merely reallocated it to recurrent spending to top up and cover for inefficiencies in the operation of the recurrent activities of the health department.

This was not the only way in which the people of the Gold Coast were cheated, and the health budget rorted, by the Beattie government. The Robina Hospital also had a further $2,660,000 appropriated for a renal service during the last financial year. How much was spent? At the end of the financial year, only $420,000 had been spent, including the $40,000 spent before the commencement of the financial year. That means there has been an underspend on capital works for the renal service project by a further $2,280,000. Again, there was no additional appropriation to authorise this money being reallocated to recurrent expenditure, and no accounting for the unspent money or explanation for the failure.

Robina was also promised a community health centre. These centres are supposed to provide services such as neonatal health, childhood health, mental health and the like. Last year’s state budget appropriated $10 million for capital works on that project. This is in addition to the emergency department and the renal services facility. The Beattie government’s performance on this project was even worse than the others that I have mentioned. At the end of the financial year, they had spent not one cent of the capital appropriated for the community health centre.

In total, the Robina Hospital and the community health centre were appropriated $22,580,000 for capital works spending during the 2005-06 year, yet total capital spending on all three projects during the financial year came to just $5,668,000. That means that almost $17 million of appropriated capital works money in this area appears to have been reallocated to recurrent spending without parliamentary sanction. Since Mr Beattie has refused to properly account for it in an additional appropriation bill, nobody knows how, where or why the money was spent.

One of the centrepieces of Mr Beattie’s proposed solution to the health crisis that he himself created has been the creation of an emergency department at the Prince Charles Hospital in Brisbane. In the 2005-06 budget, $50,800,000 was appropriated for this purpose. What happened to that money? At the end of the financial year the cumulative total spent on capital works at the hospital was only $28,621,000, and that included $3,300,000 spent before the commencement of the financial year. That means that just $25,321,000 was spent on capital works on this project during 2005-06, less than half of the amount appropriated. The balance appears to have been swallowed up by recurrent expenditure within Queensland Health.
The Beattie government last financial year appropriated $2,000,000 for capital works for the expansion of services at the Caloundra Hospital. There, too, they shortchanged the people and rorted the capital works budget. Just $50,000 was spent during the financial year, and no explanation has been given as to where the balance of $1,850,000 went.

Another interesting example of the long-term rorting of Queensland Health’s capital works budget is the Nundah Community Health Centre. In the 2002-03 budget, $500,000 was appropriated towards the establishment of the Nundah Community Health Centre. The money was not spent on capital works, but reallocated. In the 2003-04 budget, another $500,000—the same $500,000—was appropriated to commence work on the project. Once again, it was not spent. In the 2004-05 budget, $4 million was appropriated for capital works on the project, but by the end of the financial year only $760,000 had been spent. Again, the remaining money appears to have been reallocated to recurrent expenditure without parliamentary sanction. It was certainly never accounted for as an identifiable item in additional appropriations.

The 2005-06 budget saw $6,700,000 appropriated for capital works on the Nundah Community Health Centre project, but the Beattie government spent only $920,000 in the financial year. This means that, over a period of four years, a total of $11,700,000 has been appropriated, in the course of four budgets, for this project but only $1,680,000 has been spent on capital works. Parliament has never been provided with an explanation as to what happened to the appropriated money, nor has any additional appropriation bill authorised its reallocation. Yet that is what appears to have occurred. This scam has happened even as far north as Thursday Island, where $1,250,000 was appropriated to build a much-needed renal care facility last financial year but only $70,000 was spent on capital works.

As these examples show—and they are but a few of many examples—the rorting of Queensland Health’s capital works budget has been deliberate, systematic and long-standing. I hasten to add that Mr Beattie has some form in these matters. In the dying days of the Goss government, when Mr Beattie was the Minister for Health, almost $40 million of capital works money was reallocated to recurrent spending without parliamentary approval. Nothing has changed. As a consequence, Queenslanders with health problems continue to suffer daily.

Of course, about 48c in every dollar of the Queensland budget originates in Canberra from funds appropriated by this parliament. Yet the Queensland Premier feels not the slightest compunction in not complying with the same standards of parliamentary scrutiny and accountability as would prevail if this money had been spent by Canberra. As senators, we have an enormous obligation to all Australians to ensure that public money is well spent and not spent unlawfully or unconstitutionally. This obligation is the same whether the states are spending Commonwealth money or the Commonwealth itself is spending the money.

The only thing I can suggest is that the Senate consider holding an inquiry into the accountability of state governments with regard to moneys that are provided to them by the Commonwealth and whether the Commonwealth should impose minimum standards of accountability as a condition of the money continuing to be provided. Otherwise, the Commonwealth is exposed to the kinds of scams and unconstitutional conduct revealed to be the daily practice of the Beattie government. The days of slush funds being in the hands of government ministers
should be long gone. I seek leave to table table 6.3 from each of the 2005-06 and 2006-07 Queensland Budget Papers No. 3.

Leave granted.

**Fuel Prices**

**Senator ALLISON** (Victoria—Leader of the Australian Democrats) (1.28 pm)—I rise to speak about petrol prices and Australia’s reliance on oil. What has become very clear to us over the last few years, through the very public debate on petrol prices, is the fact that this government has neither the foresight nor the political courage or leadership to deal with a problem which can only get worse. We can all argue about the level of excise on petrol—it is currently 38c a litre, where it has been frozen since 2001.

Mr David Trebeck, chair of the 2002 inquiry into fuel tax, said yesterday that there is no economically rational framework guiding government policy—and, of course, there is not. Mr Trebeck’s report recommended getting back to twice yearly indexation of petrol and diesel excise, which of course was promptly ignored by government. Now, as the excise becomes a smaller and smaller component of fuel, he asks whether it should be taxed at all. Mr Trebeck is an economist who, it seems to me, is more interested in economics than in greenhouse issues, air pollution or indeed the dire forecasts about peak oil and predictions that petrol prices will steadily rise in this country. Many say that will cause enormous damage to the economies of developed countries that are already heavily dependent on oil. However, I agree that radical change needs at this point to be debated. In fact it should have been debated years ago.

The future of transport energy has to be planned carefully—and with greenhouse emissions, energy security, our vehicle manufacturing industry, our commuting habits, the design of our cities and our public transport systems all in mind. But rather than do this, the Howard government has ignored reports and leapt from one knee-jerk reaction to another—the latest, of course, being the LPG conversion grant. This will at best, if only new cars are converted, relieve the cost of fuel for just 700,000 families. Given that there are almost 11 million passenger vehicles on the road and the scheme will only assist about four per cent of those, the scheme should really be considered a failure. Family First’s call to cut excise by 10c a litre is, as we would expect, populist and misses the bigger picture. For a start, the benefits would be quickly eaten up by further oil price rises that are inevitable. It does not address climate change. It does not address the fact that oil is finite and will soon be in short supply. We say that the government would be better off using the $3 billion that that 10c a litre reduction would deliver to invest in solutions which have a far greater impact in the long term.

This year President Bush admitted that ‘America is addicted to oil’ and that ‘keeping America competitive requires affordable energy’. There are a number of reasons why Australia should this time listen to George Bush. Firstly, oil is a major contributor to greenhouse gas emissions and climate change. Transport accounted for 13 per cent of Australia’s greenhouse gas emissions. Our transport emissions have increased by 23 per cent since 1990. Secondly, oil is a finite resource. Since 1980 the gap between oil demand and oil supply—once considerable—has steadily narrowed; and today it is almost negligible. Since 1965 the amount of oil discovered each year has plunged, despite all of our advances in technology. Because of the lack of access to accurate data, there is no certainty as to when oil production will peak and then decline. What we do know is that the United States hit peak oil in 1971; the UK, with its North Sea oil, peaked in 1999;
and Australia peaked in 2000. The Middle East remains one of the only areas that has not reached peak oil—if we believe OPEC claims. Whatever the case, the growth of demand in China and India will act to bring that peak forward significantly. The impact on the wellbeing of Australians—particularly in outer suburbs that hinge on two-car families and people commuting long distances by car to go to work, to school, and to supermarkets—will be disastrous. People need to realise that oil production is not just about transport and the cost of getting to work; it is also about manufacturing, about farming and about the availability and cost of everyday products and food. Oil decline will have a huge impact on world food production.

Thirdly, rising costs are making it unaffordable for many families and adding inflationary pressures to the economy. The Prime Minister’s primary solution has been to find more oil. In July the PM announced that Australia would be an ‘energy superpower’ and would invest billions in oil exploration. However, it is highly unlikely that large amounts of oil will be found again. Whatever small remaining reserves of oil might be found will be costly and more difficult to extract. Mining shale oil is dirty and energy intensive. It would add very considerably to Australia’s greenhouse emissions. So Australia needs to, first and foremost, reduce its reliance on oil. However, the government’s record of doing so has been abysmal. On coming to office in 1996, the government scrapped the ethanol development organisation and its $25 million in funding. In 1998 it proposed to massively cut excise on diesel, which would have made LPG and other alternative fuels unviable. In that instance the Democrats were able to negotiate compensatory grants to maintain price relativity, but the government introduced excise on ethanol in 2002 and on biodiesel in 2003 to take effect from 2012. Again, the Democrats had to step in and push for the excise to be halved and to delay the start-up by three years. I must say that was a massive exercise, both by the biofuels industry and on our own part, in getting the government to see sense.

In 2003 the government forced onerous and costly testing on small biodiesel producers, thereby discouraging production. Just eight weeks ago the government, backed by Labor, cut excise on petrodiesel for some on-and all off-road use, making biodiesel in those applications unviable. The government has refused to mandate biofuels and instead accepted a commitment by the industry to reach a voluntary biofuel target. The problem here is that the industry has so far failed to meet their stated targets, and the government has buried the report because it would be a very public admission that it has no workable alternative fuels policy. It seems that few of these companies—perhaps with the exception of BP—intend to make available to motorists anywhere near the amount of biofuels that is needed to reach the target. These are oil companies with a vested interest in supplying high-priced petrol. Peter Anderton, the Chief Executive of Australian Ethanol Ltd, said he believed that the ethanol industry could meet the demand created by a mandated use of 10 per cent ethanol blend. Australia has the capacity to produce 110 million litres of ethanol a year but the major oil companies have only purchased 25.1 million litres, less than a quarter of the current capacity. The Democrats say it is time that we mandated ethanol and forced the major oil companies to purchase and supply it to consumers. The Democrats have been pushing for an ethanol mandate for 10 years and we are pleased to see the Queensland and New South Wales state governments arguing for a mandate in their states.

While the government has jumped on the LPG quick-fix bandwagon, it has ignored
compressed natural gas. This is unfathomable. Australia has a good supply of gas and we should regard it as a transition fuel. It is readily available. It is piped to most people’s houses for their gas stoves, and it could be tapped into for a transport fuel. Compressed natural gas has the advantage of being 20 per cent lower than petrol in greenhouse emissions. It is readily available, as I said. It is cheap, it is stable and it is not linked to world parity in oil prices.

But, as we saw with the diesel excise debate in 1998, it is chicken and egg. You do not get motorists converting to compressed natural gas and you do not get car manufacturers making vehicles capable of running on natural gas if you do not have refuelling opportunities for people. It is a stand-off. It is a chicken-and-egg situation. The government should intervene and provide incentives both for conversion and for refuelling. As the situation stands, there is a grant system available for compressed natural gas conversions but this runs out within 12 months. Why the announcement about LPG did not include CNG is beyond understanding.

The government should be keeping excise off alternative fuels, phasing in that mandate of 10 per cent ethanol blends in fuels and funding compressed natural gas equipment. We do not say they should be separate refuelling stations; there is no reason they cannot be alongside LPG, petrol and diesel in service stations. But, as I said earlier, the oil companies are not going to want to do that off their own bat.

I am not arguing that these solutions that I have mentioned today are long term or that they do not have their own shortcomings. LPG is a by-product of oil and gas production and is therefore a limited resource. It also contributes to greenhouse gas emissions—although less than petrol—and not all cars can be converted to LPG. Compressed natural gas is still a fossil fuel but it has great potential as a transition fuel to hydrogen in the longer term. Incentives need to be given to assist motorists to convert or to get auto manufacturers to put them on the production line.

Biofuels are renewable but not likely to be able to completely replace the current level of petrol consumption. Using agricultural based products such as sugar and wheat to produce fuel at present consumption rates would almost certainly divert land from food production. This is something that needs to be very carefully studied. Biofuels can certainly play an important part in replacing a percentage of petrol. LPG, compressed natural gas and biofuels should be seen in the context of a mix of measures needed as a viable interim measure until new technologies and fuels are found. Perhaps we will find one day that a car can be run on water, but we are certainly not there yet.

The government should also develop car fuel efficiency standards, as Europe and Japan have. By 2015 average fuel consumption of a car fleet, including most four-wheel drives, should be five litres per 100 kilometres and, for the SUV and light truck fleet, 6.5 litres per 100 kilometres—an overall 50 per cent decrease in fuel consumption. Petrol and diesel-electric hybrid technology already achieves this. My electorate car is a Toyota Prius, and I think it is currently running at 4.6 litres per 100 kilometres—enormously fuel efficient, but still not made in this country and still with very few on the road.

Fuel-efficient standards should be coupled with incentives to motorists and auto manufacturers to take up fuel-efficient vehicles. We have provided billions of dollars in handouts to the auto industry without leveraging any fuel efficiency. The car industry is one of the most heavily subsidised in the country, supported by a 15-year, $7 billion
government assistance package until 2050. The Productivity Commission found in April that the car industry picked up 29 per cent of $1.9 billion worth of tax concessions given nationally in 2004-05—more than the total tax concessions given to encouraging spending on research and development.

There is a precedent for government to tie funds to desirable outcomes. Just this year, $57 million was handed to Ford by the Prime Minister, who demanded that Ford and other car makers do all they can to support component manufacturers by awarding businesses locally. The government should reform FBT to reward and encourage public transport use and car pooling and invest in better public transport, bikeways, walkways and freight rail. The government has also monumentally failed in shifting freight from road to rail. In the 2006-07 budget the government provided $2.27 billion for road upgrades and a mere $270 million for rail—a pittance compared with the $3 billion recommended by the Neville committee in 1998. The government refused to exclude GST from public transport and claims that public transport is a state responsibility—the usual drivel. This is despite the Whitlam, Fraser, Hawke and Keating governments all providing substantial public transport funds. You cannot have a national approach to transport, as AusLink claims, and ignore public transport.

There are, of course, no quick-fix solutions, but there are a range of measures that can and should have already been put in place to start reducing our reliance on oil. The government can and should be doing more to prepare Australia for rising petrol costs rather than being a sop to the oil majors and pinning our hopes on absurdly optimistic, irresponsible, short-term assumptions.

**Defence Headquarters Joint Operation Command: Bungendore**

**Senator MARK BISHOP** (Western Australia) (1.43 pm)—I want to rise this afternoon in this debate and pass a few remarks about the proposed new joint headquarters for the Australian military in Bungendore, just outside of Canberra. I think it is most appropriate to have this discussion today because the foundation and construction of new joint headquarters is a matter of significant public interest and will be of significant interest well into the future. We know that our military forces are stretched at the moment. They are located in several parts of the world—some in the immediate region of Australia; some in the Middle East. I think it is fair to comment that there is going to be an increasing role for the military in a range of overseas engagements in the next two or three decades.

That being the case, it is entirely appropriate that the command structure be up to date and modernised. To that extent, one should not quibble with the government’s proposal for the construction of a new joint headquarters just outside Canberra. Indeed, in one respect, I think it is fair to comment that it is simply a continuation of longstanding developments and organisational review within the Australian defence forces that have been in train since at least the mid-seventies when we shifted away from separate portfolio representation of the armed services to the current system of joint military and civilian oversight of senior officers. To the extent we will now have a joint headquarters housing the Army, the Navy and the Air Force, it is probably unremarkable in that context.

What is remarkable, and what I want to discuss about the project for the joint headquarters at Bungendore, are the time lines involved in the project, the financing of the private-public partnership and the costing and financing issues associated with that PPP
method of raising finance. In that context, what matters have been disclosed by government as to costing and financing issues and what matters do government continue to resist to disclose in any meaningful way? That leads us then to a bit of a summary: what we know about this particular project, putting that in context and then outlining some thoughts on likely future action that the opposition is interested in pursuing regard to this project for the joint headquarters of the armed services out at Bungendore.

The time lines of the project are on the public record. The project was announced twice, immediately prior to the 2001 election and immediately prior to the 2004 election, the site being located—then and now—in the reasonably marginal seat of Eden-Monaro, held by Mr Nairn in the other house. As it involves a significant amount of federal funding, a significant amount of construction work and a significant amount of local labour to be employed, that of course drew the attention of local electors there who saw the immediate advantages and gains within their own electorate. It having been announced in 2001 and 2004—and we are now towards the end of the current year, some seven years later and not a sod having been turned—one questions the veracity of government undertakings in this area. One raises squarely that the issue is one of pork-barrelling in that particular electorate—pork-barrelling to keep the seat in government hands, as evidenced by the fact that no work has commenced and the time lines for conclusion of the work, as I understand it, have now blown out to 2008 or 2009.

The fact it is a public-private partnership is a matter of interest, I suggest, at three levels: firstly, its present value; secondly, its significance; and, thirdly, general interest around the issue. In terms of precedent value, it is my understanding that this project is the first private-public partnership to be entered into by the Department of Defence. Accordingly, one would have thought government would be keen to ensure that a proper template of conditions was established for this type of project into the future. Whilst it will be the headquarters of the armed forces and it will have a significant command and control, communications and intelligence role, nonetheless, we are talking about land acquisition, site clearance, building construction, road clearance, housing of 750 staff and operational matters consequent upon that. It is hardly a matter of high risk, one would have thought, in the greater scheme of things. Hence, why the need to go into a PPP arrangement for finance when, firstly, there is not a great deal of risk attached to the project; and, secondly, there not being such a great amount of risk, why the need to transfer that risk off the budget books to the private sector? That is a matter of interest in terms of precedent value for the future. But, in terms of significance, it is more important to have the templates correct, to have the norms established out there, subject to public discussion and public review so that we can have a decent set of standards that apply. It is important when government is going to be involved and when it has had multibillion dollar surpluses for many years and is likely to have them into the future but chooses not to use those surpluses to fund capital construction, but instead chooses to allow the finance to be provided by a private consortia, with a repayment term over a 30- or 40-year period.

One would have thought that government would be keen to have the templates established, the norms agreed to in a relatively public fashion so that the government, the opposition, private financiers, state agencies and the capital markets could all be satisfied that there is a proper process involved in the raising of significant funds. That, I am afraid to say, has not occurred. In that context, what
we know is this: disclosed matters are these—budget papers and questions on notice reveal that the project will cost $339 million. That is for land acquisition, site clearance, building construction, operational funding matters and the C4 system and intel capacity that needs to be embedded in the project. The cost of the entire project is $339 million. What we are latterly advised, publicly, by the Special Minister of State and federal member, Mr Nairn, is that the repayment of that $339 million by government will be in excess of $1.2 billion over a 30-year period. So the cost of the project is $339 million, as disclosed in questions on notice, but the repayments over a 30-year period by government for capital cost and operational costs will be in excess of $1.2 billion.

That is a remarkable built-in inflator in terms of repayment deals. In fact, the original costing announced by the Prime Minister in the year 2001 was something of the order of $200 million. As I say, that has blown out to $339 million now, notwithstanding the fact that the project has been downsized significantly. So the repayments, over that 30-year period, are going to be in the order of three times the cost of the project, notwithstanding the fact that the government has huge multibillion-dollar surpluses. So it is choosing to spend $1.2 billion when it could have essentially just allocated $170 million this year and $170 million next year for the entire capital cost of the project.

Repeated questioning by the opposition has failed to obtain any hard information as to the terms of the contract, the length of the contract, the repayment period or the repayment amounts—with one exception. The government has disclosed that $39.9 million will be repaid in the 2008-09 financial year. But, in the other 28 years of the contracted repayment period, the government refuses to disclose what the annual repayments to the consortia are going to be.

In addition, in terms of such a major contract, the government has failed to disclose whether there are any gain-sharing agreements or technology savings clauses in the contract, and it has failed to disclose when and how the repayments are going to be made. So all we know is that we have a project out there in Bungendore not requested or sought by the chiefs of staff or the defence department and imposed upon them by government twice in election periods as a pork-barrelling exercise. We have public costs of $339 million and repayments over 30 years of over $1.2 billion, and the government refuses to disclose, in the first and most important public-private partnership that it has entered into, the details of that particular arrangement, the details of that contract.

We are not silly. We understand that some matters necessarily have to remain private. Some matters necessarily should remain confidential. That is entirely appropriate, particularly in detailed negotiations or in negotiations affecting security matters, intelligence matters and those sorts of things. I do not quarrel with that. But when you shift a project off the budget books priced at $339 million, and when the minister and the local member indicate publicly that the repayments are going to be $1.2 billion, the opposition has a duty to inquire as to the terms of the contract—to satisfy itself, on behalf of taxpayers, on behalf of the public, that the consortia involved in the project are not taking inordinate and gross profits from the community, and that the government has not got some side-deals elsewhere.

That is particularly the case here, when this project was not sought by the defence forces. We are going to have a joint headquarters out at Bungendore—we are told, to house the senior echelons of Army, Navy and Air Force. But we are also told, after we pry at estimates, that each of the three services is going to retain its current headquarters in
Sydney. So we are going to have two sets of headquarters. Each of the services is going to retain its headquarters and go about its business, and we are going to have a beautiful, new, highly expensive white elephant out there at Bungendore, which might be staffed permanently—but they are going to keep their old headquarters on the North Shore and other parts of Sydney.

So I say that there is something rotten about this project. Why has the government continuously refused to disclose necessary details of the price and the contract?

Senator Conroy—They’ve blown out.

Senator MARK BISHOP—They have blown out. Have they ever blown out, Senator Conroy! They have blown out from $200 million in 2001, to $339 million this year, to over $1.2 billion over 30 years.

Senator Conroy—How much?

Senator MARK BISHOP—$1.2 billion over the next 30 years are going to be the repayment costs paid by this government to the consortia erecting the project out there at Bungendore—a project not requested by the chiefs of the defence forces, a project not required by the defence forces, a project imposed upon them. And they, in their wisdom, are going to keep their old headquarters in various parts of Sydney.

The opposition has been diligent in pursuing this matter in the various forums that are available to it to get some reasonable answers to reasonable questions. Unfortunately, the government has been equally diligent in refusing—in public forums, in accountable forums—to provide any reasoned or reasonable response to those issues. So I think the appropriate thing to do is to refer this issue of the funding, the costing, the repayments and some of the contract details off to the Joint Committee of Public Accounts and Audit. Let there be proper questioning down in that committee, in that chamber—as to the intention of government with this particular project, as to why it has not used its own surplus to fund the project and as to why it is intent upon spending in excess of $1.2 billion over the next 30 years to fund a project which its own budget papers disclose is going to cost only $339 million. Why in God’s own name would you seek to repay $1.2 billion for a project which is only slated to cost something in the order of $339 million? (Time expired)

**QUESTIONS WITHOUT NOTICE**

**Skilled Migration**

Senator LUDWIG (2.00 pm)—My question is to Senator Vanstone, the Minister for Immigration and Multicultural Affairs. Can the minister confirm her claim yesterday that on 16 August 2006 ABC Tissues were issued with a notice of intention to sanction by her department on the grounds that two workers were not carrying out their nominated duties? Is it also true that two days later, on 18 August 2006, the department approved sponsorship for 12 more 457 nominations for ABC Tissues, with one application approved on the same day? Didn’t this follow the department finding breaches by the company as far back as August 2005? Isn’t it a requirement of the 457 program that the sponsor has a ‘good business record and abides by immigration law’ and that ‘there must be nothing adverse known about the business’? Can the minister explain how ABC Tissues were allowed to bring in more foreign workers on 457 visas when there was clear evidence they had broken the law?

Senator VANSTONE—Senator, I will check the detail of what you suggest happened afterwards, but I make one point clear. This was a point that was struggled with, but I will pass up the opportunity to be disparaging of someone. I make the point that approval of nominations is not a visa approval. I will have a look at the rest of the detail con-
That matter has not been resolved. I indicated that we had had a reply from ABC Tissues and that was being looked at, but that related to only two workers. In any enforcement area we need to keep a sense of balance. There will be people who will make mistakes and there will be minor infractions. You need to balance that up. I do not have with me details of what Senator Ludwig alleges may have happened afterwards. I simply make the point that I would have thought, on the basis of—

Senator Chris Evans—This was your answer yesterday.

Senator VANSTONE—Senator, your contribution last week indicates that you do not understand the migration program, so perhaps you could butt out and leave it to one of your colleagues who does have an interest.

Senator Chris Evans—You answered this yesterday. Come clean. You were asked about this yesterday.

The PRESIDENT—Senator Evans will cease interjecting and Senator Vanstone will address her remarks through the chair.

Senator VANSTONE—The leader demonstrated by embarrassing himself in the last fortnight that he did not understand the program or the figures that he was using. What I was saying to Senator Ludwig, who does have an interest in this matter, a longstanding one—and I think he does understand the issues—is that I will have a look at what he said and I will report to him later.

Senator LUDWIG—Mr President, I ask a supplementary question. I thank the minister. I understand that the minister will take the question on notice and provide confirmation. I ask whether the minister can confirm that on 5 July 2006 the department received an allegation that the pregnant wife of a 457 worker employed at the ABC Tissues site in Queensland was forced to return to China against her wishes. Isn’t it a fact that if the wife had stayed in Australia then ABC Tissues would have been required to cover her medical expenses? Do employers have the right to forcibly remove from Australia family members of workers on 457 visas? Has the minister investigated that allegation? If she has, can she provide some information to the Senate?

Senator VANSTONE—I have no advice with respect to that allegation. I will certainly look into it. People who have a visa to lawfully stay in Australia are entitled to stay here until that visa is cancelled or it expires. I can see no reason why someone should be entitled to ‘forcibly remove’ someone. However, let me leave it open, since I have no advice of this matter, and say that there may have been—I am not suggesting there was—a contractual arrangement whereby someone might have agreed to sponsor a worker and it was a part of the contract that if their wife were to go into confinement the birth would take place back home. That may be the case; I would be surprised.

Senator Chris Evans—Why?

Senator VANSTONE—It is simply because I do not have any information on this that I am reluctant to say any more than I will have a good look at it. The general provision is that if you have a visa you are entitled to stay until it is cancelled or it expires.

Economy

Senator BRANDIS (2.04 pm)—My question is directed to the Minister for Finance and Administration, Senator Minchin. Will the minister update the Senate on today’s national accounts data from the Australian Bureau of Statistics? What conclusions can be drawn about the significance of today’s
figures for the ongoing management of the Australian economy?

Senator MINCHIN—I thank Senator Brandis for that topical question. Indeed, today’s national accounts—just released this morning—show that in the June quarter of this year the Australian economy grew by 0.3 per cent in real terms. This means that for the 2005-06 year the economy recorded real growth of 1.9 per cent. This represents the 15th consecutive year of positive economic growth in the Australian economy, a remarkable achievement by Australian historical standards or indeed by international historical standards. We have had an extraordinary run of economic growth, combined with low inflation, low and stable interest rates, rising real wages and falling unemployment—a very stark contrast to the high unemployment, high interest rate boom and bust cycle we experienced in the late 1980s and early 1990s under the former government.

The June quarter saw a continuation of high levels of private business investment. Private investment was up just under 12 per cent for the year. New engineering construction grew by 21.6 per cent. Household consumption grew by 0.6 per cent in the quarter, despite a decline in spending on the operation of vehicles, obviously affected by petrol prices. There was firm growth in household consumption in those figures, reflecting rising household incomes. Household disposable income actually went up 6.2 per cent through the year. Labour productivity, a very important measure for Australia, grew by 2.3 per cent in the year 2005-06. Again, Australia’s terms of trade continued to improve. They have now reached their equal highest level since 1959.

These figures deal with just the June quarter in the year completed. They do not reflect the fact that we have had substantial personal income tax cuts from 1 July which, in light of the moderate growth in today’s national accounts and the comments this week by the Reserve Bank governor, can now be seen as tax cuts which represent an appropriate macroeconomic response to our circumstances.

The key imperative for us, going forward, is to maintain that strong economic growth for a 16th, 17th and hopefully 18th consecutive year. That has to be the goal but we can only achieve it with a commitment to sound economic management. It has been good management that has delivered these good outcomes and it is the same good management that will deliver these benefits to Australian families.

We could just rest on our laurels. We could sit back and reflect on what a good job we have done, but we want this growth to continue. We want prosperity to increase, so we have taken the difficult decision to further reform industrial relations, aiming to boost employment and labour productivity and keep real wages growing. That is the reason we are keeping the budget in surplus. It is the reason we have eliminated government debt and created the Future Fund to address other government liabilities. It is the reason we cut personal income taxes and it is the reason we are reforming welfare to encourage work and boost participation. It is the reason we are eliminating taxes on superannuation benefits, as confirmed by the Treasury yesterday. It is the reason we are continuing with the microeconomic reform agenda of this government, including the further sell-down of Telstra and the privatisation of Medibank Private.

Unlike the Labor opposition, the government is serious about continuing economic prosperity. We are continuing the economic reform agenda of this government. We have a very big agenda ahead of us and we hope to continue to ensure this economy prospers well into the future.
Skilled Migration

Senator GEORGE CAMPBELL (2.08 pm)—Mr President, my question is to Senator Vanstone, Minister for Immigration and Multicultural Affairs. Can the minister confirm reports today that a Chinese temporary worker paid at below award wages was forced to pay $10,000 to his employer for ‘legal fees’? How did this worker get under the 457 visa scheme when the employer has confirmed that he was given an unskilled position? Can the minister confirm that printing trades are not even on her department’s list of occupations in demand? Did the employer also use the 457 visa scheme to undercut award wages by $480 a week? What is the total number of workers on 457 visas that have been sponsored by this company, Aprint, and how many are they currently employing? When did the department first become aware of this clear case of exploitation and flagrant breaches of the Migration Act, and what action has the minister taken to protect the rights of the Chinese workers and enforce the act?

Senator VANSTONE—I thank the senator for the question. The question gives me the opportunity to highlight my understanding of this issue, which I think puts paid to the lie, in effect, being told by those who say that skilled migrant workers who come to Australia are vulnerable and cannot look after themselves. I say that because the Department of Immigration and Multicultural Affairs received a complaint with respect to this matter on 22 August. In fact, I am advised that there were two contacts made on that day: one by way of an email from a woman whose name I do not know and whose name, I believe, is not known to the department; and one through a visit to the department by Mr Zhang. I am further advised that someone from a union who was purporting to represent the workers then contacted the department on 4 September. I make that point to indicate that these people actually complained themselves and, in addition, complained through an intermediary of theirs—this particular woman who sent the email. That was on 22 August. An interview was conducted on 23 August—that is, the next day. The next day we went out and conducted interviews, and a subsequent interview, I understand, was held on 28 August because this involved another department. And investigations into this matter are continuing. I do not have advice with respect to details of any other staff that may be employed by this particular employer but it is clear, on the face of some remarks—if they are properly reported—that the employer certainly has not understood his obligations and has not done the right thing.

It is a similar case to one that was brought to light by some Filipino chefs in the ACT—a case that received much notoriety. Senator Lundy raised this matter, I think, in February. Some three or four months after the workers had raised it themselves, and when the matter was under investigation, Senator Lundy, hearing that there might be something she could jump on the bandwagon about, decided to raise it as an issue. The point that I make here is simply this: the issue was that some skilled migrant workers took the opportunity to complain. Because of that an investigation was held into those restaurants. As a consequence of the findings of that investigation, the local authority decided to do further investigation. And what did it find? Australian workers were being underpaid and were not complaining. It is only because the Filipino workers were here that the local authorities bothered to investigate the restaurant trade in the ACT.

That shows that people who come here as skilled migrants are skilled migrants. They have a significant contribution to offer. They are not incapable of complaining. I encourage them to complain. I encourage anybody
to complain if they think that they have, in some way, been mistreated. I finish by simply making the point—

Honourable senators interjecting—

The PRESIDENT—Senator Evans, shouting across the chamber is disorderly.

Senator Chris Evans—She is not answering the question.

The PRESIDENT—I don’t care. Shouting across the chamber is disorderly.

Senator VANSTONE—I just make the point that, as with criminal law, corporate law and so many different arms of the law, it is not possible to devise a system of law, in almost any area, where you can guarantee there will not be people who will try to break the law. What you can do is say that when you catch them you will deal with them. And that is what we are doing.

Senator GEORGE CAMPBELL—Mr President, I ask a supplementary question. Isn’t this another case of an employer using 457 visas to exploit foreign workers and undercut Australian wages and conditions? Is that what the minister meant when she said that we need the scheme to keep Australian wages down? How many more cases may be out there, Minister, unreported and not investigated because the workers face deportation by their employers if they speak out? Does the minister have absolute confidence in her department’s handling of the 457 visa scheme?

Senator VANSTONE—It is an interesting proposition that the union movement appears no longer happy to have a minimum salary level or the award. That is no longer satisfactory, because the union movement now says, ‘Don’t worry about the award; we want market rates.’ Forget an understanding that getting a market rate is by the market setting the rate, not by an award or an MSL. We have a skill requirement here and a salary requirement. People are required to follow that. If they do not follow that—

Senator Chris Evans—None of which is met.

Senator VANSTONE—I acknowledge the interjection by Senator Evans. It means that Senator Evans is saying that the New South Wales Department of Health, the biggest user of this visa, is not meeting its salary requirements. Every state government not meeting its salary requirement is a ridiculous—

Senator Chris Evans interjecting—

The PRESIDENT—Order! Senator Evans will come to order. I am warning you that if there are any more interjections, I will report you to the Senate.

Senator Chris Evans—Mr President, on a point of order: when the minister is abusing and addressing me across the chamber, she will get a reaction, and if you fail to deal with that you will get a reaction.

The PRESIDENT—You have been continually interjecting during the minister’s answer, and I call you to order. Resume your seat.

Senator Chris Evans—I was speaking on the point of order.

The PRESIDENT—You have been continually interjecting during the minister’s answer, and I call you to order. Resume your seat.

Senator Chris Evans—I was speaking on the point of order.

The PRESIDENT—Resume your seat. You have continually been disrupting the minister whilst she has been trying to answer the question, and I ask you to come to order. I have warned you.

Senator Conroy—Mr President, on the point of order—

The PRESIDENT—There is no point of order.

Senator Conroy—You have not ruled that way.

The PRESIDENT—I am ruling that there is no point of order, and I ask you to resume your seat too.
Senator Bob Brown—Mr President, on the point of order: I simply ask you to reflect on the probity of your intervening when a senator is putting a point of order to you. He should be heard before you make your ruling.

The PRESIDENT—Senator, it is my job to try to keep this chamber in some sort of order, and continual interjections across the chamber do not help. I asked Senator Evans to resume his seat because he was causing more noise in the chamber than we should be having.

Senator Faulkner—Mr President, I have a different point of order. My point of order goes to a statement you made to the chamber in relation to asking senators to resume their seats when you are on your feet. I wondered whether that applied to Minister Vanstone, who did not do so when you stood for a considerable period of time.

The PRESIDENT—I remind all senators that when I am on my feet senators should come to order, resume their seats and remain silent.

Superannuation

Senator NASH (2.17 pm)—My question is to the Minister representing the Minister for Revenue and Assistant Treasurer, Senator Coonan. Will the minister please inform the Senate about measures the government is taking to improve the retirement incomes of Australians? Is the minister aware of any alternative policies?

Senator COONAN—I thank Senator Nash for the question and for her ongoing interest in ensuring Australians can plan and prepare for a comfortable retirement. Senators will be aware that in this year’s budget the government announced the most far-reaching and visionary reforms to superannuation ever seen in Australia. The plan comprises a package of broad-ranging reforms of superannuation taxation, the age pension assets test, superannuation contribution rules and superannuation payment rules to apply from 1 July 2007. The government has consulted on these reforms, and more than 1,500 written submissions and more than 3,500 phone calls were received, which was quite an extraordinary response.

Following this consultation, the Treasury yesterday announced a comprehensive package of measures and a national plan to simplify and streamline superannuation in Australia. As part of this package, there will be no tax on benefits paid out of the taxed super fund for people who are aged 60 years or over, no tax on lump sums and no tax on pensions. Tax arrangements for super will become less complex, making super the preferred savings vehicle for Australians. Reasonable benefits limits will be abolished, as will age based contributions. We will extend the incredibly successful super co-contribution to the self-employed and allow the self-employed to claim a 100 per cent deduction for all contributions. There will be simple rules whereby employer contributions of $50,000 per annum will be allowed and $1,500 of undeducted contributions.

The Treasurer also announced yesterday that there would be transitional measures to the new arrangements. These transitional arrangements will allow people to continue with their retirement plans and enable them to reap the full benefits of these wide-ranging reforms. Ultimately, as a result of these reforms, Australians will have more flexibility over how much of their superannuation they take and when they take it. It will also be easier to find and transfer superannuation between funds.

I was asked about some alternative policies, and I have to inform the Senate that, unfortunately, the opposition’s policy consists of opposing any measure that would genuinely contribute to increasing the re-
tirement savings of Australians. You will recall, Mr President, that the opposition blustered about the introduction of the superannuation co-contribution. They opposed the cutting of the superannuation surcharge. Everyone in Australia knows that you cannot trust the Labor Party with your money. Even traditional Labor supporters agree. Ms Susan Ryan, a former Labor senator, called Labor’s super policy ‘shabby’ and Mr Garry Weaven, a former ACTU officer, said:

The government’s recent budget initiatives have proved that the Liberal Party is now the official party for superannuation.

Senators on this side of the chamber could not agree more. We now have a comprehensive package of reforms to boost retirement incomes, to encourage people to continue in employment and to give Australians at all income levels incentives to save for their own retirement.

Medibank Private

Senator SHERRY (2.21 pm)—My question is to the Minister for Finance and Administration, Senator Minchin. Does the minister recall saying that a privatised for-profit Medicare private would put downward pressure on premiums through greater efficiencies? Is the minister aware that, of the current providers, the eight funds with the lowest administrative costs are not-for-profit funds? Don’t two of the three for-profit funds have higher administrative costs than Medibank Private? Haven’t health experts also made it clear that a privatised Medibank will lead to higher premiums because the owner would need to deliver higher dividends to offset the risks in the industry? Isn’t it the case that the minister’s claim of lower premiums in a privatised Medibank is an expression of ideology that is not supported by the evidence? Why won’t the minister release a business case to support his assertion that privatising Medibank will result in lower premiums?

Senator MINCHIN—To correct the record, Senator Sherry referred to Medicare private; I am sure he meant Medibank Private Pty Ltd. The government does remain very firmly of the view, as in the decision we announced in April, that there is no good public policy reason for the government to continue to own a private health insurance company, and that is what this is. Medibank Private is one of 38 providers of a product called private health insurance in the Australian private health insurance industry.

After our examination of the history, the performance and the state of this industry, we do not believe there is any case for us to continue to own this company. Taxpayers have borne the risk of this business for some 30 years. Taxpayers had to contribute some $85 million to the business only two years ago to ensure its capital adequacy. Taxpayers bear the opportunity cost of having a substantial amount of capital tied up in a private health company that could otherwise be invested to the benefit of ordinary Australians.

We have, of course, already substantially increased investment in medical research in this country as a consequence of the decision to sell the company. I think we increased our commitment to medical research in this country in the last budget by some $500 million as a consequence of us making a commitment to sell Medibank Private. We think that is another advantage.

As to the issue of premiums, one of the consequences of a sale, which is justified on its own, is that we think that a privatised Medibank Private will run on fully fledged commercial lines and be able to reduce the upward pressure on premiums. That was certainly the finding of the Carnegie Wiley scoping study. It has not been the practice of governments, as I said I think on Monday or
Tuesday, to release scoping studies but there is some evidence in the marketplace for the claims that the Carnegie Wiley study made.

BUPA is the biggest private health insurance operator in Australia. It operates the Mutual Community Fund in South Australia—I declare an interest: my family and I are members of that fund—and HBA in Victoria. They are both highly competitive funds. Indeed, their premium increases have been below the national average increase every year since 2001. Overall premiums across the market have increased by 35 per cent over the past five years; BUPA, as I say a private for-profit operation, has delivered premium increases of only 25 per cent in that time. There is clear evidence for the case that we make that private for-profit health insurance companies operating in the disciplines of private industry are able to deliver lower premium increases than is the case for the non-profit mutual sector.

The key way in which you keep the pressure down on premiums in this marketplace is through competition—the more competition the better. We think that the competitive tension in this industry will be improved by having Medibank Private run by private sector operators who can exercise significant discipline in the marketplace with respect to cost pressures, and I think that is evidenced by the record of the BUPA funds over the last five years.

Senator SHERRY—Mr President, I ask a supplementary question. Given that the minister says the government is not selling Medibank for the money but for the benefit of members, why will he not detail how members will actually benefit? Is the minister seriously suggesting that Medibank members will get a better deal out of American corporate raiders, such as Kohlberg Kravis Roberts, than a not-for-profit run Medibank Private? Will the minister now give a guarantee that Medibank’s three million members will pay lower premiums to a privatised fund?

Senator MINCHIN—I remind Senator Sherry that of course the government has retained its authority over the approval of insurance premiums. Any member of any health insurance fund is free at any time to transfer their health insurance policy to another fund. That is the point of competition and transferability. If they do not like the service they get from Medibank Private or anybody else, they can take their business to one of the other 38 funds in the market. Medibank Private customers have been served well by George Savvidis and his team over recent years and I congratulate them. I am sure Medibank Private will continue to provide very good service. We are doing this for taxpayers. Taxpayers are the ones who have supported and sustained this business. Taxpayers are the ones who have capital tied up in this business. Taxpayers are the ones who should be free of this investment and have the capital that is tied up in Medibank Private put into a diversified equity investment in the Future Fund. This is together with the fact that we have, of course, increased the research dollars in Australia. (Time expired)

Tasmanian Timber Industry

Senator WATSON (2.27 pm)—My question is directed to Senator Abetz, the Minister for Fisheries, Forestry and Conservation. Would the minister outline to senators how the Howard government is supporting and helping to grow Tasmania’s new, renewable and sustainable Tasmanian timber industry? Is the minister aware of any alternative policies?

Senator ABETZ—I thank Senator Watson for his question and note that he, along with all his Tasmanian Liberal Senate colleagues, and indeed Messrs Baker and Fer-
guson, the members for Braddon and Bass in the other place, is a very strong supporter of the Tasmanian forest industry, as was witnessed by the presence of all of us at the Albert Hall in Launceston just before the last federal election. At that time, the Prime Minister announced very clearly our policy in relation to the forest industry. It was one based on balance, security for the industry and also providing extra investment. That position was, in fact, clearly enunciated by the motion which Senator Watson moved in this place yesterday and which, might I add, was passed yesterday.

The sad thing to note is that it was only senators on this side of the chamber who supported this pro-forestry, pro-Tasmanian motion. It was only the Howard government that was committed to supporting the 10,000-plus timber industry workers in Tasmania. We all remember Labor’s job-destroying, anti-Tasmanian attempt to grab Green preferences which they took to the last election. It backfired on them very badly, as it should have.

Since then, Labor has been trying to tell the Australian people that they have dumped the folly of Mr Latham’s policy—but the ghost of Latham still haunts the Labor Party. I do not know why he did it but yesterday Senator Watson very kindly gave the Labor Party the opportunity to shed the ghost of Latham and vote for our motion, but Labor not only failed to support our motion but deliberately voted against it.

Last night the former failed member and now recycled Labor candidate for Braddon came out in the media and said Labor ‘stuffed up’.

Senator O’Brien—No, he didn’t.

Senator ABETZ—He did, and he was quoted in the Australian newspaper. Mr Adams, the Labor member for Lyons, said the Labor senators were asleep. We had the third excuse delivered by none other than Senator Kerry O’Brien on ABC radio this morning, saying it was a deliberate tactic. That was very smart. And look—he is nodding in agreement. I invite the Labor Party members from Tasmania to caucus and decide whether it was a stuff-up, whether they were asleep or whether in fact it was a deliberate tactic. The people of Tasmania have now seen why the Labor Party took its silly policy to the Tasmanian and Australian people at the last election. It was because they have no idea what they are doing on forestry. Mr Albanese’s and Mr Martin Ferguson’s views on forestry are diametrically opposed. That is why the Labor Party are flip-flopping over forestry.

We on this side are absolutely clear. Our statement announced at Albert Hall remains very strong; we are committed to it. Mr President, I am told that the electorate that you and I reside in may well have a by-election shortly. If that is the case, I say to the timber rich area of Franklin that they should vote for us for one simple reason, because we are the only party truly committed to the timber communities and to the timber workers of this country.

Fuel Prices

Senator ALLISON (2.32 pm)—My question is to the Minister representing the Prime Minister. I refer to the Prime Minister’s grand scheme for LPG conversion. On what basis does the government say this will lower fuel prices for families? Isn’t it the case that the fund for LPG conversions will likely deliver only 400,000 passenger vehicles? Does the government admit that that is a mere four to six per cent of passenger vehicles in this country that can be converted to LPG with this fund? Why did the government exclude compressed natural gas conversions from the scheme? Isn’t it the case that natural gas is cheaper and its price more stable? Will the government extend the current alternative...
fuel conversion grants that do cover CNG but run out next year?

Senator MINCHIN—The government has consistently stated that petrol prices—which I must say I am pleased to see are easing in the marketplace—are very much a function of international crude oil prices and no government in the Western world has a lever to flick to ease that sort of pressure, but we have said that we will do what we can at the margin. I am very pleased with the LPG initiative that we announced. It was a fairly substantial commitment on the government’s part to seek to stimulate an alternative source of energy. That is what we are seeking to do. We understand that petrol and diesel are likely to remain the primary sources of transport fuels for some time to come but that we should seek to responsibly encourage a diversity of sources of fuels to the best of our ability. We have done that, as Senator Allison would know, for ethanol and biodiesel and, with the significant encouragement of our colleagues in the National Party, that has been a key part of our diversification strategy. But we have also sought, as she knows, to encourage greater use of LPG. The demand for participation in the government’s scheme has been overwhelming and we are very pleased with that.

As to compressed natural gas, we do understand and accept the interest of the Democrats in that as an alternative fuel. Certainly, it has some potential. There are a few things that should be noted, however, with respect to it. I note that it is currently excise free but that it does have a lower energy content than petrol or diesel and, as a transport fuel, there are some difficulties with it. CNG, and indeed LNG, are stored at considerably higher pressures. They require specialised heavy-duty storage tanks in vehicles, which affects the amount of fuel that a vehicle can carry and its operating range. Specialist refuelling facilities are required to handle both of those fuels. We provide assistance to operators and manufacturers of heavy commercial vehicles and buses, which are the more appropriate vehicles for this sort of fuel, and there is an alternative fuels conversion program run through my colleague Senator Ian Campbell’s portfolio to assist those sorts of vehicles in making the transition to CNG. But, for the reasons I outlined, it is not necessarily a relevant fuel for ordinary motorists.

LPG is a relevant fuel for ordinary motorists and that is why we have initiated this conversion scheme. We are pleased with the take-up of that and we continue to promote alternative fuels like biodiesel and ethanol. As I have said in this place repeatedly, I think that the hybrid market is going well, there is potential for electric vehicles and that, well down the track, hydrogen is likely to be a significant and widespread transport fuel of the future.

Senator ALLISON—I ask a supplementary question, Mr President. I thank the minister for his answer. I am not sure that I would agree that compressed natural gas is not suitable for passenger vehicles, because I had one for a time that used it. Does the minister acknowledge that the availability of compressed natural gas refuelling is one of the biggest barriers to take-up? What is the plan to have compressors of natural gas at petrol and diesel service stations? What happened to the fund that was established to set them up? Just what is the plan for natural gas in long-term transport options in this country? Isn’t it the case that natural gas infrastructure will be necessary in any transition to hydrogen fuel, or has the government given up on that as well?

Senator MINCHIN—No. The government is very keen on ensuring that Australians can continue to have widespread access to fairly priced transport fuels, acknowledg-
ing that diesel and petrol are likely to remain the key fuels for many years to come. I referred to the Alternative Fuels Conversion Program, which does provide grants to vehicle owners to offset the cost of natural gas conversions and upgrades to purchased new vehicles. That is the key program in this area. I understand that of course it does require specialist refuelling facilities. There is a limit to which the taxpayers should be funding these things. The taxpayer is effectively subsidising the use of CNG by the tax-free status that it enjoys. It will not start to pay any excise until 2011, when an excise will be phased in—but we will continue to have a 50 per cent discount to fossil fuels on an energy content basis. So we do think the government’s—(Time expired)

**Internet Safety**

Senator PATTERSON (2.38 pm)—My question is to the Minister for Justice and Customs, Senator Ellison. Will the minister update the Senate on the Australian government’s efforts to combat online child sex exploitation?

Senator ELLISON—There can be no greater priority than the protection of the children of Australia. This is a very relevant question during Child Protection Week. I want to acknowledge the great work that Senator Patterson has done in this regard and acknowledge her interest in this area.

This morning Senator Coonan, the Minister for Communications, Information Technology and the Arts, and I launched a significant initiative in the protection of children online in launching Cybersmart Detectives. This is an initiative that is sponsored by the Australian Communications and Media Authority and Australian law enforcement, particularly the Australian Federal Police. What it does is engage young Australians in relation to how they can use the internet more safely. Whilst the internet remains a great tool for information and education, it is no secret that lurking on the internet are people who want to prey upon children. We have seen examples of this with successful prosecutions and investigations carried out by the Online Child Sex Exploitation Team of the Australian Federal Police.

What this program does is increase the awareness of both parents and children alike and give those safe messages to young Australians who use the internet not to impart their personal details to people whom they have not met or do not know, to report any contact that they have on the internet that they feel uncomfortable with and of course never to meet face to face with someone who has made contact with them over the internet unless they do so in the company of a parent. But, importantly, it also builds a relationship between children who use the internet and people in law enforcement. I want to acknowledge the great work that the Australian Federal Police do in conjunction with the state and territory police around this country.

This initiative is a whole-of-government approach. I want to congratulate those involved in it, from Senator Coonan’s department, from the Australian Communications and Media Authority and from the Australian Federal Police, on working together to bring about an initiative that can bring added safety and assurance to those families who have children who deal with the internet.

The question deals with the wider aspect of online child sexual exploitation. This initiative that we launched today is a very important one. But it is also very important that we bring the perpetrators to justice—those people who prey upon children using the internet. It is disturbing to realise that the Online Child Sex Exploitation Team of the Australian Federal Police have laid no less than 200 charges. They are working 24 hours a day with overseas law enforcement in a
virtual global task force monitoring the internet internationally to track down those paedophiles who want to prey upon our children. It is interesting to note that it has received just under 500 international referrals from foreign law enforcement.

What you have to remember is that the internet knows no boundaries, whether they be state, territory or international. That is the challenge that we face with the internet today. When I was recently in Washington I met with the director of the FBI. We agreed strongly that we needed international cooperation to fight the scourge of those predators who use the internet to prey upon children. We will continue to do that internationally; we will continue to do that nationally and domestically. What we saw today was another step forward in the protection of young Australians who want to use the internet. I commend it to all Australian families to have a look at Cybersmart Detectives. It is a good program and it is there for the protection of children.

**Telstra**

Senator CONROY (2.42 pm)—My question is to Senator Minchin, the Minister for Finance and Administration. Does the minister recall telling the Senate yesterday that he was ‘not aware of any direction or instruction or commentary’ on behalf of the government about the detail of the entitlement offer to existing Telstra shareholders? Is the minister aware of reports in today’s Financial Review that an adviser on the sale told the newspaper on 27 August that a discount for shareholders was ‘in the mix’ but later told the media to play down this suggestion? As the minister responsible for the sale, isn’t the minister also responsible for the actions of the T3 sale team? Can the minister now explain what action he has taken to identify and sack this member of the government’s T3 sale team for deliberately misleading the market? Will the minister also refer the matter to ASIC for investigation to ensure the integrity of the T3 sale offer?

Senator MINCHIN—This is the most pathetic beat-up by the Labor Party imaginable. The Labor Party do not agree with selling this business at all—and now they are lecturing us about probity. This is a ridiculous beat-up. The government has made it clear, and I have made it clear, that there will be an entitlement for existing Telstra shareholders. I have made it clear that we will not be going into any detail as to what that entitlement will be. I cannot help financial journalists and others in the media speculating about what that entitlement might be. There has been no direction or instruction from me or anyone else to encourage any speculation on that. I am not going to listen to these ridiculous beat-ups from the Labor Party about this sale process.

Senator CONROY—Mr President, I ask a supplementary question. I again ask the minister: what is he doing to find out which member of his team leaked this information to journalists? Is the minister aware that the Financial Review also quoted a stockbroker saying that, if Telstra were a small mining company, the stock would have been suspended by now? Hasn’t the market in Telstra shares been hopelessly compromised by the government and the behaviour of individuals on your T3 sale team? Will the minister accept responsibility and ensure that the sale team fully complies with the law?

Senator MINCHIN—I am certainly not going on a wild goose chase at the behest of Senator Conroy to track down some mythical figure that exists only in the mind of Senator Conroy. The government will of course comply fully with the law in the marketing of T3. Senator Conroy is the only one suggesting any issues in relation to that. The market remains orderly. The market under-
stands that the government have wanted to sell further shares since we passed the legislation in this place a year ago to enable us to sell further shares. The offer is being handled in the most professional manner, and I commend all of the Telstra sale team on the professionalism which they are exhibiting.

**Spotted Handfish**

**Senator MILNE (2.45 pm)**—My question is to Senator Ian Campbell, the Minister for the Environment and Heritage, and relates to the endangered spotted handfish—a small, colourful fish that more commonly walks on its fins rather than swims—of which there are fewer than 1,000 adult fish remaining in the wild. In view of the threat outlined in the Commonwealth’s own recovery plan—namely siltation of key estuaries caused by land clearing and coastal development, particularly those that involve dredging—will he inform the Walker Corporation, proponents of a canal development, a controlled action, at Ralphs Bay in Tasmania, that the Commonwealth will rule out any dredging at the proposed site, consistent with the recovery plan and the Derwent Estuary Water Quality Improvement Plan for Heavy Metals?

**Senator IAN CAMPBELL**—With all of these assessments for projects, the relevant authorities that are making the assessments should be allowed to go through proper process. As I understand it, it is in fact a controlled action, as Senator Milne has indicated, and it is currently being reviewed and assessed by my department under the appropriate provisions of the federal Environment Protection and Biodiversity Conservation Act. I will await the advice of my department. To all interested Tasmanians—and, in fact, all interested Australians—I undertake to thoroughly read my department’s advice and make an informed decision once I have done so.

**Senator MILNE**—I ask a supplementary question, Mr President. I note that there is no implementation schedule for the recovery plan for the spotted handfish. Has he been lobbied by former environment minister, Graham Richardson, or any other lobbyist for the proponents? If so, what advice has the minister given the proponents regarding any action he intends to take with regard to the spotted handfish? If he has not been lobbied by Graham Richardson, or any other lobbyist, will he now proactively inform the proponents that any development at Ralphs Bay that poses a threat to the endangered spotted handfish or results in the disturbance of heavy metal-laden sediments will not be approved?

**Senator IAN CAMPBELL**—I think it would be a perversion of a well-understood process under one of the world’s most respected environment laws—the federal EPBC Act—for me, without reading the report or any of the scientific assessments, to go off and inform a proponent, either via a lobbyist like Mr Richardson or anyone else. I do not believe I have had any contact from Richo, but I am quite happy if he does contact me. I think he used to sit around here in the chamber, didn’t he? I do not believe I have had contact, but I would be happy to talk to him or anyone else. I am happy to engage with people. For me to proactively—to use the senator’s word—go off and tell people and pre-empt an assessment process would be wrong and I will not do it. The government has a superb record in relation to recovery plans for threatened species—a record for all the world to see. We are spending tens of millions of dollars on recovery plans for a range of threatened species. We will of course look very carefully at the assessment when we receive it.
Defence Headquarters Joint Operation
Command: Bungendore

Senator MARK BISHOP (2.49 pm)—My question is to Senator Minchin, the Minister for Finance and Administration. Is the minister aware of comments by the member for Eden-Monaro, Mr Nairn, on ABC Radio on 23 August that the lease on the joint headquarters at Bungendore would ultimately cost taxpayers more than $1.2 billion? Isn’t this new estimate of cost six times the project’s original budget of $200 million when it was first announced in the 2001 federal election campaign? Is it also the case that construction work on the headquarters, which was meant to be finished next year, still has not started, five years after it was first announced by the government? Is the minister able to clarify precisely when construction work will finally get under way? Can the minister also guarantee that taxpayers will not have to pay for further cost blowouts on this project, considering the government has only released costings for the first year of the lease?

Senator MINCHIN—I commend Senator Bishop on his assiduous pursuit of this issue—it is the proper role of oppositions. But I do think he has confused two different concepts—and he is not the only one to have done so. I think there is a misunderstanding of the difference between the capital costs of this project and the whole-of-life project costs. The successful consortium that has won this contract was selected as the preferred tenderer after a very detailed, rigorous, value-for-money evaluation process conducted by the defence department. The Minister for Defence announced on 18 August that financial closure has been reached for this $300 million project—and that figure is in 2003-04 dollars. That 2003-04 figure, which was the one used, translates to $339 million in 2006-07 dollars, allowing for inflation. That is the capital cost of the project. The figure of more than $1 billion that you properly said Mr Gary Nairn, the member for Eden-Monaro, had mentioned—and I think the Sun Herald also had a figure in excess of $1 billion—refers to the nominal whole-of-life service payments over the 30-year term of the contract that has been signed. The whole-of-life cost includes the forecast impact of inflation and covers a much broader range of costs than simply the capital cost. It includes the services, maintenance and midlife refurbishment costs for the 30-year period of this contract.

The winning consortium will be paid an annual service payment, which will commence after the facility is commissioned in late 2008. I am sorry that I do not have the exact commencement date but I am advised that we expect the facility to be commissioned in late 2008. The first full-year payment will be $39.9 million commencing in 2009-10. That is consistent with the nature of what is a public-private partnership contract. We think we can do these things a little bit better than perhaps the New South Wales Labor government can in its experience. We think we can at least do better than that.

Under such arrangements the private sector partner does not receive service payments until the completion due date when the facility must be complete and operational. The annual service payment represents the cost to the defence department of the buildings and infrastructure and the cost of the range of services provided such as access control, cleaning, administrative and clerical support, waste removal and maintenance services. So I think that there are two different concepts. Both the $300-odd million is right when it refers to the capital cost, but so is the figure in excess of $1 billion, because it refers to be 30-year life of contracts.

Senator MARK BISHOP—Mr President, I ask a supplementary question arising
out of that response from the minister, which was essentially accurate. If private financing of essential Defence projects such as this, and outlined by the minister, represents value for money, as the defence minister claims, shouldn’t the government show its own benchmarks to justify how this is so as opposed to merely asserting such? In that context, how is it possible for a building pegged at a cost of $339 million in this year’s budget papers to end up costing taxpayers more than $1.2 billion?

Senator MINCHIN—Again, I think that Senator Bishop is guilty of almost deliberately confusing the minds of those listening and this chamber about the difference between the initial capital cost and the 30-year whole-of-life maintenance cost. That is the difference. That is one of the great things I think about going into these private financing arrangements. That is why state Labor governments are actively, properly and sensibly pursuing these sorts of arrangements with a whole range of facilities like schools, prisons, hospitals and various other things. We have a very diligent approach to public-private partnerships. The policy is administered by my department, but it is a matter for Defence itself. I am happy to see if Defence can release any further information to you about the criteria to ensure that a proper value-for-money judgement was made, but I am satisfied that that was the case in relation to this very important project.

The Arts

Senator HUMPHRIES (2.55 pm)—My question is to the Minister for the Arts and Sport, Senator Kemp. Will the minister inform the Senate of the Australian government’s measures to enhance Australia’s national institutions, particularly its cultural institutions? Is the minister aware of any alternative policies?

Senator KEMP—I thank my colleague Senator Humphries for the question. Senator Humphries, as well as being a former Chief Minister, was also the ACT Minister for the Arts, and a very good one. The ACT is very fortunate that they have a senator in this chamber who takes a close interest in the arts. Not all do, I have to say, but Senator Humphries does and that is much to be commended.

The coalition is committed to the long-term development of the arts and cultural activities in Australia. This is demonstrated by the budget for the arts this year. The Australian government will invest around $640 million in the arts in 2006-07. As Senator Humphries would know, above all the ACT is home to many of Australia’s most respected and well-known cultural institutions. The National Archives, the National Portrait Gallery, Old Parliament House, the National Library, the National Film and Sound Archives and the National Museum of Australia all contribute to the environment in which the arts and culture can thrive.

As I think all senators would know, the coalition have provided record levels of support to these important institutions during our term in government. For example, this year we will be providing over $64 million to the National Library of Australia. In the budget it was announced that the National Library will receive an additional $10 million over four years for the construction of a purpose-built storage facility, which was in fact opened in August this year. The library is also receiving $10.7 million over four years from 2006-07 to undertake a series of capital works including upgrades of the collection storage facilities at its Parkes building.

The National Portrait Gallery was a very important announcement that the government made in the last election. In fact, Sena-
ator Humphries was so excited by this announ-
cement that he managed to persuade me to come up to announce this policy on the 
shores of the lake. This policy was welcomed 
by just about everybody in the ACT with the 
sole exception of Senator Lundy. Why Sena-
tor Lundy would be opposed to the develop-
ment of a new National Portrait Gallery com-
pletely eluded me and it eluded the electors. 
But Gary Humphries was in there pitching, 
and good on him. Old Parliament House will 
receive further support as a result of the last 
budget, including the creation of a Gallery of 
Australian Democracy. There has been fur-
ther additional money provided to the Na-
tional Museum following the report and the 
National Gallery has received additional 
funds as has the National Archives.

You asked me whether there are any alter-
native policies. Senator Humphries, I have to 
say that there have been eight or nine 
shadow arts ministers—and they are still 
counting—over this period. There is a ques-
tion whether Mr Garrett is a shadow arts 
minister because, as you know, he is a par-
liamentary secretary. That is a most unfortu-
nate downgrading of the arts portfolio. There 
was merger mania in the arts portfolio as a 
result of Senator Lundy’s policy, and I am 
not sure whether that policy has been 
dropped by the Labor Party. It is completely 
opposed by the arts community. So I thank 
Gary Humphries for that very important 
question. I can assure you, Senator 
Humphries, that the arts are in safe hands.

**Drugs in Sport**

**Senator LUNDY** (3.00 pm)—My ques-
tion is to Senator Kemp, the Minister for the 
Arts and Sport. Is the minister aware that the 
AFL’s antidoping policy gives players two 
chances to test positive to illegal drugs be-
fore they are sanctioned or their names are 
made public? Can the minister advise 
whether this policy complies with the World 
Anti-Doping Authority code? Can the minis-
ter also indicate whether the AFL have met 
the antidoping requirements of their own 
policy, the policies of the Australian Sports 
Commission or the rules of the Australian 
Sports Anti-Doping Authority? Didn’t the 
minister himself also note last week that the 
AFL’s practice was out of step with commu-
nity expectations? If the minister is con-
cerned, can he advise the Senate of any ac-
tion he has taken to ensure that the AFL 
comply with their own rules, the rules of the 
ASC and those of the Sports Anti-Doping 
Authority, and stop undermining the gov-
ernment’s zero tolerance approach to drugs 
in sport?

**Senator KEMP**—Of course, you are 
quite right, Senator Lundy: this government 
has zero tolerance of doping in sport—zero 
tolerance.

**Senator Robert Ray interjecting**—

**Senator KEMP**—Senator Ray thinks it is 
funny, but I tell you, Senator Ray, this is a 
serious topic. Senator Lundy, if you can just 
cast your mind back perhaps 1½ years or so, 
you will recall there was a significant debate 
regarding whether the AFL and a number of 
other professional sporting codes would be-
come WADA compliant. After a bit of public 
debate, the AFL decided that they would be-
come WADA compliant. So as far as I know, 
Senator Lundy, the AFL, along with every 
other major sporting organisation in Austra-
ilia, is WADA compliant.

What has happened is that the AFL—and 
they are to be congratulated for this—have 
an additional testing code. So, on top of their 
WADA compliance, they do tests for certain 
drugs out of competition. We welcome that; 
we think that is important. The debate, how-
ever, is whether the sanc-
tions under that additional testing arrange-
ment are sufficient and whether the reporting 
requirements are sufficient. We welcome the
lead the AFL has taken, but from my point of view—and, I suspect, from your point of view, Senator Lundy, judging from the tone of your question—the sanctions and the reporting arrangements are out of touch with community expectations. They are not seen to be rigorous enough. I think sporting clubs want to know the names of the players, and I have called on the AFL, as you would be aware, to have another look at their code—which, as I said, is in addition to the WADA code—and look more closely at how the sanctions are applied and how the reporting arrangements are applied.

So I hope that the AFL will do that. I think there has been significant public debate on this issue. I think the AFL have got the chance to show some very real leadership in this area. I hope that they will grasp that chance, Senator Lundy, because with a major sporting code like the AFL it is important that they do set an example for the rest of the community. They are WADA compliant. They have put in place an additional regime. I think the fact of the matter is that there is a very good chance for them now to take some very strong action in this area and take a real lead in Australia.

Senator LUNDY—Mr President, I ask a supplementary question. How does the minister respond to the concerns of Australian International Olympic Committee member Mr Kevan Gosper that the AFL’s actions will damage Australia’s international reputation in the fight against drugs in sport? If the minister is concerned, can he explain what he has done to ensure that Australia’s reputation is not damaged by the failure of the AFL to meet the requirements of the World Anti-Doping Code or indeed community standards?

Senator KEMP—One of the things I have done is make sure that when Labor senators make outlandish claims they are appropriately corrected in this chamber. I will not take you back over that particular history, Senator Lundy; that may be a debate for another day. I have made it very clear to the AFL what my views are on this particular matter. The AFL are WADA compliant. The AFL have signed up to the WADA code, and that is very important. But in my view, with the additional testing that they do, the AFL can now take a real lead, look more closely at their sanctions and have some tougher sanctions and a more open and transparent reporting process.

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

ANSWERS TO QUESTIONS ON NOTICE

Question No. 1796

Senator ALLISON asked the Minister representing the Minister for Health and Ageing, upon notice, on 15/5/2006:

CHAMBER
With reference to the proposed new access card for health and welfare services:

(1) (a) What proportion of the estimated savings of up to $3 billion over 10 years is estimated to be due to fraud; and (b) can a breakdown of the figures relating to fraud be provided.

(2) (a) What data is available on the number of fraud incidences per year for each of the 17 health and social services programs within the Human Services portfolio that will be covered by the new access card; and (b) can this information be provided broken down by the type of fraud and program for the past 5 years.

(3) For the past 5 years, what is the estimate of annual funds illegally obtained through fraud for each of the 17 health and social services programs within the Human Services portfolio that will be covered by the new access card (can this information be provided broken down by the type of fraud and program).

(4) What proportion of funds is illegally obtained through fraud by: (a) service providers and their employees; (b) service users; and (c) other members of the public intent on defrauding the government.

The Minister for Human Services has provided the following answer to the honourable senator's question:

(1) The health and social services access card was not introduced as a savings measure. The savings estimate of up to $3 billion over 10 years was developed by KPMG on the basis of high level estimates of fraud and leakage, particularly in Centrelink and Medicare Australia.

(2) (a) & (b) and (3) Medicare Australia

The available data relating to the number of fraud incidences for Medicare Australia is shown in Table 1 below. This data is not available for 2001-02 and has thus not been provided.

Medicare Australia investigates over two hundred new cases of suspected fraud each year. Where fraud can be proven, the matter is referred to the Commonwealth Director for Public Prosecution. Proven incidences of fraud are categorised only by provider, pharmacist or patient. Further categorisation by type of fraud would require close examination of case files and would be a significant project for which Medicare Australia has no assigned resources.

Table 1: Number of incidences of fraud investigated by Medicare Australia

<table>
<thead>
<tr>
<th></th>
<th>2002-03 financial year</th>
<th>2003-04 financial year</th>
<th>2004-05 financial year</th>
<th>2005-06 financial year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>MBS</td>
<td>PBS</td>
<td>Other*</td>
<td>Total</td>
</tr>
<tr>
<td>New investigations created</td>
<td>220</td>
<td>0</td>
<td>0</td>
<td>220</td>
</tr>
<tr>
<td>CDPP referrals</td>
<td>13</td>
<td>2</td>
<td>19</td>
<td>31</td>
</tr>
<tr>
<td>Prosecutions</td>
<td>26</td>
<td>0</td>
<td>26</td>
<td>56</td>
</tr>
</tbody>
</table>

*Other includes referrals that were not specifically categorised at the time and would require analysis of old cases to ascertain the relevant category – a project for which Medicare Australia has no assigned resources.

Medicare Australia is unable to provide an estimate of the funds illegally obtained through fraud.

Centrelink

Information regarding the number of convictions recorded for welfare fraud is available only for the entitlement to payments. The available information is shown below in Tables 2 to 6.
**Table 2:** Centrelink prosecution activity 2000-01. A total of 2,788 convictions were recorded for welfare fraud involving $26.4 million for the 2000-01 financial year. Of those cases prosecuted, 98.8 per cent were convicted.

<table>
<thead>
<tr>
<th>Output</th>
<th>No.</th>
<th>Social Security/Family Assistance Acts</th>
<th>Convictions</th>
<th>Amount Involved</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Crimes and Criminal Code Acts</td>
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<td>$000</td>
</tr>
<tr>
<td>1.1 Family Assistance</td>
<td>27</td>
<td>621</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.2 Youth and Student Support</td>
<td>73</td>
<td>426</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.1 Housing Support</td>
<td>1</td>
<td>45</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.1 Labour Market Assistance</td>
<td>2,397</td>
<td>22,053</td>
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</tr>
<tr>
<td>3.2 Support for People with a Disability</td>
<td>141</td>
<td>2,184</td>
<td></td>
<td></td>
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<tr>
<td>3.3 Support for Carers</td>
<td>23</td>
<td>192</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.4 Support for the Aged</td>
<td>36</td>
<td>859</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special Circumstances [2]</td>
<td>90</td>
<td>0</td>
<td></td>
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<tr>
<td><strong>Total</strong></td>
<td>2,788</td>
<td>26,381</td>
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Notes:

[1] 98.8% of cases prosecuted resulted in a conviction.

[2] Non-customers prosecuted for failure to provide information and for being knowingly concerned in customers' offences.

**Table 3:** Centrelink prosecution activity 2001-02. A total of 2,856 convictions were recorded for welfare fraud involving $27.9 million for the 2001-02 financial year. Of those cases prosecuted, 98.7 per cent were convicted.

<table>
<thead>
<tr>
<th>Output</th>
<th>No.</th>
<th>Social Security/Family Assistance Acts</th>
<th>Convictions</th>
<th>Amount Involved</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Crimes and Criminal Code Acts</td>
<td>No. [1]</td>
<td>$000</td>
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<tr>
<td>1.1 Family Assistance</td>
<td>19</td>
<td>330</td>
<td></td>
<td></td>
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<tr>
<td>1.2 Youth and Student Support</td>
<td>161</td>
<td>1,170</td>
<td></td>
<td></td>
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<tr>
<td>2.1 Housing Support</td>
<td>1</td>
<td>14</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.1 Labour Market Assistance</td>
<td>2,448</td>
<td>22,849</td>
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<tr>
<td>3.2 Support for People with a Disability</td>
<td>145</td>
<td>2,295</td>
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<tr>
<td>3.3 Support for Carers</td>
<td>24</td>
<td>238</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.4 Support for the Aged</td>
<td>40</td>
<td>984</td>
<td></td>
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<tr>
<td>Special Circumstances [2]</td>
<td>18</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,856</td>
<td>27,880</td>
<td></td>
<td></td>
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</table>

Notes:

[1] 98.7% of cases prosecuted resulted in a conviction.

[2] Non-customers prosecuted for failure to provide information and for being knowingly concerned in customers' offences.
Table 4: Centrelink prosecution activity 2002-03. A total of 2,829 convictions were recorded for welfare fraud involving $30.9 million for the 2002-03 financial year. Of those cases prosecuted, 98 per cent were convicted.

Centrelink prosecution activity, 1 July 2002 to 30 June 2003.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. [1]</td>
<td>$000</td>
</tr>
<tr>
<td>1.1 Family Assistance</td>
<td>26</td>
<td>875</td>
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<tr>
<td>1.2 Youth and Student Support</td>
<td>235</td>
<td>1,816</td>
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<td>3.1 Labour Market Assistance</td>
<td>2,193</td>
<td>21,200</td>
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<td>3.2 Support for People with a Disability</td>
<td>242</td>
<td>4,556</td>
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<td>3.3 Support for Carers</td>
<td>38</td>
<td>427</td>
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<td>3.4 Support for the Aged</td>
<td>60</td>
<td>1,931</td>
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<tr>
<td>Special Circumstances [2]</td>
<td>35</td>
<td>138</td>
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<td>Total</td>
<td>2,829</td>
<td>30,943</td>
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</table>

Notes:
[1] 98% of cases prosecuted resulted in a conviction.
[2] Non-customers prosecuted for failure to provide information and for being knowingly concerned in customers’ offences.

Table 5: Centrelink prosecution activity 2003-04. A total of 2,977 convictions were recorded for welfare fraud involving $36.6 million for the 2003-04 financial year. Of those cases prosecuted, 98 per cent were convicted.


<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. [1]</td>
<td>$000</td>
</tr>
<tr>
<td>1.1 Family Assistance</td>
<td>17</td>
<td>622</td>
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<tr>
<td>1.2 Youth and Student Support</td>
<td>404</td>
<td>3,276</td>
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<tr>
<td>3.1 Labour Market Assistance</td>
<td>2,100</td>
<td>23,798</td>
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<tr>
<td>3.2 Support for People with a Disability</td>
<td>331</td>
<td>6,032</td>
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<tr>
<td>3.3 Support for Carers</td>
<td>32</td>
<td>534</td>
</tr>
<tr>
<td>3.4 Support for the Aged</td>
<td>73</td>
<td>2,331</td>
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<tr>
<td>Special Circumstances [2]</td>
<td>20</td>
<td>29</td>
</tr>
<tr>
<td>Total</td>
<td>2,977</td>
<td>36,622</td>
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</tbody>
</table>

Notes:
[1] 98% of cases prosecuted resulted in a conviction.
[2] Non-customers prosecuted for failure to provide information and for being knowingly concerned in customers’ offences.
Table 6: Centrelink prosecution activity 2004-05. A total of 3,446 convictions were recorded for welfare fraud involving $41.1 million for the 2004-05 financial year. Of those cases prosecuted, 98 per cent were convicted.

Centrelink prosecution activity by Payment, 1 July 2004 to 30 June 2005

<table>
<thead>
<tr>
<th>Payment</th>
<th>Convictions</th>
<th>Amount Involved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age Pension [2]</td>
<td>72</td>
<td>$2,508,114</td>
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<tr>
<td>Austudy Payment</td>
<td>108</td>
<td>$1,185,713</td>
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<tr>
<td>Carer Payment</td>
<td>37</td>
<td>$628,959</td>
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<tr>
<td>Newstart Allowance [4]</td>
<td>1,608</td>
<td>$14,050,518</td>
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<tr>
<td>Parenting Payment Partnered</td>
<td>80</td>
<td>$836,437</td>
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<tr>
<td>Parenting Payment Single</td>
<td>740</td>
<td>$11,202,412</td>
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<tr>
<td>Widow Allowance</td>
<td>19</td>
<td>$305,585</td>
</tr>
<tr>
<td>Youth Allowance</td>
<td>379</td>
<td>$3,223,657</td>
</tr>
<tr>
<td>Other [5]</td>
<td>83</td>
<td>$1,185,466</td>
</tr>
<tr>
<td>Total</td>
<td>3,446</td>
<td>$41,150,735</td>
</tr>
</tbody>
</table>

Notes:
[1] 98% of cases prosecuted resulted in a conviction.
[2] Age Pension includes Wife’s Pension (Age) and Widow B Pension.

(4) This information is not available from either Centrelink or Medicare Australia.

QUESTION TIME: RULING

Senator ROBERT RAY (Victoria) (3.06 pm)—Mr President, I would like to raise a delayed a point of order which I did not take in order not to disrupt question time. Earlier today, you rebuked Senator Evans for interjecting—I make no comment on that. He took a point of order and you sat him down midpoint in the point of order, which is your right under standing order 197(5), which says you may hear argumentation or not. But I have to say that is normally applied by presidents to someone who is in the middle of a frivolous point of order or is argumentative in a point of order. That is traditionally the way it has been applied in this chamber. After you sat Senator Evans down—this is my concern—you indicated to the chamber that you sat him down because he was provoking further interjections. I do not think, on reflection, that is a particularly good ruling and a good enough reason to sit someone down at midpoint. I would ask you, Mr President, to ponder on this and come back to the chamber as to whether we really want to adopt House of Representatives practice, where the presiding officers regularly sit down people taking points of order before hearing the substance of the point of order. I would ask you to reflect on that and report back to the chamber at some stage.

The PRESIDENT—I will reflect on that, Senator. As you may recall, there was a lot of noise in the chamber. Some senators were...
being particularly noisy and, most importantly, were not obeying the direction from the chair. That is the hardest part that I have to deal with here. When I call people to order, they refuse to come to order. That is why what I say at times might not be correctly stated. The fact is that I have a duty to try and maintain order in this place. If people are continually shouting across the chamber at each other, it makes my job very difficult. I will look at that situation.

Senator Vanstone—Mr President, I rise on a similar point of order. I do not have any difficulty with what Senator Ray suggests, because it will give you an opportunity to reflect and then come back to us and say such as you will. If you take up the suggestion put forward by Senator Ray and respond to the Senate, I hope that you will make some remarks with respect to those senators who, when you are in the process of telling them that you think there is no point of order or making some other remark in order to keep order in this place—for example, that they should cease interjecting—consistently answer you back while you are in the process of keeping that order and seem to take the approach that, should you dare put them in their place, they will consistently challenge you. There are times, and many people have been in this situation, when rulings will be made that we would rather not be made. But I do not think that any of us can accept a situation where someone consistently calls your authority into question. I invite you to make remarks with respect to that should you choose to take up Senator Ray’s offer.

ANSWERS TO QUESTIONS ON NOTICE

Question No. 1148

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (3.09 pm)—I seek leave to incorporate a response to question on notice No. 1148 from Senator Allison which has been outstanding for some considerable time. It was dated 7 September 2005.

Leave granted.

The answer read as follows—

QUESTION NO. 1148

Senator Allison asked the Minister for Communications, Information Technology and the Arts, upon notice, on 7 September 2005:

1. Can the Minister clarify a recent statement that the Government will ensure services to customers in areas of ‘market failure’ after full privatisation of Telstra.

2. Are ‘areas of market failure’ determined by the Government to be in: (a) rural; (b) remote; or (c) metropolitan, areas.

3. What is the Government’s definition of ‘market failure’.

4. To what extent and how does the Government consider that the privatisation of the Telstra environment will facilitate competition in areas of ‘market failure’.

5. Has the Government accepted that areas of ‘market failure’, however defined, are never likely to attract competition.

6. Does the Government agree that the commitment to ensure services to customers in areas of ‘market failure’ provides a perverse incentive for Telstra to: (a) withhold or diminish services in these areas; and (b) impede efforts by competitors to set up service provision in these areas.

7. What is the extent of ‘market failure’ that has been caused by Telstra’s prevention of other businesses from setting up services.

8. How will the Government deal with the well-documented cases of Telstra pushing small competitors out of business when they try to establish competing businesses, particularly in regional areas in, for example, Crookwell, Bungendore and Albury-Wodonga.

9. How will the Government deal with excessive regulatory gaming by Telstra, whereby it effectively delays or prevents access by competitors to declared services.
(10) What is the Government’s estimation of the effect of the proposed additional regulation on: (a) Telstra’s annual profits; and (b) Telstra’s share price.

(11) Does the Government have a conflict of interest in protecting the shareholders from the cost of additional regulation and ensuring consumers receive the benefits of modern telecommunications infrastructure and services; if so, to what extent.

(12) How will the Government reconcile the mutually exclusive objective of providing for effective regulation of telecommunications and maximising Telstra’s share price.

(13) How will the Government ensure that the operational separation model for Telstra creates an incentive for Telstra to treat its retail arm and its competitors equitably.

(14) How will the Government ensure that Telstra does not operate its retail arm at a loss by charging high wholesale prices to itself and competitors.

(15) Will the Government give the Australian Competition and Consumer Commission (ACCC) divestiture powers in case operational separation fails.

(16) What were the reasons for structural separation of Telstra not being considered in the package.

(17) Does the Government agree that the fact that Telstra is vertically integrated is the single most important factor in Australia being ranked 21st in broadband penetration in the Organisation for Economic Co-operation and Development (OECD) Communications Outlook, 2005.

(18) How does Australia compare with other OECD countries in terms of the rate of penetration of broadband, as opposed to the current rate of uptake.

(19) Does the Government acknowledge that Australia’s rate of uptake is relatively high because it starts from a very low base compared with other OECD countries.

(20) How does the Government’s definition of ‘broadband’ differ from other countries in the OECD.

(21) What will the Government do about the obvious weakness [of the] anti-competitive conduct regime in the Trade Practices Act as demonstrated by the ACCC’s experience with the Telstra broadband pricing competition notice.

(22) What will the Government do to make it easier for Telstra’s competitors to get access to reasonably-priced backhaul.

(23) How will the Government ensure that people in regional areas where there is no competition receive better broadband services as standards improve in metropolitan areas.

(24) What safeguards will the Government put in place to ensure that money put aside for regional areas will: (a) not simply fall back into Telstra’s hands so as to cement its monopoly in regional areas; and (b) be applied equitably and not directed to Coalition or marginal electorates.

Senator Coonan – The answer to the honourable senator’s question is as follows:

(1) Yes. The Government’s policy is to target assistance, in the form of funding programs, to those areas where the competitive market alone does not meet consumers’ needs for a timely, quality service at reasonable cost.

(2) and (3)

Market failure may occur anywhere where commercial incentives do not exist to provide key services to consumers at a reasonable cost and in a timely manner.

(4) Telstra’s shareholding structure has no direct effect on the existence or otherwise of market failures.

(5) In the long term, technological and market developments have the ability to increase functionality and reduce costs for the provision of services. This can make previously unsustainable business cases commercially sustainable. Hence, the number of instances of market failure are likely to diminish over time.

While market failures continue to exist, they will continue to be addressed by the measures previously mentioned.
(6) (a) No.
   (b) No.
(7) Should this conduct occur, the Government has established competition laws that are able to deal with it.

The ACCC as the competition regulator has extensive powers under the Trade Practices Act to investigate and, where appropriate, prosecute anti-competitive conduct. Under Part XIB of the Trade Practices Act the ACCC can issue a competition notice to carriers and carriage service providers with significant market power that it has reason to believe are engaging in anti-competitive conduct. Competition notices are designed to stop the conduct and open the way to substantial penalties and damages.

(8) See the answer to question 7. The investigation of instances of anti-competitive conduct is the responsibility of the ACCC.

(9) The Government has established a telecommunications access regime in Part XIC of the Trade Practices Act which confers rights on access seekers to obtain access to bottleneck services.

The Government has regularly made legislative amendments to close off opportunities for regulatory gaming.

The Telecommunications Legislation Amendments (Competition and Consumer Issues) Act 2005 conferred a wide discretion on the ACCC to set procedural rules for access applications under Part XIC of the Trade Practices Act, with a view to speeding up the resolution of those applications. It also removed the ACCC’s obligation to consult before making an interim determination, in certain circumstances, which again removed a source of delay.

The Telecommunications Competition Act 2002 made many procedural changes to facilitate timely access determinations under Part XIC, including removing merits review of the ACCC’s final access determinations, introducing time limits for decisions by the ACCC and the Australian Communications Tribunal on access and undertakings, limiting parties’ rights to introduce new evidence on the review of the ACCC’s decisions on access and undertakings, and introducing a requirement for the ACCC to promulgate model access conditions for access to core telecommunications services which will streamline access determinations relating to those services.

Earlier, the Trade Practices Amendment (Telecommunications) Act 2001 made streamlining changes to the Part XIC access regime which, among other things: required the ACCC to develop pricing principles to be applied in access determinations; introduced the option of alternative dispute resolution to quickly resolve disputes about access terms; removed access seekers’ rights to object to interim access determinations; enabled the holding of joint arbitration hearings to resolve common disputes; enabled the use of documents and information from one arbitration in another arbitration; and prevented certain decisions of the Australian Competition Tribunal from being stayed.

While taking robust action to foreclose opportunities for unjustified delaying tactics, the Government also recognises the need to ensure that parties to access proceedings are afforded a reasonable opportunity to argue their case and present evidence. This affords them procedural fairness and also facilitates the making of properly informed access decisions.

(10) The Government designs regulation to achieve the intended policy outcome in the most efficient way and without imposing any unnecessary costs or constraints on business. Regulatory action has to be accompanied by a Regulation Impact Statement (RIS) and to go through a consultation and cost-benefit analysis process.

The Government’s measures do not target Telstra’s annual profits or its share price. The measures seek to create a regulatory environment which serves the interests of consumers of telecommunications services and the Australian economy as a whole. Telecommunications businesses, including Telstra, have to operate in that environment.
(11) Yes. There is a latent conflict of interest whenever a government both sets regulations for an industry sector and has an interest in a commercial enterprise which operates in that sector. This is one of the reasons why the Government has decided to sell its remaining equity in Telstra.

(12) By selling its remaining shareholding in Telstra.

(13) In providing for the operational separation of Telstra’s wholesale, retail and network services business units with regard to the provision of designated services, the operational separation plan will have to ensure that:

- there is effective organisational and operational separation between Telstra’s wholesale and retail units, as well as between those units and its key network services unit;
- the wholesale unit is not able to be controlled or influenced by the retail unit; the key network services unit provides high quality and equivalent services to the retail unit and Telstra’s other wholesale customers;
- the wholesale unit maintains equivalence between the prices it charges the retail unit and the prices it charges Telstra’s other wholesale customers;
- Telstra establishes an internal compliance function to supervise compliance with the operational separation plan; and
- Telstra meets extensive reporting requirements relating to its activities covered by the operational separation plan (which involve reporting to both the Minister and the ACCC).

Thus, the operational separation plan will work through a combination of creating incentives, mandating specific actions, and providing for ongoing monitoring.

(14) Telstra’s freedom to charge its wholesale customers high wholesale prices for declared services is already constrained by the ACCC’s access price determinations applying to those services under Part XIC of the Trade Practices Act. The price benchmarking requirement in the operational separation plan will provide transparency to the ACCC that Telstra is not favouring its own retail activities over those of its wholesale customers.

(15) Access by Telstra’s competitors to Telstra’s declared wholesale services ultimately does not depend on operational separation. It is already guaranteed by Part XIC of the Trade Practices Act. Appropriate enforcement mechanisms are included in the Telecommunications Act. If Telstra contravenes the operational separation plan, the Minister can impose a rectification plan on Telstra. If Telstra fails to comply with the rectification plan, the ACCC can direct it to take specified remedial action. Compliance with the rectification plan is a condition of Telstra’s carrier licence.

The Act gives the Minister the power to vary the operational separation plan from time to time. This will enable the plan to be modified if it is considered not to be working in the way that was envisaged.

Section 61A of the Telecommunications Act requires the Minister to order a comprehensive review of operational separation before 1 July 2009 and to publish and table a report of the review. The review will provide an opportunity to assess how operational separation has worked.

(16) Given the high costs and risks associated with forced structural separation of Telstra, as compared to its uncertain benefits, the Government has concluded that operational separation is to be preferred. Operational separation will provide similar benefits to structural separation, in terms of greater transparency and diminished incentives and opportunities for discriminatory treatment of non-Telstra wholesale customers, without the costs and risks associated with structural separation.

(17) No.

(18) According to the latest OECD statistics (December 2005), Australia’s broadband penetration rose from 7.7 subscribers per 100 in-
habitants in 2004, to 13.8 in 2005. This compares to OECD averages of 10.2 and 13.6 subscribers per 100 inhabitants for those years. In terms of the net increase (growth) over the 2004-2005 period, Australia ranks 5th out of 30 OECD economies. (19) Australia’s high growth rate of broadband uptake in recent times is due to a wide range of factors. On the supply side, improved availability of Asymmetric Digital Subscriber Line (ADSL) infrastructure has underpinned strong uptake. On the demand side, changing consumer preferences and decreases in the price of broadband service packages have also fuelled strong growth, with many consumers switching to broadband from dial-up internet. (20) The OECD’s current definition of broadband is based on subscription by technology type including digital subscriber line services, cable modem services, satellite broadband internet, fibre-to-the-home internet access, ethernet LANS, fixed wireless subscribers. The latest guidance from the OECD regarding broadband definitions is contained in paragraphs 87 to 91 of the Guide to Measuring the Information Society, Working Party on Indicators for the Information Society, 8 November 2005 (OECD document DSTI/ICCP/IIS (2005) 6/FINAL). The Government’s guidelines for the Broadband Connect and Metro Broadband Connect programs specify that service providers offer customers a minimum speed of 256 kilobits per second. (21) The issuing of the broadband pricing competition notice by the ACCC was followed by a progression of price reductions by Telstra for its wholesale broadband services and culminated in the withdrawal of the notice by the ACCC in February 2005 after it was satisfied that the anti-competitive conduct had ceased. As part of the resolution of the notice, safeguard mechanisms were agreed to by Telstra, under which Telstra will give prior notice to the ACCC of retail price changes and special offers, so that the ACCC can carry out a preliminary assessment of their likely effect on competition and raise any concerns with Telstra. Various other steps were agreed to between the ACCC and Telstra to prevent a recurrence, including using independent expert advice to identify appropriate price relativities between retail and wholesale broadband prices. Telstra also offered its affected wholesale customers reduced wholesale prices and rebates amounting to $6.5 million. The competition notice was thus effective in producing a satisfactory outcome. Telstra reduced all of its wholesale broadband prices by at least 30%, and now provides wholesale DSL services in regional areas at metropolitan rates. The ACCC has stated that it believes this will increase competition between broadband providers in regional areas. Competition notices are a powerful aid to enforcement. They constitute prima facie evidence of the anti-competitive conduct specified in the notice, and thus facilitate the taking of enforcement action by the ACCC. The available enforcement actions for anti-competitive conduct (contained in Division 7 of Part XIB) include the following: • the ACCC can seek pecuniary penalties and an injunction from the Federal Court; • the Federal Court can award damages to any individual or company that has suffered loss or damage as a result of the anti-competitive conduct; and • any individual or company that has suffered such loss or damage can itself commence civil proceedings for damages against the perpetrator. There are no specific procedural requirements in the legislation which pose an obstacle to the ACCC taking appropriate and timely action to enforce a competition notice. (22) The telecommunications access regime under Part XIC of the Trade Practices Act which the Government has established ensures that there is fair access to services such as backhaul. The regime enables the ACCC to declare that for certain services Telstra must provide access to its network on fair and reasonable terms.
The ACCC has declared the domestic transmission capacity service, which can be used by regional broadband providers to access backhaul transmission capacity. Hence, this service is now subject to the access regime.

The ACCC published a high-level pricing principle in 2004 to provide guidance on how it would determine a reasonable price for transmission capacity should it be called upon to do so in the event of a dispute between Telstra and another party seeking to use its network.

The ACCC has recently indicated that it has started considering both the suitability of the existing transmission capacity declaration and its approach to pricing the transmission capacity service. The ACCC is making inquiries of Telstra and other broadband service providers to gain a better understanding of the market conditions that currently exist for transmission capacity in regional Australia. The ACCC is also examining whether further pricing guidance from the ACCC would promote more reasonable access to transmission capacity and what form any further guidance should take.

I have designated transmission as a designated service for the purposes of the Telstra operational separation plan. Subjecting the transmission service to operational separation will help to ensure transparency and equitable treatment of other service providers as regards the terms on which Telstra gives them access to the service.

(23) The Government is implementing a comprehensive communications package called Connect Australia – the major component of which is the $878 million Broadband Connect program which commenced on 1 January 2006. Broadband Connect provides subsidies to internet service providers to connect homes, small businesses and not-for-profit organisations to fast, reliable and affordable broadband services.

(24) The Government’s targeted assistance funding is available to all telecommunications providers, including Telstra. There are currently more than 45 registered Broadband Connect providers.

The Connect Australia programs are targeted towards under-served areas.

**QUESTION TIME: REARRANGEMENT**

Senator LUDWIG (Queensland—Manager of Opposition Business in the Senate) (3.10 pm)—Mr President, I rise on a point of order. I have just been notified that there is a change to the program for tomorrow which would move question time to 2.30 pm. I have not had time to find out why. The Leader of the Government in the Senate, Senator Minchin, might be able to explain what the situation is. To me, it is certainly very late notice.

The PRESIDENT—I am not aware of anything. Maybe someone here can enlighten us. It may well be because of the luncheon for the Prime Minister of Fiji.

Senator LUDWIG—It may very well be. If Senator Minchin were listening to me, he might be able to provide some—

Senator Faulkner—Senator Minchin, you’ve been asked a question.

The PRESIDENT—Order!

Senator Minchin—There is no need to be rude about it.

Senator Faulkner—I will be rude. You’re not listening.

The PRESIDENT—Order!

Senator LUDWIG—I have just been advised—although I could not get the full explanation—that question time will be moved to 2.30 pm. I will have an opportunity to examine that in detail, but that is the first I have heard of it. Apparently there is a lunch tomorrow. I have asked the President, by way of a point of order, what that situation is and whether it can be clarified by Senator Minchin, as the Leader of the Government in the Senate. Why have we not been notified of that in a more formal way? It would have been helpful to have that explained to us so
that we could take it through our usual practices.

The PRESIDENT—I suspect, as I said earlier, that it is due to an official luncheon. Obviously the House of Representatives have put their question time back, and so we fall into line with that. Minister, you might be able to provide an answer.

Senator Minchin—I understand there is some consideration of moving question time in the House of Representatives to 2.30 pm to accommodate the lunch, which I believe is for the Prime Minister of Fiji. Obviously, we would want to align our question time with theirs. I am awaiting advice as to whether question time in the House of Representatives will be moved. I would obviously prefer to remain with a time of 2.00 pm for question time in the Senate, but if there is any change to that we will advise the Senate immediately.

QUESTIONS WITHOUT NOTICE:
TAKE NOTE OF ANSWERS
Skilled Migration

Senator LUDWIG (Queensland) (3.12 pm)—I move:

That the Senate take note of the answers given by the Minister for Immigration and Multicultural Affairs (Senator Vanstone) to questions without notice asked by Senators Ludwig and George Campbell today relating to the 457 visa program.

We have again heard horror stories about employer abuse of 457 visas, but they are now continuing to pile up. It is one upon the next, upon the next. What is now more disturbing is that they are becoming more serious and more shocking as they come out. When you look at the number of 457 visas, you will see that they have increased by 66 per cent over the last two years. We have had a rise in the number of 457 visas. The 457 visa concept itself is a good initiative, but this government is making an art form of how to abuse it or how to let employers abuse it.

Today the employer sanctions bill went through, but it has a six-month introduction time before it will start to impact upon this situation. I would suggest that this government prefers that long delay so that employers can continue to abuse it. What also concerns me is that there are reports in the Age today about a person who came to Australia on a 457 visa. He first had to pay nearly $10,000 to an employment agency in China. When he got to Australia there was another $10,000 debt waiting for him which he had to repay to the employer. Those types of abuses are starting to not only be more widespread but be reflected in the media. This is a government that is not addressing the problems directly. This is a government which is allowing people to be grossly underpaid in this area, at a rate below the federal minimal award and where penalties are also seemingly not paid.

The Australian Manufacturing Workers Union calculated that that man was underpaid by nearly $400 a week based on the award rate and industry standards. You then have a situation where this person starts to be $1,100 out of pocket. The government’s answer to this is: other people in the other area might also have been underpaid. But that is not an answer to the 457 visa; it is a reflection, more likely, on the inability of this government to ensure compliance with its own laws more generally not only in the migration area but also in the Work Choices area, in their industrial relations laws or in their occupational health and safety laws. It seems to be a government that much prefers laws not to be obeyed. It will not ensure compliance because it is more convenient to ensure people get these types of jobs to help employers out. But it is not an aberration; it is a system showing the hallmark of a system out of control.
This is not how 457 visas were supposed to operate. They were intended to be used as part and parcel of a proper immigration system, but it is breaking down significantly. The aim of the Howard government’s extreme workplace relations legislation is to work hand-in-glove with Work Choices and 457 visas to drive down the wages and conditions of Australian workers. We also have the controversy surrounding the ABC Tissues work site where foreign workers employed on 457 visas were not covered by workers compensation insurance and could not fundamentally speak or read English, therefore safety signs and emergency procedures could not be followed. The government must ensure that these matters are addressed, but I do not think they want them addressed. I do not think it is a government that seriously wants these issues dealt with. When you look at the requirements for 457 visas, there is no requirement to test whether there are actual skills shortages in those areas before a company can access these visas. There is no requirement to check whether there is a glut of graduates such as in the IT sector. Even in that area, it seems to say it is okay to import foreign workers to do the work. (Time expired)

Senator HUMPHRIES (Australian Capital Territory) (3.18 pm)—Let me contribute to this debate by saying, first of all, I am extremely concerned about the way in which the opposition in question time today chose to use as fodder for its questions a series of matters that are obviously being investigated in Australian workplaces. The opposition is quite happy to characterise these matters as breaches of the law with respect to the use of section 457 visas and other infractions against good practice and proper dealing with such workers when the evidence on those matters for the most part is not yet clearly available to any of us—not to you, not to me, not to the minister, not to any of us. Again, we see what we saw very clearly with the Work Choices campaign run by the ACTU and the Australian Labor Party: a series of allegations thrown out willy-nilly creating an atmosphere of concern and, when the facts come in, we will all have moved onto something else.

As the minister made very clear in her remarks today in answer to questions, there is certainly the possibility that some cases have produced instances of people abusing their opportunities as employers under section 457 visas. The question here, with great respect, is not whether there are isolated cases of employers who choose to break the law; it is whether or not it is the way in which Australian employers are generally using section 457 visas. I have no hesitation in saying, despite the evidence presented today, there is absolutely no case for saying that Australian employers are using or abusing section 457 visas in the way alleged by the opposition. The vast majority of employers are using the visas appropriately to replace serious work skills shortages in this community. There is no doubt about that whatsoever.

Secondly, I reject the assertion that the government in some way is not concerned about breaches of the law. On what basis is that claim made? There have been a small number of cases drawn to the attention of the Senate. In each of those cases, the minister has indicated that she and her department are fully, properly and quickly investigating them. These issues are being taken seriously by all concerned. There is not a shred of evidence to suggest that the government does not want the laws to be obeyed or the issues to be seriously addressed, as Senator Ludwig suggested, because for some reason the government wants to allow employers to operate these sweatshops, exploit workers in this way, drive down their wages, treat them like dirt and somehow enhance the profitability of corporate Australia as a result. Those sug-
gestions are so laughable as to put great discredit onto members of the opposition in suggesting that they could seriously be entertained in this place.

Anybody in the workforce today knows that we face significant skills shortages. They know that we have a significant problem in this country, a problem growing as each year passes. Like so many other places in the world, we have no choice but to use the services of overseas workers, guest workers, to plug employment gaps in our workforce and our economy. That has to happen. Even Senator Ludwig has acknowledged that we have to have devices like section 457 visas.

Having accepted that fact, you cannot get away from the possibility that somewhere at some time an employer may be a rogue employer, may cut corners, may split those workers and may break the law. It is one thing to say that a thing can happen; it is quite another to suggest that in some way the government condones or encourages it. It is up to the opposition to produce the evidence of that, Senator Marshall and Senator Ludwig.

Senator George Campbell—We have!

Senator HUMPHRIES—No, you have not. You have produced no evidence of that whatsoever. You have asserted that there have been no proper investigations—there have been plenty of proper investigations. These matters have been thoroughly examined and are being examined at the present time. The allegations are being taken extremely seriously. When you indicate how they are not—that people are not being prosecuted for breaches of the law—then I will take your claims seriously. For the meantime, the government is pursuing these matters appropriately, and will continue to use section 457 visas to ensure Australians—

(Time expired)
fact of guest workers’ inferior wages and conditions being used as a means of undermining the wages and conditions of local workers, who were denied the contract despite the fact they had done similar work for the company on a previous site built in Queensland.

So it was drawn to the minister’s attention on 23 May. The company eventually got a meeting with the department on 23 June—it took a month to get a meeting with the department to discuss the issue! At that meeting, the circumstances of the case were again run across the department, but the case did not surface as an issue until August; the department had done nothing in the interceding month.

And what happened when there were inspections on the ABC Tissue site at Wetherill Park? What did they actually find, Senator Humphries? They found that workers were working on the roof, 15 metres in the air, with no safety rail and with no safety equipment whatsoever. They found that there were unqualified electricians handling exposed cables. They found that welders were wearing completely inadequate safety glasses. They found that there was handling of hydrochloric acid with no safety gear. They found that tools and equipment did not meet Australian standards. They found that there were no signs in Chinese on the site, despite the fact that the Chinese workers did not speak English. WorkCover said that those workers needed supervision at all times. The crowning glory was that there was one woman to interpret for all of the Chinese workers on the site, and she had to carry out administrative duties at the same time. The Labor Party are not blaming the workers, but it is obvious—

Senator McGauran—You are blaming the government.

Senator GEORGE CAMPBELL—Yes, we are. We are blaming the government because the government are allowing it to happen. It took the government seven years to make changes to the Migration Act in order to be able to take action against employers who are exploiting illegal workers. How long will it take the government to clean up their act in terms of properly supervising the use of these visas and the way in which employees who are brought into this country as temporary labour are looked after by the same terms and conditions as Australian workers? (Time expired)

Senator McGauran (Victoria) (3.28 pm)—In following Senator George Campbell in this debate, my only regret is that the proceedings of parliament are broadcast only on radio. I think it is about time we brought ‘Parl TV’ in because, if anyone could have seen the face of Senator George Campbell, it would have told them the real truth about what an absolute beat-up we are dealing with in relation to 457 visas. Let’s bring TV in so we can get right close up on Senator George Campbell and the speaker who is to follow me, because they are not telling the truth. They are seeking to pull down the 457 visa system. They are sullying it—

Senator Marshall—Mr Deputy President, I rise on a point of order. Senator McGauran is not able to make that claim under the standing orders.

The DEPUTY PRESIDENT—Senator McGauran, you will need to withdraw that comment.

Senator McGauran—You are blaming the government.

Senator GEORGE CAMPBELL—Yes, we are. We are blaming the government because the government are allowing it to happen. It took the government seven years to make changes to the Migration Act in order to be able to take action against employers who are exploiting illegal workers. How long will it take the government to clean up their act in terms of properly supervising the use of these visas and the way in which employees who are brought into this country as temporary labour are looked after by the same terms and conditions as Australian workers? (Time expired)
leading assertions as the Labor senators and the leader—

Senator Marshall—Which one?

Senator McGauran—Where do I begin? Let me start with Senator Evans, the Leader of the Opposition in the Senate. Some weeks ago, when questioning Senator Vanstone, Senator Evans created a case which was false in every line and every element: the caravan case. They are all blushing over there because I have mentioned the 457 visa case that Senator Evans raised which was utterly false. He misrepresented the facts when he said that unskilled workers had been brought in to work in a caravan park, when in fact those unskilled workers were the family of the skilled worker who was brought into this country. Senator Evans conveniently left out that particular fact. And that was not enough. Senator Evans decided that the classification of the job was ‘caravan worker’ when in fact it was ‘caravan manager’. I would be surprised if he did not know that. The position of a caravan manager is a skilled position.

It was not too long before Senator Ludwig gave the game up when he dovetailed this whole debate into the industrial relations debate. That is the key to the reason that the Labor Party continually raise this issue in the parliament. They are seeking to put fear into the minds of Australian workers by making them think that a foreigner is going to take their job and that they are going to experience lower wages—when nothing could be further from the truth. The facts are on the board: after millions of dollars have been spent, the Labor Party’s industrial relations campaign is already petering out. Spend some more—go right ahead; you have got 12 months before the next election to sell your case. I can tell you now: it is petering out, because the proof of the pudding is in the eating. The unemployment rate is 4.8 per cent and heading down, and wages are increasing. They increased in the last quarter and, as we know, over the past 10 years they have increased some 16.8 per cent.

The government reject that 457 visas are an instrument for cheap labour. It is quite the contrary. We are able to separate the abuses—and there are some. As Senator Vanstone has stated, we have followed them up with vigour on every occasion, including the case that the Age reported with regard to a Hawthorn printing company. The worker himself reported the case. I do not know where the union was at the time, but the worker had the wit to report the case to the department. The very next day, the department interviewed the workers concerned, and the case is now under investigation—as is the ABC Tissues case. Those cases will be investigated vigorously.

We are able to separate the few abuses of this worthwhile visa program—which meets the short-term skills shortages of Australia—from the absolute merit of the program. No Australian will be put aside because of this program; no Australian will have lower wages because of this program. It does meet a particular need and the states support it. Why don’t you go back to Western Australia or New South Wales and tell the premiers that you are not in favour of this scheme? Tell them that you are in here sullying the scheme with beat-up cases. (Time expired)

Senator Marshall (Victoria) (3.33 pm)—I guess that demonstration from Senator McGauran just confirms why we ought to be so worried about this scheme. He has tried to drive all the issues down to the level of a joke. We are very concerned about the abuse of the 457 visa category. We certainly acknowledge that, in areas where there is a demonstrated skills shortage, there should be such a scheme. As Senator Campbell pointed out, in the case of nurses this scheme has
worked very well, and we support that. People have come in, they are not being exploited and they are receiving the proper rates of pay that apply to the other nurses in those situations.

Senator Humphries and Senator McGauran seem to be in a state of denial about the evidence that has been presented day after day in this parliament and widely in the public domain. They want to deny that there are actually problems. But there are very serious problems. The most serious problem is that you do not need to demonstrate that there is a skills shortage to apply this visa.

All the government would need to do to make this process work more appropriately and to take out most of the abuse would be to ensure that, if an employer wants to bring someone in for a skills based vacancy because they cannot fill that vacancy from within Australia, they are able to demonstrate that that is truly the case. If there were a process where the employer had to at least advertise, go through a process and demonstrate to DIMA that they had tried to fill the vacancy from within Australia, I think that would take a lot of the abuse out of the system. I cannot understand why the government will not take that very minor but absolutely important step. One would automatically assume that if you need to recruit from overseas it is because you cannot fill the position from within Australia. For those who do not even bother to do that but simply have a preference for employing people from overseas, you have to seriously question their motivation. That is what leads to the abuse, and the abuse has been demonstrated time after time.

Senator Humphries said that it is not appropriate for the opposition to raise matters that are under investigation by the department and that, in all instances, these matters are under investigation. I want to say to Senator Humphries that I think that is a little bit rich. If we look at the ABC Tissues case, back in August 2005 ABC Tissues was found to have breached a number of migration rules and regulations in terms of these visas. They were found to be in breach then. But what happened? Time after time, they were allowed to reuse the visa when they had knowingly broken the conditions. They were able to bring people in under the same visa application again, and there were simply more breaches.

I cannot remember whether Senator Humphries was here yesterday, but I assume he probably was here during question time. He would have heard Senator Vanstone say—in answer to a question I asked her—that the Hunan industrial company, which works directly for ABC Tissues, was getting a notice of intention to sanction on a number of grounds, including failing to pay the minimum salary level, failing to comply with other migration laws, failing to comply with workplace relations laws, not ensuring the necessary licensing of workers, failing to notify Immigration of relevant changes in circumstances and failing to deduct tax instalments.

Senator Vanstone has admitted these breaches in this area. These are breaches that have already occurred. So what has happened? That company, ABC Tissues and the Italian company—which Senator Vanstone did not name but referred to as the other company involved in the group of three—are continuing to be granted more 457 visas when it has been clearly demonstrated that those visas are being abused. Case after case has been put on the public record and raised here.

Senator Humphries, who obviously was not listening to Minister Vanstone yesterday, went on to ask on what basis we say that the government is not interested in ensuring that
the law is upheld. We only have to point to that particular case. In August 2005 the company was found to have breached the migration laws and it is already through the process— *(Time expired)*

Question agreed to.

**Fuel Prices**

**Senator BARTLETT** (Queensland) (3.39 pm)—I move:

That the Senate take note of the answer given by the Minister for Finance and Administration (Senator Minchin) to a question without notice asked by the Leader of the Australian Democrats (Senator Allison) today relating to funding for liquified petroleum gas conversions.

The real concern the Democrats have with this issue—an issue which needs attention all of the time rather than just when petrol prices get sufficiently high that governments feel that they need to be doing something—is our continuing addiction to oil. That is something that even President Bush acknowledged, in his most recent State of the Union address, needs to be acted on.

Frankly, it is a pretty sad day when even President Bush recognises the need for action to move away from an addiction to oil for transportation but our government does not recognise that need. Whether the US President is actually acting on his comments is another matter, but it is well past time that we acknowledged the major problems—environmental and economic—that stem from our continual blinkered approach of ‘steady as she goes, she’ll be right’ when it comes to oil and petroleum issues.

I had cause to note over the last week the wide range of things that Democrats founder Don Chipp could claim credit for during his time in the Senate as a Democrat. Let us not forget that, in amongst Don Chipp’s 81 years, he was actually only in the Senate as a Democrat senator for a little over eight years. In that time, he played a significant and very early role in, amongst many other things, promoting biofuels, ethanol and alternatives to oil.

Of course, there were many Democrats following on from him who also tried to do everything possible to cajole, encourage and poke the then Hawke and Keating governments into giving support for potential industries, particularly ethanol. We did manage to get extra support—I think in the budget around 1993—for the development of the ethanol industry. That early, very important embryonic funding and assistance for ethanol development was gutted by the current federal government not long after they came into office in 1996. It is only now, 10 years later, that some of those bits and pieces of funding support and incentives are starting to be provided again.

I say all that by way of demonstrating how much opportunity can be lost and how much time has already been lost—well over a decade; probably more like two decades, really—because people failed to recognise the problem. A little bit of long-term vision and action to put in place the starting points for alternative approaches that will become mainstream down the track were clearly needed—and are clearly needed now.

I do not think there is any point getting into an argument about whether oil might peak in the next few years or 10 years or 20 years. The key factor is that, within many of our lifetimes—and certainly in the lifetimes of our children—we will need to be relying predominantly on environmentally sound fuels, biofuels and other alternative sources of energy. We will be putting ourselves far ahead of the pack if we act now and we do it in a logical and well thought through way—rather than the knee-jerk, nonsensical responses that do not address anything in a long-term way, which is what we have seen from the government. If there is big enough
pressure, they will suddenly do something to try to take off the pressure. There are one-off and badly thought through proposals but there is no long-term vision, and that is what we need. That is what the Democrats have been working towards for 20 years or more, and we will continue to do so. It is about time the government got on board with not only us but also many others in the community.

Question agreed to.

NOTICES

Presentation

Senator Ellison to move on the next day of sitting:

(1) That the 2006-07 supplementary Budget estimates hearings by committees be scheduled as follows:
   - Monday, 30 October and Tuesday, 31 October (Group A)
   - Wednesday, 1 November and Thursday, 2 November (Group B).

(2) That the committees consider the proposed expenditure in accordance with the allocation of departments to committees agreed to by the Senate.

(3) That committees meet in the following groups:

Group A:
- Environment, Communications, Information Technology and the Arts
- Finance and Public Administration
- Legal and Constitutional Affairs
- Rural and Regional Affairs and Transport

Group B:
- Community Affairs
- Economics
- Employment, Workplace Relations and Education
- Foreign Affairs, Defence and Trade.

Senator Siewert to move on the next day of sitting:

That the Senate—

(a) notes:
   (i) the recent decision by the Western Australian Minister for Indigenous Affairs to vary the protection of the Woodstock-Abydos Reserves in the Pilbara, in order to accommodate the building of a railway by Fortescue Metals Group Limited, and
   (ii) that the building of a railway on these reserves would impact on Aboriginal sites within the reserves; and

(b) expresses regret at the potential loss of Aboriginal heritage and urges a review of the decision to vary the protection of the Woodstock-Abydos Reserves.

Senator Ian Campbell to move on the next day of sitting:

That the Senate—

(a) recognises that local government is part of the governance of Australia, serving communities through locally-elected councils;

(b) values the rich diversity of councils around Australia, reflecting the varied communities they serve;

(c) acknowledges the role of local government in governance, advocacy, the provision of infrastructure, service delivery, planning, community development and regulation;

(d) acknowledges the importance of cooperating and consulting with local government on the priorities of their local communities;

(e) acknowledges the significant Australian Government funding that is provided to local government to spend on locally determined priorities, such as roads and other local government services; and

(f) commends local government elected officials who give their time to serve their communities.
**Senator Bartlett** to move on the next day of sitting:

That the following bill be introduced: A Bill for an Act to end the mandatory detention of visa applicants and asylum seekers, and for related purposes. *Migration Legislation Amendment (End of Mandatory Detention) Bill 2006.*

**Senator McLucas** to move on the next day of sitting:

That the Senate—

(a) notes that:

(i) the Government is divided over the sale of Medibank Private,

(ii) the public is concerned about the consequences of the sale of Medibank Private and its impact on the affordability of private health insurance, and

(iii) despite government promises to keep private health insurance premiums low, they have risen by almost 40 per cent since 2001; and

(b) calls on the Government to abandon plans to sell-off Medibank Private.

**Senator Ellison** to move on the next day of sitting:

That, on Thursday, 7 September 2006, the routine of business be varied to provide that questions without notice be called on at 2.30 pm.

**Senator Nettle** to move on the next day of sitting:

That the Senate—

(a) supports the right of parliamentarians to freely pursue their duties;

(b) notes the opposition of the Inter-Parliamentary Union, the European Parliament and the New Zealand Parliament to Israel’s arrest of more than 20 members of the Palestinian Parliament; and

(c) calls for the immediate and unconditional release of the Palestinian Speaker, the Deputy Prime Minister and the other arrested ministers and members of the Palestinian Parliament.

**Senator Milne** to move on the next day of sitting:

That the Senate—

(a) notes that:

(i) the Federal Coalition promised at the 2004 federal election to introduce within 100 days a mandatory code of conduct to govern dealings between farmers and grocery buyers, and

(ii) on 4 September 2006, the National Farmers’ Federation and the Horticulture Australia Council stated that the delay in delivering on this pledge is fuelling speculation that the Government will renege on its promise; and

(b) calls on the Minister for Agriculture, Fisheries and Forestry (Mr McGauran) to explain to the parliament why the Government has not implemented its promise and whether and when it intends to do so.

**Senator Watson** (Tasmania) (3.46 pm)—Following a briefing by departmental officials and the receipt of satisfactory responses, on behalf of the Regulations and Ordinances Committee, I give notice that at the giving of notices on the next day of sitting I shall withdraw business of the Senate notice of motion No. 1 standing in my name for two sitting days after today for the disallowance of the Migration Amendment Regulations 2006 (No. 1), as contained in Select Legislative Instrument 2006 No. 10. I seek leave to incorporate in *Hansard* the committee’s correspondence concerning these Regulations.

Leave granted.

*The correspondence read as follows*—
Migration Amendment Regulations 2006 (No. 1),
Select Legislative Instrument 2006 No. 10
30 March 2006
Senator the Hon Amanda Vanstone
Minister for Immigration and Multicultural Affairs
Suite M1.40
Parliament House
CANBERRA ACT 2600
Dear Minister
I refer to the Migration Amendment Regulations 2006 (No. 1), Select Legislative Instrument 2006 No. 10. These Regulations amend the principal Regulations concerning the scope of certain powers of the Minister for Foreign Affairs and the discretion of the Minister for Immigration in granting visas in certain circumstances. Following its consideration of these Regulations, the Committee raises the following matters.

Item [1] of Schedule 1 to these Regulations provides that the Minister for Foreign Affairs may determine, as a ground for cancellation of a visa, that the holder of a visa is a person whose presence in Australia is contrary to Australia’s foreign policy interests, or is directly or indirectly associated with the proliferation of weapons of mass destruction.

According to the Explanatory Statement, the first of these two grounds has been inserted to broaden the scope of the Minister’s discretion so that it covers Australia’s broader foreign policy objectives, rather than being limited to Australia’s relationship with another country. The scope of the amended discretion appears to be very wide. The Committee therefore seeks your advice as to the meaning of the term ‘foreign policy interests’ and whether there are any limitations on this discretion. The Committee also seeks an assurance regarding the rights of appeal that can be exercised by a person whose visa is to be cancelled as a result of this discretion.

The Committee also seeks your advice as to whether the term ‘weapons of mass destruction’ is defined anywhere for the purposes of this provision.

The Committee would appreciate your advice on the above matters as soon as possible, but before

5 May 2006, to enable it to finalise its consideration of these Regulations. Correspondence should be directed to the Chairman, Senate Standing Committee on Regulations and Ordinances, Room SG49, Parliament House, Canberra.

Yours sincerely
John Watson
Chairman

9 May 2006
Senator John Watson
Chairman
Senate Standing Committee on Regulations and Ordinances
Room SG49
Parliament House
Canberra ACT 2600
Dear Senator Watson
Thank you for your letter of 30 March 2006 regarding the Migration Amendment Regulations 2006 (No. 1), Select Legislative Instrument No. 10 of 2006 (‘the MAR 2006 (No. 1)’). The Committee has requested my advice in relation to the amendments made to the Migration Regulations 1994 (‘the Migration Regulations’) in particular relating to the scope of certain powers of the Minister for Foreign Affairs.

The Committee refers to the amendments made by Item [1] of Schedule 1 to the MAR 2006 (No. 1), to paragraph 2.43(1)(a) of the Migration Regulations, relating to the prescribed grounds on which the Minister for Immigration and Multicultural Affairs may cancel a visa under paragraph 116(1)(g) of the Migration Act 1958 (‘the Act’). As amended by the MAR 2006 (No. 1), paragraph 2.43(1)(a) provides that certain visas may be cancelled where the Minister for Foreign Affairs has personally determined that the holder is a person whose presence in Australia is, or would be, contrary to Australia’s foreign policy interests, or may be directly or indirectly associated with the proliferation of weapons of mass destruction.

The Committee notes that the scope of the amended discretion appears to be very wide, and seeks my advice as to the meaning of the term
‘foreign policy interests’ and whether there are any limitations on this discretion.

The term ‘foreign policy interests’ as it appears in paragraph 2.43(1)(a) is not defined in the Migration Regulations. As such, the phrase is to be given its ordinary meaning.

I am advised by the Minister for Foreign Affairs that prior to the amendments made by the MAR 2006 (No. 1), paragraph 2.43(1)(a) enabled the Minister to determine that a visa holder’s presence in Australia ‘is, or would be, prejudicial to relations between Australia and a foreign country’. If the Minister made such a determination, the effect would be to require the Minister for Immigration and Multicultural Affairs to cancel the person’s visa. It was not clear that this formulation would allow the Minister for Foreign Affairs to make a determination affecting the visas of persons representing or acting on behalf of their governments. The amended formulation of the discretion addresses this shortcoming by allowing the Minister for Foreign Affairs to determine that an applicant’s presence ‘is, or would be, contrary to Australia’s foreign policy interests’.

The Minister’s discretion has been limited such that it no longer applies to certain (mainly on-shore) protection, refugee and humanitarian visas to avoid potential conflicts with Australia’s international obligations. It should be noted that the discretion under paragraph 2.43(1)(a) can be exercised only by the Minister for Foreign Affairs acting personally.

The Committee seeks an assurance regarding the rights of appeal that can be exercised by a person whose visa is cancelled as a result of the exercise of this discretion.

Section 338 of the Act provides the legislative basis under which decisions made pursuant to the Act are merits reviewable by the Migration Review Tribunal. Under section 338, a decision to cancel a visa under section 116 of the Act is reviewable by the Migration Review Tribunal if the visa holder is in Australia (but not in immigration clearance) at the time the decision to cancel the visa is made. In certain circumstances, the visa holder may also be able to seek judicial review of the decision.

The Committee also seeks my advice as to whether the term ‘weapons of mass destruction’ is defined anywhere for the purposes of this provision. I can advise that the term ‘proliferation of weapons of mass destruction’, which is used in subparagraph 2.43(1)(a)(ii), is defined in regulation 1.03 of the Migration Regulations. The definition states that ‘proliferation of weapons of mass destruction’ includes directly or indirectly assisting in the development, production, trafficking, acquisition or stockpiling of: (a) weapons that may be capable of causing mass destruction; or (b) missiles or other devices that may be capable of delivering such weapons.

I hope that this information is of assistance to the Committee.

Yours sincerely

Amanda Vanstone
Minister for Immigration and Multicultural Affairs

11 May 2006

Senator the Hon Amanda Vanstone
Minister for Immigration and Multicultural Affairs
Suite M1.40
Parliament House
CANBERRA ACT 2600
Dear Minister
Thank you for your letter of 9 May 2006 responding to the Committee’s concerns with the Migration Amendment Regulations 2006 (No. 1), Select Legislative Instrument 2006 No. 10.

The Committee has considered your response but considers the explanation of the term ‘contrary to Australia’s foreign policy interests’ unclear. You indicate that the phrase is to be given its ordinary meaning but it is the lack of a clear ordinary meaning that prompted the Committee’s inquiry. You advise that one example of the need for the new term is that it is intended to clarify the capacity to cancel the visa of a person who is representing or acting for their own government. It is not clear to the Committee why the original formulation did not cover this situation. More importantly, it does not appear that the new term is lim-
ated to that situation. Given these uncertainties, the Committee seeks your advice as to whether legal advice was received regarding this matter. If so, the Committee would appreciate receiving a copy of that advice.

The Committee would appreciate your advice on the above matter as soon as possible, but before 9 June 2006, to enable it to finalise its consideration of these Regulations. Correspondence should be directed to the Chairman, Senate Standing Committee on Regulations and Ordinances, Room SG49, Parliament House, Canberra.

Yours sincerely
John Watson
Chairman

19 May 2006
Senator John Watson
Chairman
Senate Standing Committee on Regulations and Ordinances
Room SG49
Parliament House
Canberra ACT 2600
Dear Senator Watson

Thank you for your letter of 11 May 2006 regarding the Migration Amendment Regulations 2006 (No. 1), Select Legislative Instrument No. 10 of 2006 (‘the MAR 2006 (No. 1)’). The Committee has requested further clarification of the meaning of the term ‘contrary to Australia’s foreign policy interests’.

As the Committee’s concerns fall within the portfolio responsibilities of the Department of Foreign Affairs and Trade, I suggest that you refer your concerns directly to the Minister for Foreign Affairs and Trade.

No legal advice was sought by my department in respect of the relevant amendments, however they were made based on advice from the Department of Foreign Affairs and Trade.

I hope that this information is of assistance to the Committee.

Yours sincerely
Amanda Vanstone

22 May 2006
The Hon Alexander Downer MP
Minister for Foreign Affairs
Suite M1.27
Parliament House
CANBERRA ACT 2600
Dear Minister

On 11 May 2006 the Committee sought advice from the Minister for Immigration and Multicultural Affairs on the meaning of the term ‘contrary to Australia’s foreign policy interests’ contained in the Migration Amendment Regulations 2006 (No. 1), Select Legislative Instrument 2006 No. 10.

Senator Vanstone advised on 19 May 2006 that this matter falls within your portfolio responsibility. The Committee therefore seeks your advice on the meaning of this term and encloses a copy of its original request to assist with this matter.

The Committee would appreciate your advice as soon as possible, but before 9 June 2006, to enable it to finalise its consideration of these Regulations. Correspondence should be directed to the Chairman, Senate Standing Committee on Regulations and Ordinances, Room SG49, Parliament House, Canberra.

Yours sincerely
John Watson
Chairman
5 June 2006
Senator John Watson
Chairman
Senate Standing Committee on Regulations and Ordinances
Room SG-49
Parliament House
CANBERRA ACT 2600

Dear John

Thank you for your letter dated 22 May 2006 concerning the meaning of the term ‘contrary to Australia’s foreign policy interests’, contained in the Migration Amendment Regulations 2006 (No. 1), Select Legislative Instrument No. 10.

As advised by the Minister for Immigration and Multicultural Affairs, Senator Vanstone, in her letter to the Committee of 19 May 2006, the term ‘contrary to Australia’s foreign policy interest’ is not defined in the Migration Regulations. As such, the term is to be given its ordinary meaning, with decisions on visa applications and/or visas made personally by the Minister for Foreign Affairs on a case-by-case basis.

I trust that this is of assistance to the Committee.

Yours sincerely

Alexander Downer
Minister for Foreign Affairs

15 June 2006
The Hon Alexander Downer MP
Minister for Foreign Affairs
Suite M1.27
Parliament House
CANBERRA ACT 2600

Dear Senator Watson

Thank you for your letter dated 15 June 2006 concerning the meaning of the term ‘contrary to Australia’s foreign policy interests’, contained in the Migration Amendment Regulations 2006 (No. 1), Select Legislative Instrument 2006 No. 10.

In your response you advise that the term ‘is to be given its ordinary meaning, with decisions on visa applications and/or visas made personally by the Minister for Foreign Affairs on a case-by-case basis’. This response does not further the Committee’s understanding of this term. Accordingly, the Committee would appreciate a briefing by departmental officials to resolve this matter.

The Committee would like to meet with departmental officials at 8.45 am on Thursday 22 June 2006. Could you please arrange for the department to contact the Committee Secretariat, Mr James Warmenhoven (6277 3066) to finalise the details for this meeting.

As a precautionary measure, and in order to allow time for further discussion on this matter, the Committee has agreed to give a notice of motion to disallow these Regulations on Monday 19 June 2006.

Yours sincerely

John Watson
Chairman

19 June 2006
Senator John Watson
Chairman
Senate Standing Committee on Regulations and Ordinances
Room SG49
Parliament House
CANBERRA ACT 2600

Dear Minister

Thank you for your letter dated 5 June 2006 concerning the meaning of the term ‘contrary to Australia’s foreign policy interests’, contained in the Migration Amendment Regulations 2006 (No. 1).

I trust that the meeting will further the Committee’s understanding of the Regulations and will allay any concerns that the Committee may have on this matter.

Yours sincerely

Alexander Downer
Minister for Foreign Affairs
Yours sincerely
Alexander Downer
Minister for Foreign Affairs

17 August 2006
The Hon Alexander Downer MP
Minister for Foreign Affairs
Suite M1.27
Parliament House
CANBERRA ACT 2600
Dear Minister
Thank you for making a number of officials from your Department available today to brief the Committee on the provisions of the Migration Amendment Regulations 2006 (No. 1), Select Legislative Instrument 2006 No. 10.
The briefing allayed many of the Committee’s concerns and the Committee intends to withdraw its disallowance notice at the next available opportunity. Issues such as the circumstances in which the power might be exercised, and the broad categories of persons to whom it might apply, became clearer as a more detailed explanation was provided by the Department. In particular, it became clearer that the scope of the power has become wider because the wording of the previous provision did not easily cover some situations in which the power had been exercised.
The Committee considers that it would be helpful if a more detailed explanation of the provision were to be included in a revised Explanatory Statement. While such an explanation need not canvass each particular situation in detail, it would be helpful if it noted that the power is intended to be exercised only in exceptional circumstances; that it only applies to temporary visa holders or applicants; that it is intended to apply in situations where there may be some inconsistency between a visa holder/applicant’s individual circumstances and their representational capacity; and that there is an opportunity for judicial review of the exercise of the power on the ground of jurisdictional error. The need for a briefing would have been obviated had the information provided at the briefing been included in the explanatory material.

The Committee would appreciate your advice on the above matter as soon as possible, but before 4 September 2006, to enable it to finalise its consideration of these Regulations. Correspondence should be directed to the Chairman, Senate Standing Committee on Regulations and Ordinances, Room SG49, Parliament House, Canberra.
Yours sincerely
John Watson
Chairman

Senator Bob Brown to move on the next day of sitting:
That the Senate supports the Geneva Convention and opposes the failure to implement the convention regardless of by whom or where they may be breached.

Senator Milne to move on the next day of sitting:
That, on National Threatened Species Day, the Senate—
(a) recognises that habitat destruction and fragmentation together with alien invasive species exacerbated by global warming are the main drivers of species extinction globally;
(b) notes that:
(i) since 1788, 52 plants and 55 animal species have gone to extinction in Australia including the Thylacine, which was last seen in Tasmania 70 years ago today, and
(ii) in 2006 there are 1,243 plants, 91 mammals, 107 birds, 52 reptiles, 27 frogs, 39 fishes and 22 invertebrates listed as either critically endangered, endangered, vulnerable or conservation dependent in Australia;
(c) expresses concern that only 21 per cent of nationally-listed threatened species have recovery plans, none of which any longer have implementation schedules or life of the project funding plans;
(d) calls on the Government to recognise that protection of threatened species under the Environment Protection and Biodiversity Conservation Act 1999 has failed and does
not fulfil Australia’s obligations to protect threatened species under the Convention on Biological Diversity; and

(e) urges the Government to immediately develop and implement legislation that does protect threatened species.

Senator Nettle to move on the next day of sitting:

That the Senate—

(a) congratulates the organisers of ‘A Taste of Slow - Australia 2006’, a ‘Slow Food’ festival culminating in the Abbotsford Convent Weekend in Victoria on the weekend of 9 and 10 September 2006 at the Collingwood Children’s Farm and Collingwood Farmers Market;

(b) notes:

(i) the fast growing international Slow Food Movement, which was founded not only as a response to the culture of fast food, but to encourage the use of local seasonal produce, to restore time-honoured methods of food production and preparation and to highlight the importance of sharing food at communal tables, and

(ii) that the Slow Food Movement encourages environmentally sustainable production, the ethical treatment of animals and social justice;

(c) recognises:

(i) the importance of family meal times for the emotional, cultural and physical health of our communities, and

(ii) the importance of promoting healthy food options in light of increasing community health concerns such as obesity, diabetes and related nutritionally linked disease;

(d) calls on the Government to take action to promote healthy food options; and

(e) notes, with concern, the pressures placed on family time due to the rapid rise in non-standard work hours.

LEAVE OF ABSENCE

Senator GEORGE CAMPBELL (New South Wales) (3.49 pm)—by leave—I move:

That leave of absence be granted to Senator Carol Brown for the period 5 September to 7 September 2006, on account of personal reasons.

Question agreed to.

NOTICES

Postponement

The following items of business were postponed:

General business notice of motion no. 490 standing in the name of Senator Bartlett for today, relating to the importation of illegal timber and wood products, postponed till 7 September 2006.

General business notice of motion no. 509 standing in the name of Senator Bartlett for today, relating to Child Protection Week, postponed till 7 September 2006.

COMMITTEES

Legal and Constitutional Legislation Committee

Extension of Time

Senator FERRIS (South Australia) (3.51 pm)—At the request of the Chair of the Senate Legal and Constitutional Legislation Committee, Senator Payne, I move:

That the time for the presentation of the report of the Legal and Constitutional Legislation Committee on the examination of annual reports tabled by 30 April 2006 be extended to 7 September 2006.

Question agreed to.

CLIMATE CHANGE

Senator MILNE (Tasmania) (3.51 pm)—I move:

That the Senate—

(a) notes:

(i) that according to the Australian Bureau of Meteorology, August 2006 was the driest month in 106 years,
(ii) the comments of the head of the Bureau of Meteorology’s National Climate Centre, Dr Michael Coughlan, on 4 September 2006, about the downward trend in rainfall and the upward trend in temperatures that ‘it’s very hard to find some other reason other than global warming for what is causing this’,

(iii) the comment of eminent scientist, winner of the Prime Minister’s 2001 Environmentalist of the Year prize and member of the National Water Commission, Professor Peter Cullen, on 4 September 2006, that climate change is affecting Australia faster than he anticipated, and

(iv) the comments by the Prime Minister (Mr Howard) on 28 August 2006 that ‘I accept the broad theory about global warming. I am sceptical about a lot of the more gloomy predictions’; and

(b) calls on the Prime Minister to acknowledge the urgency of action to address climate change and to start by setting national greenhouse gas emission targets.

Question put.

The Senate divided. [3.56 pm]

(The President—Senator the Hon. Paul Calvert)

Ayes………… 34
Noes………… 37
Majority…… 3

AYES

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

NOES

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

* denotes teller

Question negatived.

PARLIAMENTARIANS’ ENTITLEMENTS

Senator MURRAY (Western Australia) (3.59 pm)—I move:

That the Senate requests that, in an appropriate examination or review that is undertaken of the remuneration and entitlements of members and senators, the Remuneration Tribunal take a holistic view with respect to members’ and senators’ salary packages and allowances, what they need to do their jobs, and their superannuation entitlements.

Question put.

The Senate divided. [4.01 pm]
(The Deputy President—Senator JJ Hogg)

Ayes............. 8
Noes............. 62
Majority........ 54

AYES

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

NOES

Abetz, E. Adams, J.
Barnett, G. Bernardi, C.
Bishop, T.M. Boswell, R.L.D.
Brandis, G.H. Campbell, G.
Campbell, I.G. Carr, K.J.
Chapman, H.G.P. Colbeck, R.
Conroy, S.M. Coonan, H.L.
Crossin, P.M. Eggleston, A.
Ellison, C.M. Evans, C.V.
Faulkner, J.P. Fierravanti-Wells, C.
Ferris, J.M. * Forshaw, M.G.
Fifield, M.P. Forshaw, M.G.
Heffernan, W. Hogg, J.J.
Humphries, G. Hurley, A.
Hutchins, S.P. Johnston, D.
Kemp, C.R. Kirk, L.
Lightfoot, P.R. Ludwig, J.W.
Lundy, K.A. Macdonald, I.
Marshall, G. Mason, B.J.
McEwen, A. McGauran, J.J.J.
McLucas, J.E. Minchin, N.H.
Moore, C. Nash, F.
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. Sherry, N.J.
Stephens, U. Sterle, G.
Troeth, J.M. Trood, R.
Watson, J.O.W. Webber, R.
Wong, P. Wortley, D.

* denotes teller

Question negatived.

TASMANIAN FORESTRY INDUSTRY

Senator O’BRIEN (Tasmania) (4.04 pm)—I seek leave to amend notice of motion No. 524 before asking that it be declared formal.

Leave granted.

Senator O’BRIEN—I amend the motion by deleting paragraph (d) and inserting in its place—

The DEPUTY PRESIDENT—Order! Senator Watson, do you have a point of order?

Senator Watson—I think that the Senate is entitled to hear the words, because it has not been circulated.

The DEPUTY PRESIDENT—He is going to read it now, Senator Watson.

Senator Watson—If he reads it, that is okay.

Senator O’BRIEN—I amend the motion by deleting paragraph (d) and substituting:

(d) calls on the Government to move quickly and take urgent measures to prevent illegal timber imports into Australia from countries like Papua New Guinea and the Solomon Islands and provide a fair and level playing field for Tasmanian and Australian forest products in both their Australian and international markets.

I move the motion as amended:

That the Senate—

(a) notes the vital role played by the forestry industry in the Tasmanian economy, and the need to support this industry and the building of a pulp mill in Tasmania;

(b) condemns the misrepresentation of Gunns Limited by the Rainforest Action Network which has been actively campaigning against Tasmania’s forest industry in its overseas markets, notably Japan, and which has been:

(i) portraying to Gunns’ Japanese customers that a Tasmanian pulp mill will be a competitor for Japanese industry and actively lobbying to keep Japanese pulp mills producing at the expense of Australian investment, Australian jobs
and import replacement to offset the $2 billion trade deficit in the forest and forest products sector;

(ii) falsely claiming that Gunns’ logging practices are listed amongst the worst in the developed world according to the World Conservation Union (IUCN), when in fact this is the claim made by environmental non-government organisations (NGOs) in a submission to the IUCN, and

(iii) implicitly threatening Gunns’ Japanese customers if they do not engage in constructive dialogue with the Rainforest Action Network about their serious concerns about Gunns as a woodchips supplier;

(c) calls on the Government to take urgent measures to address the dishonest campaigns and secondary boycott practices of environmental NGOs being used against the Tasmanian and the Australian forest and forest products industries in their Australian and international markets; and

(d) calls on the Government to move quickly and take urgent measures to prevent illegal timber imports into Australia from countries like Papua New Guinea and the Solomon Islands and provide a fair and level playing field for Tasmanian and Australian forest products in both their Australian and international markets.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (4.06 pm)—by leave—I move:

Omit all words after “Senator”.

“The Deputy President—Senator JJ Hogg

Ayes…………. 7

Noes…………. 62

Majority……. 55

AYES

Allison, L.F. Brown, B.J. Nettle, K. Stott Despoja, N.

NOES


* denotes teller

Question negatived.

Senator Bob Brown—Mr Deputy President, on a point of order: I explain to the Senate that the Greens supported Senator
O’Brien’s amendment but we do not support the motion, as amended.

Question put:
That the motion (Senator O’Brien’s), as amended, be agreed to.

The Senate divided. [4.14 pm]
(The Deputy President—Senator JJ Hogg)
Ayes............ 55
Noes............ 8
Majority........ 47

AYES
Abetz, E.        Adams, J.
Barnett, G.      Bernardi, C.
Bishop, T.M.     Boswell, R.L.D.
Brandis, G.H.    Campbell, G. *
Carr, K.J.       Chapman, H.G.P.
Colbeck, R.      Conroy, S.M.
Crossin, P.M.    Eggleston, A.
Evans, C.V.      Faulkner, J.P.
Ferguson, A.B.   Ferris, J.M.
Fierravanti-Wells, C. Fifield, M.P.
Forshaw, M.G.    Heffernan, W.
Hogg, J.J.       Humphries, G.
Hurley, A.       Hutchins, S.P.
Johnston, D.     Joyce, B.
Lightfoot, P.R.  Lundy, K.A.
Macdonald, I.    Marshall, G.
Mason, B.J.      McEwen, A.
McGauran, J.J.J. McLucas, J.E.
Moore, C.        Nash, F.
O’Brien, K.W.K.  Parry, S.
Patterson, K.C.  Payne, M.A.
Polley, H.       Ray, R.F.
Ronaldson, M.    Scullion, N.G.
Sherry, N.J.     Stephens, U.
Sterle, G.       Troeth, J.M.
Trood, R.        Watson, J.O.W.
Webber, R.       Wong, P.
Wortley, D.     

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

* denotes teller

Question agreed to.
(The Deputy President—Senator JJ Hogg)

Ayes.............  8
Noes............. 54
Majority......... 46

AYES

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

NOES

Adams, J.          Barnett, G.
Bernardi, C.       Bishop, T.M.
Boswell, R.L.D.    Brandis, G.H.
Campbell, G. *     Carr, K.J.
Chapman, H.G.P.    Colbeck, R.
Conroy, S.M.       Crossin, P.M.
Eggleston, A.      Faulkner, J.P.
Ferguson, A.B.     Ferris, J.M.
Fierravanti-Wells, C.   Heffernan, W.
Forshaw, M.G.      Humphries, G.
Hogg, J.J.         Joyce, B.
Hurley, A.         Hutchins, S.P.
Johnston, D.       Joyce, B.
Kirk, L.          Lightfoot, P.R.
Lundy, K.A.        Macdonald, I.
Marshall, G.        Mason, B.J.
McEwen, A.          McGauran, J.J.J.
McLucas, J.E.       Moore, C.
Nash, F.            O’Brien, K.W.K.
Parry, S.          Patterson, K.C.
Payne, M.A.        Polley, H.
Ray, R.F.           Ronaldson, M.
Scullion, N.G.      Sherry, N.J.
Stephens, U.        Sterle, G.
Troeth, J.M.       Trood, R.
Watson, J.O.W.     Webber, R.
Wong, P.            Wortley, D.

* denotes teller

Question negatived.

PROFESSOR TERENCE TAO

Senator ALLISON (Victoria—Leader of the Australian Democrats) (4.22 pm)—I move:
That the Senate—
(a) congratulates Australian Professor Terence Tao for being the first Australian to be awarded the world’s most prestigious mathematics honour, the Fields Medal, which is considered to be the mathematics equivalent of a Nobel Prize;

(b) notes the contribution of Professor Tao’s work to progressing understanding of partial differential equations, combinatorics, harmonic analysis and additive number theory;

(c) trusts that the awarding of the prize will increase the profile of mathematics in Australia;

(d) notes the remarks of the Minister for Education, Science and Training (Ms Bishop) that the lesson to be learnt from Professor Tao’s experience is the need for an effective early childhood learning environment; and

(e) calls on the Government to remove the higher burden of the higher education contribution scheme debt applied to teachers of science and mathematics and work with the states to ensure:

(i) public funding is available for high quality maths and science infrastructure in primary and secondary schools, and

(ii) that secondary teachers of mathematics and science have degree qualifications in these disciplines.

Question put and negatived.

All Australian Greens senators, by leave, recorded their votes for the ayes.

WOMEN AND MIGRATION

Senator ALLISON (Victoria—Leader of the Australian Democrats) (4.22 pm)—I, and also on behalf of Senator Moore and Senator Nettle, move:
That the Senate—
(a) recognises that:

(i) a report from the United Nations Population Fund, State of the World Population 2006: A Passage to Hope, in relation to women and international migration, was released on 6 September 2006,
(ii) women constitute almost half of all international migrants worldwide, that is 95 million or 49.6 per cent,
(iii) in 2005, roughly half the world’s 12.7 million refugees were women,
(iv) for many women, migration opens doors to a new world of greater equality and relief from oppression and discrimination that limit freedom and stunt potential,
(v) in 2005 remittances by migrants to their country of origin were an estimated $US232 billion, larger than official development assistance and the second largest source of funding for developing countries after foreign direct investment,
(vi) migrant women send a higher proportion of their earnings than men to families back home,
(vii) migrant women often contribute to their home communities on their return, for instance through improved child health and lower mortality rates,
(viii) the massive outflow of nurses, midwives and doctors from poorer to wealthier countries is creating health care crises in many of the poorer countries, exacerbated by massive health care needs such as very high rates of infectious disease,
(ix) the intention to emigrate is especially high among health workers living in regions hardest hit by HIV/AIDS,
(x) the rising demand for health care workers in richer countries because of their ageing populations will continue to pull such workers away from poorer countries,
(xi) millions of female migrants face hazards ranging from the enslavement of trafficking to exploitation as domestic workers,
(xii) the International Labour Organisation estimates that 2.45 million trafficking victims are toiling in exploitative conditions worldwide,
(xiii) policies often discriminate against women and bar them from migrating legally, forcing them to work in sectors which render them more vulnerable to exploitation and abuse,
(xiv) domestic workers, because of the private nature of their work, may be put in gross jeopardy through being assaulted, raped, overworked, denied pay, rest days, privacy and access to medical services, verbally or psychologically abused, or having their passports withheld,
(xv) when armed conflict erupts, armed militias often target women and girls for rape, leaving many to contend with unwanted pregnancies, HIV infection, and reproductive illnesses and injury,
(xvi) at any given time, 25 per cent of refugee women of child-bearing age are pregnant,
(xvii) for refugees fleeing conflict, certain groups of women such as those who head households, ex-combatants, the elderly, disabled, widows, young mothers and unaccompanied adolescent girls, are more vulnerable and require special protection and support,
(xviii) people should not be compelled to migrate because of inequality, insecurity, exclusion and limited opportunities in their home countries, and
(xix) human rights of all migrants, including women, must be respected; and
(b) encourages:
(i) governments and multilateral institutions to establish, implement and enforce policies and measures that will protect migrant women from exploitation and abuse, and
(ii) all efforts that help reduce poverty, bring about gender equality and enhance development, thereby reducing the ‘push’ factors that compel many migrants, particularly women, to leave their own countries, and at the same
time helping achieve a more orderly migration program.

Question agreed to.

CONFLICT IN ISRAEL AND LEBANON

Senator ALLISON (Victoria—Leader of the Australian Democrats) (4.24 pm)—I move:

That the Senate—

(a) calls on the Government to act on calls by Amnesty International, with respect to the 34 day war between Israel and the Lebanese-based Hezbollah militia, for:

(i) the United Nations (UN) Security Council to immediately establish a comprehensive, independent and impartial inquiry into violations of international humanitarian law by both sides in the conflict, including violations which may amount to war crimes,

(ii) justice proceedings in line with international standards of fair trial for any person against whom there is evidence of war crimes, and

(iii) Israel to disclose maps of the areas of Lebanon into which it fired cluster bombs to enable the clearance of what the UN Mine Action Coordination Centre estimates to be 100,000 unexploded bomblets thereby preventing further civilian casualties;

(b) notes that no map has yet been provided for the land mines planted by Israel in southern Lebanon in 1988 resulting in recent death and injury to Israeli military personnel;

(c) urges the Government to also request that maps for the above-mentioned land mines are disclosed;

(d) requests the Government to provide Lebanon with a small team of Australian munitions experts to assist in the removal of unexploded munitions;

(e) notes that the current ceasefire agreement between Israel and the Lebanese-based Hezbollah includes no reference to the necessity to uphold requirements under international humanitarian law, namely the need to establish accountability for violations by both sides in the conflict;

(f) urges the Government to remind the parties to the ceasefire agreement of the need to uphold international humanitarian law; and

(g) calls on the Government to appeal to Israel to remove its blockade on Lebanon.

Question put.

The Senate divided. [4.24 pm]

(The Deputy President—Senator JJ Hogg)

Ayes………… 8
Noes………… 52

Majority……… 44

AYES

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

NOES

Adams, J. Barnett, G.
Bernardi, C. Bishop, T.M.
Boswell, R.L.D. Brandis, G.H.
Campbell, G. * Carr, K.J.
Chapman, H.G.P. Colbeck, R.
Conroy, S.M. Crossin, P.M.
Eggleston, A. Faulkner, I.P.
Ferguson, A.B. Ferris, J.M.
Fierravanti-Wells, C. Fifield, M.P.
Forshaw, M.G. Heffernan, W.
Hogg, J.J. Humphries, G.
Hurley, A. Hutchins, S.P.
Johnston, D. Kirk, L.
Lightfoot, P.R. Lundy, K.A.
Macdonald, I. Marshall, G.
Mason, B.J. McEwen, A.
McGauran, J.J.J. McLucas, J.E.
Moore, C. Nash, F.
O’Brien, K.W.K. Parry, S.
Patterson, K.C. Payne, M.A.
Polley, H. Ray, R.F.
Ronaldson, M. Scullion, N.G.
Sherry, N.J. Stephens, U.
Sterle, G. Troeth, J.M.
Senator STOTT DESPOJA
(South Australia) (4.28 pm)—I move:

That the Senate—

(a) notes the death of Colin Thiele, a children’s writer from South Australia;

(b) recognises that Mr Thiele helped form children’s respect and love for the Australian landscape as well as telling good stories; and

(c) notes that Mr Thiele loved writing for children and did a great deal to continue a very fine tradition of Australian writing for the young.

Question agreed to.

Senator ROBERT RAY
(Victoria) (4.28 pm)—I move:

(1) That there be laid on the table, no later than Thursday, 19 October 2006, documents held by Telstra Corporation relating to shareholder attitude surveys conducted for the corporation by Crosby/Textor, including contracts between Telstra Corporation and Crosby/Textor and the results of such surveys, in regard to the impact on the performance of the corporation and its share price of telecommunications regulations and the Government’s intention to sell part or all of its Telstra shareholding.

(2) That the contracts referred to in paragraph (1) may be provided to the Senate with any genuinely commercially-sensitive information deleted.

Question negatived.

Senator Bob Brown—Can I record the Greens’ support for that motion.
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Moore, C. Nash, F.
O’Brien, K.W.K. Parry, S.
Patterson, K.C. Payne, M.A.
Polley, H. Ray, R.F.
Ronaldson, M. Scullion, N.G.
Sherry, N.J. Stephens, U.
Sterle, G. Troeth, J.M.
Trood, R. Watson, J.O.W.
Webber, R. Wong, P.
Wortley, D.

* denotes teller

Question negatived.

COMMITTEES

Employment, Workplace Relations and Education References Committee

Reference

Senator MARSHALL (Victoria) (4.34 pm)—In what could be the last matter ever referred to a references committee by a chair of a references committee, I move:

That the following matter be referred to the Employment, Workplace Relations and Education References Committee for inquiry and report by the last sitting day in June 2007:

Workforce challenges in the Australian transport sector, with particular reference to the following:

(a) current and future employment trends in the industry;
(b) industry needs and the skills profile of the current workforce;
(c) current and future skill and labour supply issues;
(d) strategies for enhanced recruitment, training and retention; and
(e) strategies to meet employer demand in regional and remote areas.

Question agreed to.

Senator Nettle—Can I ask that the Australian Greens’ support for general business notice of motion No. 516 be recorded.

MATTERS OF PUBLIC IMPORTANCE

Telstra

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 management of the last tranche of the Telstra sale has cost investors thousands of dollars as evidenced by:

(a) the fall in the Telstra share price from $7.40 per share at the time of the T2 float to $3.64 today;
(b) the fact that these shareholders have only recovered $1.86 in dividend payments; and
(c) a net loss per share for Telstra investors of nearly $2 per share.

Stephen Conroy
Deputy Leader of the Opposition in the Senate
Labor Senator for Victoria

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) (4.36 pm)—I rise today to speak on a matter of public importance: the collapse in the share price of Telstra since T2, and the contribution to its decline by the Howard government’s continual bungling, misrepresentation and financial incompetence on telecommunications. By now, Telstra shareholders must cringe every time they see a news report of a Howard government minister talking about Telstra. It would be an entirely understandable response. It seems that every time someone in the Howard government opens their mouth about Telstra, one way or another it is the company’s 1.6 million shareholders who are on the receiving end.
Whether it is the Prime Minister’s incompetent spruiking of T2, the communications minister’s attacks on Telstra’s management or the finance minister’s botching of the announcement of T3, the Howard government is never short of a word that will hurt Telstra shareholders’ interests.

The detrimental impact on Telstra’s shareholders of the Howard government’s bungling, misrepresentation and incompetence in telecommunications started in 1999 when the government was pushing ahead with its sale of the second tranche of Telstra. The Prime Minister was travelling around the country and talking up the government’s T2 offering. John Howard, the Prime Minister, told Australians that T2 ‘will be an extremely good deal for those who get involved’. He told prospective investors that T2 was a ‘marvellous opportunity for more of the mums and dads of Australia to buy shares in this great enterprise’. The Prime Minister supported his claims by basing his T2 offer on a front-end loaded, tricked-up yield flowing from large Telstra dividends, coupled with an instalment payment structure.

However, those who listened to and believed John Howard’s claims about T2 have been badly burnt. Seven years later, Telstra’s share price is less than half its T2 retail offer price of $7.40. Small investors who bought into John Howard’s tricked-up T2 yield structure have now lost around $2 on every Telstra share they bought, even after the company’s dividend stream is taken into account. For every $1 that those small investors invested in T2, they now have just 74c left. That is right—for every $1 put into Telstra by those poor small shareholders, they now have 74c left.

I am sure that Telstra shareholders who bought into T2 on the strength of the Prime Minister’s word are now wishing that he had kept his mouth shut. I know for a fact that they were wishing that the Minister for Finance and Administration, Senator Nick Minchin, would have kept his mouth shut this week. The Telstra investors who have lost thousands of dollars by investing in T2 are rightly furious at Senator Nick Minchin for telling them this week that they have done very well out of T2. It is hard to know whether such a patently absurd statement is the result of economic incompetence or spectacular arrogance. It could of course be both. The fact that the minister then went on to say, ‘If they have not sold, they have not lost their money,’ simply beggared belief. Terry McCrann, in the *Herald Sun*, described the comment as one of ‘astonishing stupidity’, and he was dead right. Telstra shareholders would have been merely exasperated.

Clearly, Telstra investors have no chance of sympathy from this government when the minister is so out of touch that he does not even realise that his own mother has lost thousands of dollars from the T2 debacle. Senator Bernardi may well laugh, but this is the public record. Senator Minchin’s own mother has taken a bath. In fact, in question time this week, Senator Minchin hung up on his mum over Telstra and showed no sympathy for her losses or Telstra’s other 1.6 million shareholders, and they can hardly hold out for much compassion.

*Sena Colbeck interjecting—

*Senator Scullion interjecting—

*Senator CONROY—I hear shouts from the other side that it is a risky business. It is if you suck them in and mislead them. These people chose to believe the Prime Minister. They actually made the mistake of believing the Prime Minister when he told them it was a great buy. He did not tell them it was a risky buy; he told them it was a great buy.

However, the Prime Minister’s incompetent spruiking of T2 was only the start of the Howard government’s attack on Telstra
shareholders. A more recent example of Telstra shareholders being hurt by this government’s bungling in telecommunications can be seen in the government’s gag on Telstra’s management. The government’s efforts to gag Telstra management show a government that are completely out of touch with Telstra’s shareholders. Telstra’s long-suffering shareholders rightfully want to hear from the company’s management team about the prospects for the company. However, the Howard government do not understand this. I think that they do, in truth. I actually think that John Howard’s government understand exactly what they are doing.

The Howard government feels threatened by a Telstra management that is bold enough to disagree with the government and wants to shut down the debate. The Howard government is too scared to have the policy debate about telecommunications regulation. It was only three months after the new CEO of Telstra was appointed, just over 12 months ago—I know it certainly seems longer to Senator Ronaldson—that Prime Minister Howard walked around this country and said, ‘Services are up to scratch.’ Do you remember that? We all remember that. Mr Trujillo, at a press conference just three months later, stood up and said: ‘I’ve got to tell the truth’—and these were his words—’Telstra has underinvested in its own network. It hasn’t delivered the cutting-edge technologies that the company needs to guarantee its future profitability.’

Mr Trujillo blew the whistle on the government. That is why they hate him so much: because he has blown away the conspiracy of silence between the previous Telstra board and management, the government and the investment banking community about the true state of Telstra and where the company is at in the marketplace today. That is why, instead of having a debate about government policy, this government are trying to make Telstra executives the issue. They want to complain about Mr Trujillo, Dr Burgess and the chair, Mr McGauchie. They want to make it look like it is all their fault. Instead of engaging in a policy debate, the Howard government are engaging in a personal vendetta against the Telstra management. The government are playing the man, not the ball, because they cannot afford to take the field of policy debate.

Once again, Telstra’s existing and prospective shareholders are set to pay the price for yet another incompetent intervention in telecommunications from the Howard government. Small shareholders go onto the scrap heap to protect the government with a glass jaw. It is completely unacceptable for the Howard government to gag the management of a public company. This is a company in which 1.6 million Australians own shares—encouraged by the Prime Minister. These Australians deserve to be kept fully aware of the company’s prospects. The market needs to be kept completely informed of Telstra’s situation. The editorial of the Australian Financial Review was 100 per cent right when it stated:

If a company of Telstra’s stature has ever made such an abject submission to the federal government in the modern era, The Australian Financial Review missed it.

The AFR hit the nail on the head when it said that the government’s gagging of Telstra management raises serious concerns about the extent of full and frank disclosure by Telstra of its true assessment of the impact of any new regulatory imposts. The AFR is right to say that regulation is important to the Telstra sale and that Telstra shareholders need to be properly informed of its impact. But don’t worry about that: this government is not going to let you hear that. It has put the fix in to make sure that Australians out there who want to understand the prospects of this company do not get told the truth.
Perpetual Investments—one of the biggest recommenders and brokers in the country—has told its clients: ‘A major factor impact in Telstra is the heavily regulated nature of the telecommunications industry in Australia. A highly regulated industry can create significant uncertainty for the companies within that industry and hence investors’. So the person whose name we are not allowed to speak, if you are a cabinet minister—Phil Burgess—has said that the idea that regulation and business are somehow two different things is a view that only a person from another planet could have.

It is critical that potential investors in T3 completely understand the impact that regulation has on Telstra’s prospects. For this to occur, Telstra management need to be free to speak their minds. Given the Howard government’s record of deception of Telstra, prospective investors in T3 need to hear both sides of the debate about the impact of regulation on Telstra’s prospects. Investors who were misled by Mr Howard’s irresponsible spruiking on T2 are right to take the government’s claims about the impact of regulation on T3 with a grain of salt. Telstra shareholders are right to want to hear the views of Telstra management on telecommunications over those of the Howard government. However, the Howard government is not interested in the interests of Telstra’s other shareholders; it is only interested in its own political interests.

Gagging the board alone was not enough for the Howard government. Gagging the management was not enough for the Howard government. In order to be able to get the T3 float away, the government needed to be able to offer investors a tricked-up dividend yield, and that meant locking Telstra into its forecast level of dividends. Never mind that Telstra will be forced to borrow to pay these artificially high dividends. Never mind that Moody’s, Standard and Poors and Citibank have all described Telstra’s forecast dividend levels as unsustainable. Can you imagine, if a Labor state government got a recommendation like that—that the government’s position was unsustainable—from Standard and Poors or Moody’s, what the public outcry would be? There would be a scandal. There would be front-page headlines and, even better, every one of those in the opposition would be screaming it from the rooftops. Never mind that the government is forcing Telstra to siphon money away from the types of capital investments which will improve the company’s prospects in the long term. Such a policy could hurt the company.

The government is not concerned with the long-term interests of Telstra’s shareholders; it is only interested in its own short-term political interests. So in the lead-up to the government’s announcement of its intentions to proceed with T3, news reports began appearing quoting government sources demanding that Telstra maintain dividend payments at its forecast levels. Newspaper articles started appearing suggesting that the government was contemplating sacking the board. The message to the Telstra board was loud and clear: fall into line on dividends or face the sack. Again, Telstra shareholder interests were not in the government’s mind at any stage during this monstering of the Telstra board. The government completely ignored the fact that in the secret briefing document provided to the government by Telstra management in August of last year, the government had been told—and these were Telstra’s words to the government in August last year: The Telstra board has already recognised that this kind of borrowing to pay dividends is not a sustainable policy or practice ...

The government completely ignored the fact that just last month, during the announcement of Telstra’s annual results, Telstra had stated that the level of future dividends will be subject to regulatory outcomes—that was
just four weeks ago. The government completely ignored the fact that since the announcement was made every regulatory decision, including the biggest one from Telstra’s point of view, the ULL pricing, went against Telstra. The government was not interested in the long-term impact that this enforced dividend policy would have on Telstra or its other shareholders. All it was interested in was its own short-term political interest. Again, Telstra shareholders will pay the price.

If gagging the Telstra management and leaning on the board over dividends were not enough, in the last two weeks the Howard government has launched a new front in its campaign against Telstra shareholders. The Howard government’s bungled announcement of the structure of the T3 sale, yet again, shows its willingness to sacrifice Telstra shareholders for its own political interests. When the government snuck out the announcement, at 5.30 on a Friday afternoon, that it would proceed with T3, it failed to provide any information about the details of any existing shareholder entitlements in T3. An observer might have thought that in the 12 months between the passage of the Telstra sale legislation and the government’s announcement of the sale structure a decision might have been able to be made on this issue. However, this important element of the T3 offer was either forgotten or purely incompetently left out of the government’s announcement of its intention to proceed with T3. I know Senator Minchin is chasing a new press secretary, but surely somebody could have managed to put the paperwork together.

That completely inept failure created the real possibility that Telstra’s share price would plummet when the markets reopened on the Monday morning. Come the Monday morning, investors would have been free to dump their existing Telstra holdings, safe in the knowledge that they would be able to buy it back more cheaply in T3. However, with those investors having read the commentary in the weekend papers warning of the risk, the government again acted incompetently to try to avert that result.

To prop up the share price when trading resumed, the government’s T3 sale team told journalists at the Australian Financial Review, the Australian, the Age and the Sydney Morning Herald that existing Telstra shareholders could expect a discount on T3 shares. In the words of the Financial Review, one individual working on the sale told the AFR on 27 August that a discount was ‘in the mix’ for the sale. This ambiguous intervention promoted speculation in the share market and was designed to prop up the Telstra share price when trading resumed. However, once the government was confident the share price of Telstra would not collapse, it began telling the very same journalists, whom it had already briefed, to play down the suggestion of a shareholder discount in T3. That is right: on Monday morning, faced with the collapse of the Telstra share price, the government put a story into the papers that said, ‘Do not sell, because there will be a discount if you hold.’ But, 24 hours or 36 hours later, the same people are on the phone to the same journalists telling them, ‘We did not really mean that, so talk it down.’ As a result, the share market has been in a state of utter confusion on the value of Telstra ever since. In relation to Telstra stock, Mr Ivor Ries, of EL and C Baillieu, notes:

The stock is suffering from chronic uncertainty because the Government has not announced any of the terms of the entitlement, so the stock is trading in an information vacuum ...

The Financial Review quoted another stockbroker as saying that if Telstra were ‘a small mining company the stock would be suspended by now’. There are some people in this chamber that know about these rules.
They are going to be speaking in this debate, and I look forward to their contribution. People with financial services licences know the obligations about the marketplace, so I want to know what has been going on. We on this side would like some answers.

So, as a result of this government’s incompetence, shareholders are left in the dark because their Telstra shares are trading in a market that lacks the basic information relevant to the value of the shares. It is in this environment of uncertainty that the government is planning its final deception of prospective Telstra investors. Small investors considering participating in the upcoming T3 float should ask themselves one simple question: would I buy a used car from Mr John Howard? After hundreds of thousands of Australians were burnt in T2, small investors should take the government’s salesmanship on Telstra with more than a grain of salt.

Unfortunately, the way that the government has structured T3 creates the real possibility that small investors could be duped once again. The government’s sales pitch on Telstra relies on a tricked-up short-term dividend yield for investors in T3. By leaning on the Telstra board to guarantee a large dividend this year, while also spreading the cost of T3 shares across two payments, the government has created an artificially high short-term return for investors in T3.

There is a reason Mr John Howard is adopting this complex structure for the sale: it is designed to lure investors in with a strong up-front return. But they will get burnt a few years down the track. It is important to remember that this return is artificial and that many have questioned its sustainability. This is just like T2: retail investors buy now and pay later, but they will buy now and pay hard later for trusting John Howard.

John Howard is laying a trap for small investors: buy Telstra now for the juicy yield and get burnt in two years when institutions drop the stock.

As Terry McCrann, financial adviser and financial expert has noted in the Herald Sun: Understand that the Government is quite deliberately setting out to artificially entice you to invest. It is doing so by giving you an unsustainable supercharged dividend income.

Telstra has given T3 investors only one year’s security on its dividend payments, and then it is anyone’s guess. Both Moody’s and Standard and Poor’s agree that it will be unsustainable for Telstra to pay its current level of dividends next year. As Charlie Lanchester of Perpetual Investments has noted:

It’s certainly a concern if you are buying for the yield. There is a bit of confusion.

The simple equation for potential T3 investors is that, once the dividend drops, so does the Telstra share price. As Marcus Padley, author of the Marcus Today newsletter, has said of T3:

If yield is the only thing people are buying it for, then you would have to be extremely fearful of what price Telstra is the day after it went ex-dividend, because if people are only holding it for the yield, it’s going to get carted out ex-dividend...

As Terry McCrann has noted, small investors who buy Telstra now for the tricked-up yield risk getting burnt in two years when the dividend gets cut and the institutions cut and run. The institutions have made their view of the T3 offer clear. These are the institutions. These are the big boys. Geoff Wilson of Wilson Asset Management noted soon after the announcement of the structure:

The way it will be structured will be very attractive from a short-term perspective. However, Mr Wilson went on to say that he doubted that he would be in the stock in two years time. That is right: he said that he doubted that he would be in the stock in two years time. Get in, rip out the yield, rip out...
the dividend and then dump it. And guess who is going to be left holding the baby.

Even worse, at the same time as Telstra’s unsustainably high dividend starts to fall, the overhang of Telstra shares in the Future Fund, if the government has its way, will be dumped on the market, further depressing the share price. Just as the institutions are getting out because the supercharged dividend price is starting to go ex dividend, the Future Fund will start selling 30 per cent of the stock on the market. By dumping more than four billion Telstra shares in the Future Fund, the government has created an overhang that will depress the Telstra share price for years into the future. The Howard government’s economic incompetence has crippled this nation, and Telstra shareholders in particular, at every turn.

This is a financial scandal. This is another trap designed to mug Telstra shareholders—just as Paul Neville indicated when he said that incentives are okay and entitlements are okay, as long as they don’t ‘suck people in’. That is exactly what is going on. The chairman of your own regional telecommunications committee knows exactly what you are up to. He has blown the whistle. He says you are trying to suck in small investors, and he is dead right. (Time expired)

Senator RONALDSON (Victoria) (5.01 pm)—When I walked in here this afternoon, I was fearful that I would see the broadcasting light on, and my fears were confirmed. That could be the only reason why we would hear the speech we had from Senator Conroy today. It was a set piece that, quite frankly, would make you wonder what is going on. Everyone knows that Senator Conroy—much to his horror—is actually the shadow shadow minister. The real shadow minister, of course, is Lindsay Tanner, the member for Melbourne. Today’s speech was another attempt by the shadow shadow minister to justify the position that he actually does not enjoy, as we learned from Mark Latham’s book. Senator Conroy does not enjoy this portfolio but, to his great credit, he is fighting very hard to keep it.

I noted with interest that there was a lot of talk about mothers today. I am not too sure that we should be going down the path of talking about the mothers of members of parliament, but that was raised today in the context of the Minister for Finance and Administration. I pose a question: what is the difference between the mother of Wayne Swan, the member for Lilley, and Senator Conroy and the Australian taxpayer? What is the difference between those three? The difference is that the member for Lilley and Senator Conroy are quite happy to bag the Telstra price down—but they are also quite happy to lump the Australian taxpayer with 30 per cent of Telstra ad infinitum. They are prepared to sacrifice with the dog, as they describe it, the Australian taxpayer through the Future Fund indefinitely, but apparently the same rules do not apply to their mothers.

This just shows the utter stupidity and hypocrisy of the position of the Australian Labor Party. What fascinates me is the difference between the member for Melbourne in the other place and Senator Conroy. If you find a position from Senator Conroy, you will find a different position from that of the real shadow minister. They have been going hammer and tongs on this for about two years. Bubbling away under the surface is a fight of some magnitude.

Today Senator Conroy talked about Telstra borrowing to pay for special dividends. He was lampooning that as being totally inappropriate. Again, the real shadow minister for communications, the member for Lilley, said this last year:
Labor welcomes today’s announcement to the Stock Exchange by Telstra that it will focus on its existing business and return money to shareholders.

That was in relation to the announced special dividend—the same special dividend that Senator Conroy was attacking here today.

It is not just in the area of special dividends where Senator Conroy and the real shadow minister for communications, the member for Lilley in the other place, are opposed; it is also in relation to regulation. In February of this year, when the government made its announcements in relation to where it was requiring Telstra to go with separation, Mr Tanner said that not only did he support the government’s regulatory framework but he claimed credit for it. He actually went on to say that it was Labor policy at the previous election. It does not really stack up, but it is always flattering to hear the other side talking positively about what you are doing. He said:

... we are strong believers in a genuine internal separation of Telstra between wholesale and retail, so we can have fair-dinkum, level-playing-field competition ...

They are the comments of the real shadow minister, the member for Lilley. Senator Conroy’s comments are totally opposed. The point I am making in relation to this is that the Labor Party is a policy-free zone in relation to communications. There are two men fighting over the one job who take an absolutely opposite view in relation to the serious matters that confront Telstra and the Australian taxpayer.

The other matter that causes me great concern is the hypocrisy of the Labor Party in relation to privatisation. The Leader of the Opposition, the member for Brand, has been talking about privatisation since the early nineties. He is the one who boasted about the sale of Qantas, CSL and the Commonwealth Bank. And he stood up in the other place, and gave speeches elsewhere, talking about the fact that he was a great supporter of privatisation and that the then Keating and Hawke governments were equally supportive. If I can find the quote I will read it. It will be just at my fingertips I hope—it is indeed, luckily.

On 24 August 1994, the then Minister for Finance, and now Leader of the Opposition, delivered a speech entitled ‘Paying for our future: the changing role of public investment’. We actually got to hear what Mr Beazley really thought about privatisation when he was being totally honest. He said:

Privatisation fits in with the Government’s broader economic imperative to create jobs ...

Privatisation is not pursued because of a New Right ideology ...

He then went on:

Privatisation, for instance, can strengthen the performance of enterprises by allowing private capital injections, as happened with the sale of the Commonwealth Bank ...

Senator Abetz—Who said that?

Senator RONALDSON—It was the then Minister for Finance and now Leader of the Opposition, on 24 August 1994, in a speech entitled ‘Paying for our future: the changing role of public investment’. What honourable senators will no doubt find fascinating about the Labor Party’s present policy in relation to 30 per cent of Telstra going into the Future Fund and remaining there is that that happens to be the exact figure that the Australian Labor Party had put on their sell-down of the Commonwealth Bank. That 30 per cent rings some quite remarkable bells.

On this debate on a matter of public importance that was lodged with the Senate, I think it is a pity that Senator Conroy has not fully detailed what has been provided to T2 shareholders. I think, in the interests of completeness, he should also have inserted that
there had been franking credits of some 78c, which he neglected to mention.

This motion is formulated under the guise of accountability and general business accountability, and I find it quite extraordinary that a party with its track record of public accountability and business accountability is lecturing this government in relation to the Telstra share sale. This was the government who delivered us Ros Kelly and the sports rorts affair—a classic example of public accountability. This was the government who allowed one of its own members to claim a compensation payment for a motorcycle accident that occurred out the front of this place. That government allowed him to sue himself. This is the same opposition—and they will not be in government for a long, long time—whose member was found by a royal commission to have falsely denied to the public her knowledge ‘of the affair that she was involved with’—a business affair, I hasten to add. This is the same opposition which has a building called Centenary House, about two kilometres away from this place as the crow flies, and which has allowed the Labor Party to receive some $36 million-plus extra into its own pockets. This is accountability Labor Party style, and we will not be lectured by them in relation to this matter.

Senator ALLISON (Victoria—Leader of the Australian Democrats) (5.12 pm)—The Australian government’s management of the last tranche of the Telstra sale is a matter of public importance. In fact, it is a matter of public disappointment. The situation of Telstra’s share price is a complex one. The Democrats recognise that there are many factors that have affected the Telstra share price, including the dotcom crash and the worldwide trend downwards in the value of telecommunications companies. In Australia the share prices of other telcos have also dropped considerably.

However, there is no denying that Telstra shareholders from the second tranche have suffered. The Telstra share price fell from $7.40 a share, at the time of T2, to $3.64 today. And we think the federal government has to shoulder a large amount of the blame for that. Senator Minchin is reported to have said:

My mother, like many Australian investors, knows the risks of investing in the Australian share market, and those risks were pointed out in full at the time of T2.

But just how true is that? I seem to recall that the federal government at the time was heavily spruiking the sale of Telstra. The Prime Minister said:

All I can say is that buying into Telstra 2, as buying into Telstra 1, will be an extremely good deal for those who get involved.

And you will remember that, at the time, T1 was hugely undervalued by the government, and shares went up almost immediately after the float. So this message would have been heard loud and clear by those people the Prime Minister was trying to appeal to. The government promoted the sale as an opportunity for small investors, first-time investors and mum and dad investors, urging them to participate in the Australian share market. And it worked. Telstra shareholders represent 1.6 million Australian electors—far more than the shareholders of, for instance, AMP, with 900,000; Commonwealth Bank, with 740,000; or BHP Billiton, with 375,000 shareholders.

Many of the investors in the Telstra 2 sale were first-time investors—so-called mum and dad investors—who had no experience whatsoever of the stock market and, arguably, no real understanding of the risks. And why would they think it was risky? The government was telling them that this was an extremely good deal. Surely the government’s spruiking of the T2 shares was ethically wrong when it could not guarantee that
the share price would be maintained or grow. In fact, what the government did then would surely be legally wrong now. Part 7 of the Corporations Act deals with insider and manipulative trading, as well as broader provisions dealing with misleading and deceptive conduct. Specifically, part 7.10, section 1041E prevents ‘false or misleading statements’ and section 1041F prevents ‘inducing a person to deal’.

It could be argued that a reasonable person might be misled into believing that statements made by ministers and other government members at the time were informed comments and predictions. While it is arguable that ministers have some protection in this respect by virtue of section 5A(4) of the Corporations Act, the protection is very limited because of section 8AT of the Telstra Corporation Act. Nonministers have no such immunity. Whether legal or not, the question of whether it was ethically wrong, I would argue, remains.

The government are now planning to sell 20 per cent of the shares to a new lot of investors. They are doing so at rock-bottom prices and are obviously feeling quite guilty about the treatment of T2 shareholders, as they are contemplating a discount or some other incentive to existing shareholders. The government have been accused—rightly, I think—of using speculation to prop up the share price. But just how responsible is this? I think this is a matter the Senate should concern itself with. Don Gimbel, who has been managing funds on behalf of Australians and Americans for 40 years, told the Sydney Morning Herald: ‘To try and flog this on ma and pa is a disservice to the Australian people.’

It is the opinion of the Democrats that the government’s decision to proceed with the float of $8 billion worth of shares in Telstra is foolish and incompetent; we have said that on a number of occasions. This massive float will drive share prices down even further, and institutional investors will snap up shares at bargain basement prices and the little guy will not benefit at all, in our view. Parking 30 per cent of the shares in the Future Fund is likely to have a further dampening effect on the share price.

But the threat to Telstra shareholders does not stop there. One of the arguments the government have made for selling Telstra is about the situation of being owner and regulator—that it is in conflict and untenable. The government have argued that they will be in a better position to regulate Telstra and the telecommunications market once they are no longer shareholders. Presumably the result of ‘better regulation’ will be a weakening of the monopoly power of Telstra, which will presumably drive down the share price. Yet wouldn’t it be politically damaging for the share price to go down, given that a potential 2.5 million mums and dads may own Telstra shares? And, if the government are mindful of the political fallout, will they in fact appropriately regulate? The conflict of interest here remains. In fact, it has perhaps become even worse than prior to any of the tranches of Telstra privatisation.

We say that the government has well and truly bungled the management of Telstra. It has shown itself to be ideologically driven on privatisation, despite the absurdity of proceeding in the current climate. Australian shareholders and Australian taxpayers should be angry. They have a sale with no guarantee of protection for consumers, they have a sale with no guarantee that broadband will be rolled out and they have no influence over Telstra. This situation is likely to get worse, not better.

Senator IAN MACDONALD (Queensland) (5.19 pm)—I came here this afternoon prepared for a serious debate on the sale of
Telstra and Telstra generally, but I must say, having heard Senator Conroy, that I have never experienced a more confused, illogical and hypocritical contribution than that which Senator Conroy gave today. It was a contribution that could rightly be described as a boondoggle. I do not want to be personally insulting to Senator Conroy—he is a nice enough sort of fellow and quite friendly—but he really should stick to things that he knows, such as stacking branches in the Victorian Labor Party or going back to driving trucks or whatever he did in the Transport Workers Union before he came here.

Senator Abetz interjecting—

Senator IAN MACDONALD—Is that what it was? I thought he was a truck driver; he was pretty big in the truckies union. That is what he should stick to and he should stay away from the things that he quite clearly does not understand. His contribution quite dramatically demonstrated a complete lack of understanding—indeed, an ignorance—of the financial markets and the share markets. In fact, Senator Conroy’s speech and contribution was downright insulting to the investors in Telstra and those who are considering investing in Telstra.

If there is a problem with the price of Telstra at the moment—and I emphasise ‘if there is’—you can lay the blame directly at the feet of people like Senator Conroy and Mr Wayne Swan, who have been consistently running down the company and raising issues that are not real issues and doing whatever they can to reduce the value of the company. You have heard from Senator Conroy this afternoon and about Mr Swan saying that he would not recommend these shares to his mother or to the people of Australia. Having said that, Mr Swan wants all the Australian public, through the Future Fund, to be kept as owners of the shares. The arguments are just so illogical and contradictory that it is difficult to fathom which angle the Labor Party is coming from.

It would appear from the argument the Labor Party are proposing that, every time they talk about their three mines uranium policy, that may have an impact on those mum and dad investors who invest in shares of uranium exploration companies. Perhaps every time the Democrats and the Greens get up and attack the forestry industry they might be having an impact on those mums and dads who have quite wisely—in my view, although I am not a financial adviser—acquired shares in any number of the forestry companies around the place.

There was some suggestion that comments by the Prime Minister might have affected the sale price of T2. I do not think that is right. I want to quote this paragraph from a letter from the then Minister for Finance and Administration, John Fahey, that came with the prospectus for T2. I want to quote it in full because it clearly identifies the government’s position and it is an appropriate statement from the government:

Investors should be aware that the value of instalment receipts and shares can go down as well as up, and that an investment in Telstra is not guaranteed by the Commonwealth. You should read this offer document carefully, and the separate Appendices if you wish, before you make any investment decision. You should consult a Stockbroker or financial adviser if you are unsure about whether to invest in Telstra.

You cannot get anything clearer than that and that is, of course, the way everyone enters into investments in the share market. In recent times, I have bought and sold a few shares—not always successfully—but if they go down, I do not turn around and blame the government. I do not even blame the Labor Party or the Greens. These are decisions that I, as an investor, make and I suggest they are decisions that every investor will make. As I say, I think that Senator Conroy is downright
insulting to investors to suggest that they enter into share investments without properly considering what is happening.

The hypocrisy of the Labor Party is identified and highlighted again by what is almost their passion for stopping the sale of Telstra, I might add while the coalition is in government. We all know that Mr Beazley, when he was the Minister for Finance, actually got his department to put up a submission for the privatisation and sale of Telstra. Every time the debate about privatisation and sale of government assets comes up, it amazes me that the Labor Party cannot remember the days when, having promised before an election not to privatise the Commonwealth Bank, immediately they won government after that promise, practically the first thing they did was to privatise the Commonwealth Bank. That was supported, I might say, at that time by the opposition because it was the right decision. But the Labor Party made it.

Not only did they privatise the Commonwealth Bank; they privatised Qantas, CSL and ADI—all, I would suggest, appropriate things to do in an economy like Australia’s, which was undergoing economic reform. That was the right thing to do, they were right to consider it and, had they remained in government, I will guarantee you that they would have sold Telstra long before this. They would have been able to do it perhaps at a share price of $7.40 because the opposition, had we then been in opposition, would have supported it because we know that it is good for Australia and good for our economy. But the Labor Party continue to play this charade here that, having privatised just about everything else that was left standing, they would not privatise Telstra. I have said this many a time: if the Labor Party had won any of the last few elections or if they happen to win one in the future and Telstra is not by then privatised—and it will be—the first thing they would do would be to sell Telstra. We know from experience just what their comments mean when it comes to selling or not selling.

Senator Conroy then, as part of his scattergun approach, started talking about the services of Telstra not being up to scratch. I remember the days when the Labor Party used to run the government instrumentality of Telstra or whatever it was then called. The services in those days before privatisation were just appalling. Instead of leading the world, as Australia now does in telecommunications, we were dragging along well at the end of the chain. As someone who lives in country Australia and who travels very regularly in remote parts of this country I can say to you that the telecommunications service we have here is brilliant and it is better than most others anywhere else in the world.

I know that this is not always a popular argument to take to the country. There is some concern, I acknowledge, in places about Telstra not being privatised but, when you sit down and discuss the issue with those who have that view and ask them how services have been improved in recent years, most will grudgingly agree that Telstra have done a magnificent job in the recent past. They can always do better, and they will, but it should not be left up to a private commercial company to provide services that perhaps are not profitable. That is a job for government to do by subsidy and it is a job that this government will continue to do. It should not be a matter for a commercial operation to have to fund. Our government will continue to do that, but you can be assured from Labor’s approach to rural and regional Australia that, were Labor ever again to attain government, the first thing they would do would be to cut the subsidies to rural and regional Australia in telecommunications and other areas. Labor’s matter of public importance today is really a mishmash of ideas. It
has not been well argued and it is not an argument that I think the Senate should take much more notice of. *(Time expired)*

Senator BERNARDI (South Australia) (5.29 pm)—I think we are all very privileged that Senator Conroy has raised this issue today because we have actually seen the birth of a new branch of economic theory. I would like to call it, for want of a better word, ‘roosternomics’. I refer to it as ‘roosternomics’ not because of the description given to Senator Conroy and a few of the other roosters by Mark Latham and not even because of the cocksure and theatrical manner in which Senator Conroy delivered his sterling address to this chamber and to the people at home; I call it ‘roosternomics’ for the simple reason that the rooster always takes credit for the sun rising. So small and so limited is the rooster’s intellect and grasp of the laws of physics—in this case, the motion of the earth—he insists that he is responsible for the rising of the sun. The only way that Senator Conroy’s arguments can be sustained is if ‘roosternomics’ takes both sides of the equation. Senator Conroy is not alone in adhering to ‘roosternomics’, because the Leader of the Opposition, Mr Beazley, is also a proponent of it. According to Mr Beazley, if we sell our Telstra shares, or if we sell them and park some in the Future Fund, there is going to be an overhang, the share price will fall and the investors will suffer. But, of course, if we decide not to sell the shares and park them in the Future Fund, the market will say there is excessive regulation and it is hamstringing the ability of the company to compete on an equal footing.

‘Roosternomics’ is not limited to Telstra. The opposition’s basic philosophy goes like this: ‘When we are in government we can sell 11 different companies’—Senator Macdonald talked about some of them like CSL and the Commonwealth Bank—‘we can sell the family silver but, rather than investing that money in productive enterprises, what we are going to do, according to “roosternomics”, is pour it into a black hole—a $96 billion black hole that existed in 1996.’ But of course they will not acknowledge that there is a black hole. They will deny it, as Mr Beazley did. He said in 1998 that there was no black hole and no $10 billion deficit. But, of course, the undeniable truth came out when Gareth Evans, a former senator, said that the deficit in 1995 and 1996 was actually $10.3 billion.

Once again, ‘roosternomics’ has both sides of the argument. The theory goes like this: you can spend your way to prosperity, you can continue to spend and spend, and you will eventually get richer. It does not work like that. The world does not work like that. You have to save and you have to invest. Part of investment for Australians is in the share market. We are one of the great share-owning democracies. We have a very clear and straightforward corporations law which, for prospectuses for initial public offerings on the share market, spells out very clearly the risks of investment. We have professional advisory services across the country which people can avail themselves of. But it is not enough to be condemned for not disclosing the risks to shareholders on behalf of Senator Conroy, because I think what he is doing is having a shot at the other ‘roosternomics’ advocate, Stephen Smith. I would like to quote what Mr Smith when he was the shadow minister for communications in 2000. He said:

... shareholders in Telstra, like shareholders in any company, purchase shares with their eyes open and they take the consequence of the market going up and the market going down ... they buy with their eyes open and, like everyone else, they take their chances in the marketplace.

That is ‘roosternomics’, isn’t it? We have another conflicting opinion based on both sides of the argument. As a professional in-
vestor, and previously as a professional adviser, I have endured the vicissitudes of the market and taken them with equanimity. You just have to accept it. But, of course, the mum and dad investors do not always have that same approach to it, and so they rely on professional advice.

Senator Allison was talking before about how we overcharged the people of Australia under the Telstra 2 sale. I go back to 1999, again, and Senator Allison is actually on the record as quoting an analyst saying that they were expecting an increase of up to 40 per cent, windfall gains for the investors in Telstra 2. So, whilst she acknowledges all the analysts now, she was prepared to ignore what they were saying earlier on. Senator Allison made these comments in the context of saying we should have charged more for Telstra 2. That is quite contrary to what she is saying now. She may not be a fully paid-up member of the ‘roosternomics’ fan club, but she is certainly on her way to getting there.

The other quote that I think we need to bear in mind today is from Terry McCrann. Mr McCrann has been quoted extensively by the Labor Party from some of his recent judgements, columns and articles about our performance in selling Telstra and offering it to the public to make it a more flexible, positive and dynamic company. In an article headlined ‘Coonan should take a bow, Beazley should bow out of it’, Mr McCrann makes a number of claims but the essence of it is this:

Beazley set the tone for his opposition colleagues, all of whom have distinguished themselves with observations ranging from the inane to the utterly irrelevant.

I think that sums up pretty eloquently the case of ‘roosternomics’—the inane to the utterly irrelevant. We have Senator Conroy standing up and deciding that he will be the champion of the mum and dad investors. Let me tell you now that the champion of the mum and dad investors is this government. This government has put more wealth into the pockets of everyday Australians and done more to lower taxes for Australian men and women than any government in Australia’s history. This government has done more to encourage investment in superannuation, which encourages strong investment in our share market, which provides much-needed capital for the development of Australia and our positive economy as it is going forward.

I consider us very privileged to have seen the birth of this new economic theory. It has been a long time in gestation but, while the rooster makes a lot of noise, he does not deliver much. That is why there is only one in every henhouse; they do not lay any eggs and you get no service from them. That is what will happen with the Labor Party. If they ever get into government, the people of Australia will be utterly dismayed at their performance.

The ACTING DEPUTY PRESIDENT (Senator Brandis)—The time for discussion of the matter of public importance has now expired.

COMMITTEES
Scrutiny of Bills Committee
Report

Senator ROBERT RAY (Victoria) (5.37 pm)—I present the seventh report of 2006 of the Senate Standing Committee for the Scrutiny of Bills. I also lay on the table Scrutiny of Bills Committee Alert Digest No. 9 of 2006, dated 6 September 2006.

Ordered that the report be printed.

Senator ROBERT RAY—I move:
That the Senate take note of the report.

In tabling the committee’s Alert Digest No. 9 of 2006 and seventh report of 2006 I wish to draw the Senate’s attention to the amend-
ments made to the Aboriginal Land Rights (Northern Territory) Amendment Bill 2006. These amendments raise no issues within the committee’s terms of reference. However, as the committee has noted on page 12 of its Alert Digest No. 9 of 2006, the amendment to proposed new subsection 76(1), inserted by item 202 of schedule 1 of the bill, addresses a concern raised by the committee in its commentary on the bill in Alert Digest No. 5 of 2006. In that digest the committee expressed concern that the proposed new subsection would give the minister an unfettered discretion to delegate certain functions or powers to ‘a person’. Since its establishment, the committee has consistently drawn attention to legislation that allows significant and wide-ranging powers to anyone who fits the all-embracing description of ‘a person’. Generally, the committee prefers to see a limit set, either on the sorts of powers that might be delegated or on the categories of people to whom those powers might be delegated. The committee’s preference is that delegates be confined to the holders of nominated offices or to members of the senior executive service.

In this case, the committee noted that the proposed new subsection was expressed in the same terms, in this respect, as the existing subsection, and that as a result it may have been thought that the ministerial discretion required no justification. The committee also noted that the existing provision was enacted when the act was first passed, in 1976, before the establishment of this committee. In his response to the committee the minister confirmed that no thought had been given to amending the subsection, as it was in the same terms as the existing provision. However, the minister undertook to seek further advice on the issues raised by the committee and to give consideration to whether amendments should be made to meet the committee’s concerns. The amendment to proposed new subsection 76(1) of the bill stipulates that the functions and powers in question may be delegated to ‘the secretary of the department or an SES employee or acting SES employee of the department’. I am pleased to note that the minister’s word is his bond and, on behalf of the committee, I would like to thank him for this amendment, which addresses the committee’s concerns.

Question agreed to.

Public Works Committee Report

Senator FERGUSON (South Australia) (5.41 pm)—On behalf of Senator Troeth and the Parliamentary Standing Committee on Public Works, I present report No. 13 of 2006, Australian Institute of Police Management Redevelopment, North Head, Manly, NSW, and I move:

That the Senate take note of the report.

I seek leave to incorporate my tabling statement in Hansard.

Leave granted.

The statement read as follows—

The report examines the proposal to redevelop the Australian Institute of Police Management (AIPM) site on North Head, Manly. The estimated cost of the proposed works is $16.224 million.

The AIPM is located on 1.7 hectares of harbour front land at the end of Collins Beach Road, Manly and has operated from this site since 1960. The AIPM provides senior management and executive development, education and consultancy services for Australasian and International law enforcement agencies and public safety agencies.

The Australian Federal Police (AFP) submitted that the aim of the redevelopment is to improve the operational efficiency and long term sustainability of the AIPM, to expand the functional capacity and to modernise security.

According to the AFP the redevelopment will consist of:
replacement of residential accommodation blocks, administrative and academic office accommodation and senior common room facilities;

• refurbishment of existing library, teaching, dining areas and specific heritage buildings;

• construction of soft and hard landscaping to various areas of the site including consolidation of car parking;

• removal of existing barrack style accommodation buildings and miscellaneous stores areas; and

• landscaping works to improve the environment for both humans and native fauna occupants of the site.

On the second of June 2006 the Committee inspected the site and environs of the proposed works. The Committee also received a confidential briefing from the AFP and held a public hearing in Manly later that day. At the public hearing the Committee heard of large scale community concerns with the proposal, and acknowledges the receipt of a 366 signature petition opposing the works.

Much of the community concern relates to the culturally and environmentally sensitive nature of the site. The Committee feels that had the AFP undertaken to consult with the local community in a timely and transparent manner, and attempted to address these issues, much of the community concerns could have been alleviated.

The site provides a habitat for a number of endangered populations; of particular importance are the Little Penguin and long-nosed bandicoot populations. The whole of the North Head, which includes the AIPM site, was placed on the National Heritage List on 12 May 2006. As a result, any works that proceed on this site need to give consideration to the environmental and heritage impacts that they may have, and the current proposal has been referred to the Department of Environment and Heritage for its consideration. The Committee recommends that the AFP supply it, and the local council and community, with copies of the Construction Environment Management Plan, the Conservation Management Plan and the Traffic Management Plan once these plans have been formulated. These plans should alleviate many negative impacts that the redevelopment would have had on the site.

The Committee recognises the benefits of integrated management of the North Head. As a result, the Committee recommends that the AFP works with the Manly City Council, as well as other North Head stakeholders to ensure integrated management of the North Head.

At the Hearing the Committee also heard of Community difficulty with accessing the 1979 Land Use agreement, which allows the Commonwealth to use the site as a “police college” until such time as it is deemed to be surplus to Commonwealth requirements. The Committee is satisfied with the legal advice received by the AFP, and communicated to the Committee, that the Commonwealth retains control and administration of the site, and accepts the AFP’s preference for the 1979 Land Use agreement to be accessed through the NSW State Parliament.

The local community raised concerns that the redevelopment was commercially driven, and that potential existed for the site to be commercially let. The Committee questioned the AFP as to the extent of commercial use of the site, and was informed that commercial use amounted to 16 per cent of the total use. The Committee was assured that large scale commercialisation at the site would not occur.

Mr President, having given detailed consideration to the proposal, the Committee recommends that the Australian Institute of Police Management Redevelopment, North Head, Manly proceed at the estimated cost of $16.224 million.

In closing, I wish to thank those who assisted with the inspection and public hearing, my Committee colleagues, and staff.

I commend the report to the Senate.

Question agreed to.

AUDITOR-GENERAL’S REPORTS

Report No. 2 of 2006-07

The ACTING DEPUTY PRESIDENT (Senator Brandis)—In accordance with the provisions of the Auditor-General Act 1997, I present the following report of the Auditor-
Senator O'BRIEN (Tasmania) (5.42 pm)—by leave—I move:

That the Senate take note of the document.

The audit report Export certification: Australian Quarantine and Inspection Service, which was tabled today, provides additional weight to the call by Labor, and by the New South Wales Farmers Association, for a thorough overhaul of Australia’s quarantine arrangements and the organisations responsible for managing them.

This particular audit report examines the performance of the Australian Quarantine Inspection Service as the body responsible for certifying that our exports meet the health and quarantine requirements of importing countries. This is a most important function. Australia exports $32 billion worth of meat, dairy, fish, horticulture, grain, live animals and organic products each year. Around $21 billion worth of these exports require a certification by AQIS that they meet the health and quarantine requirements of importing countries.

Over many years Australia has developed a well-earned reputation as a reliable source of high-quality, safe food and fibre products. Importing countries have relied on the Australian Quarantine Inspection Service to guarantee that quality. AQIS is held in high esteem in the international marketplace and considerable value is put on the AQIS stamp. AQIS has earned its high reputation but it cannot be allowed to rest on its laurels.

In the report tabled today the Auditor has identified a number of areas of concern about the way AQIS performs this important task of certifying our agricultural exports. I urge the government to read this report closely and to action any of the areas of concern raised by the Australian National Audit Office. The areas of concern fall into three broad categories: to improve guidance to industry, to assure audit quality and reliability, and to improve management reporting and performance information. I want to deal briefly with each of these areas.

The Audit Office gave AQIS a tick for the fact that current export control orders are less prescriptive and better focused on industry needs than in the past and agreed that this had simplified and assisted compliance with regulatory requirements. However, it also found that AQIS guidance programs for industry and staff were in some cases out of date or only available in draft form. This is just not good enough. Industry and staff have a right to expect that information provided by AQIS is accurate and up to date. The Audit Office also found that the guidance material that is up to date and available is not being broadly communicated. Presumably, this means that in some cases staff and industry are unaware of its existence. The auditor recommends that AQIS review and improve the availability of export and licensing information. This is a sound recommendation and ought to be taken up immediately.

In terms of assuring audit quality and reliability, it is of real concern that the auditor raised as a central issue AQIS’s management of industry compliance in terms of the consistency and quality of its assessments and decisions. The Audit Office found that, while AQIS has some systems to facilitate audit quality and reliability, the extent to which they were used varied between export programs. This, according to the auditor, ‘limits management assurance on audit quality and reliability’.

It is interesting that the report finds that the exception is the meat export program, where there are good quality-assurance measures in place. If there are good proce-
dures in place within the meat program, there is no reason why good procedures cannot be put in place to guarantee the quality and reliability of other programs. Once again, the issues raised by the auditor should be addressed as a matter of some urgency; in particular, the recommendation that all assurance arrangements should be strengthened by capturing and assessing data on the extent and cause of variations between the quality assurance procedures used in the different programs.

On the question of better management reporting and performance information, most of the systems AQIS uses to determine whether required standards are being met are regionally based or are managed by third parties. There is no overall system for capturing and routinely reporting data on the quality control audits, result, compliance or corrective action. This means that senior management are not getting the information they need to map and respond to trends or patterns in noncompliance or associated risks.

Clearly better data collection and information management systems are needed. Also needed, according to the auditor, is a system of key performance indicators, which would enable senior management and industry to determine how well AQIS is doing its job, particularly in the area of ensuring compliance with regulations and industry requirements. Such indicators would help in alerting management to areas of the organisation where performance could be improved.

A large proportion of Australia’s $32 billion agriculture export market relies for its continuing existence on our reputation for delivering high-quality, safe products. In most cases it is AQIS that provides the guarantee of that quality. I urge the government to closely examine this important report and to respond to its recommendations as a matter of some urgency. This is a very important sector of Australia’s export market.

The opposition and farmer organisations have been raising serious concerns about the operation of Australia’s quarantine arrangements for some time. We are not saying that the system has completely broken down. Clearly, in many areas, the system serves the country well, but there is room for improvement in many others. This report provides further evidence that it is time for a thorough review of our quarantine arrangements to ensure that we have the best organisational structures and systems in place to meet our needs now and into the future.

Question agreed to.

MARITIME TRANSPORT AND OFFSHORE FACILITIES SECURITY AMENDMENT (SECURITY PLANS AND OTHER MEASURES) BILL 2006
NATIONAL HEALTH AMENDMENT (IMMUNISATION) BILL 2006
First Reading

Bills received from the House of Representatives.

Senator ABETZ (Tasmania—Minister for Fisheries, Forestry and Conservation) (5.50 pm)—I indicate to the Senate that these bills are being introduced together. After debate on the motion for the second reading has been adjourned, I will be moving a motion to have the bills listed separately on the Notice Paper. I move:

That these bills may proceed without formalities, may be taken together and be now read a first time.

Question agreed to.

Bills read a first time.

Second Reading

Senator ABETZ (Tasmania—Minister for Fisheries, Forestry and Conservation) (5.50 pm)—I move:
That these bills be now read a second time.

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

Leave granted.

*The speeches read as follows—*

**MARITIME TRANSPORT AND OFFSHORE FACILITIES SECURITY AMENDMENT (SECURITY PLANS AND OTHER MEASURES) BILL 2006**

**Background**


The Act establishes a scheme which safeguards against unlawful interference with maritime transport or offshore facilities by setting up a regulatory framework centred on the development of security plans for ships, ports, port facilities and offshore facilities which are vital strategic assets providing maritime transport for imports and exports and our domestic energy supply.

**Objective of the bill**
Maritime, ship and offshore security plans play an integral role in the maritime transport and offshore facility security regime. The bill introduces measures in relation to the submission and approval of maritime, ship and offshore security plans aimed at alleviating administrative burdens faced by the maritime industry. The measures of this bill are an example of the continued and successful cooperation between the Department of Transport and Regional Services and Australia’s key maritime industry representatives. It is a relationship based on consultation and cooperation through the Maritime Industry Security Consultative Forum.

**The measures of the bill**
The bill will streamline the plan approval process and make it easier for participants to submit changes to security plans.

Schedule 1 of the bill amends the Act to simplify the plan approval process and procedures for the establishment of security zones, shorten the time for plan approvals, change the contact details for security officers and clarify when the plan approval period commences.

Security plans are submitted to the Secretary for approval.

A maritime industry participant may also request the Secretary to establish port or offshore security zones within or around a port or an offshore facility.

At present a participant cannot change a plan without submitting a revised plan. The bill will enable participants to submit a variation to a plan. The test for approving the variation will be the same as for a revised plan.

Presently, the Act anticipates that security zones will already be established independently of the submission of a maritime security plan or an offshore security plan. However, the Secretary generally establishes security zones following proposals made to the Secretary in a maritime security plan or an offshore security plan. Those provisions in the Act are being amended to reflect circumstances where port and offshore security zones have not yet been established by the Secretary.

Currently, security zones are established when the Secretary has given the operator written notice establishing the zones. This written notice is separate to the written notice which the Secretary gives an operator for approval of security plans. An amendment to simply this administrative process is being introduced. When the Secretary gives a notice to the participant approving the maritime or offshore security plan, the Secretary is then taken to have given the port or offshore facility operator a notice establishing the maritime or offshore security zones as proposed in the plans.

It is difficult for the Department to know when a plan approval period commences under the Act, because it is not always possible to know when a
The participant has given a plan to the Secretary. The bill provides that the approval period will commence when the plan is received by the Secretary. The bill will reduce the time allowed for the approval of plans from 90 days to 60 days to align with the Aviation Transport Security Act 2004 which is also administered by my portfolio. The 60 day plan approval time can be extended for a maximum of 45 days to allow the Secretary to seek further information from the participant.

At present, maritime, ship and offshore security plans must include contact details for the participant’s security officer so that any change to contact details requires amendment to the security plan. The bill removes the requirement for contact details in the Act, requiring instead the participant to designate by name, or reference to a position, all security officers responsible for implementing or maintaining the security plan, thus removing the need to amend a security plan when security officer’s contact details change.

Schedule 2 of the bill contains technical amendments to Acts administered by my portfolio relating to legislative instruments as a consequence of the enactment of the Legislative Instruments Act 2003. These amendments are included in this bill to reduce the size of the Legislative Instruments (Technical Amendments) Bill 2005.


Conclusion

The Maritime Transport and Offshore Facilities Security Amendment (Security Plans and Other Measures) Bill 2006 will streamline the process of maritime, ship and offshore security plans and the establishment of port and offshore security zones. I am confident that the measures introduced in this bill will enable maritime industry participants to focus on implementing and maintaining the security measures outlined in their security plans, contributing to the strengthening of Australia’s maritime security arrangements.

NATIONAL HEALTH AMENDMENT (IMMUNISATION) BILL 2006

This Government is proud of its record in funding vaccines. Commonwealth Government expenditure on vaccines has increased 22-fold from $13 million in 1996 to $285 million last year. The proof of the success of the National Immunisation Program (NIP) can be measured by the declines in rates of preventable diseases and, in the case of polio and smallpox, eradication of the diseases from Australia.

The largest vaccination program ever undertaken in Australia, the National Meningococcal C Vaccination Program, has already achieved significant results. In 2002, before the program started, there were 213 cases of meningococcal C disease reported to the National Notifiable Diseases Surveillance System. By 2005 this had reduced to 40 cases, a decrease of 81%. Deaths from meningococcal C have also declined by 83% in this time.

The Government provides funds to State and Territory Governments to purchase vaccines under the NIP. The States and Territories then provide the vaccine free of charge to providers so that the target population can be immunised.

Funds are also provided to State and Territory Governments to assist with any pre- and post-vaccine tests that may be required. In addition, the Government also provides State and Territory Governments assistance in procuring goods and services related to vaccine provision, for example vaccine storage and delivery.

This bill is a minor administrative amendment that preserves the current funding arrangements between the Commonwealth, State and Territory Governments. This allows the continuation of activities such as vaccine storage and distribution. The amendment in this bill will come into effect after the bill receives Royal Assent.

A strong NIP is important. As new and more complex vaccines are developed, steps must be taken to ensure that the immunisation program is as efficient and effective as possible. We need to put into place arrangements that enable the NIP to respond to these future challenges.

Debate (on motion by Senator Abetz) adjourned.
Ordered that the bills be listed on the Notice Paper as separate orders of the day.

COMMITTEES

Legislation Committees

Reports

Senator FERGUSON (South Australia) (5.52 pm)—Pursuant to order and at the request of the chairs of the respective legislation committees, I present reports on the examination of annual reports tabled by 30 April 2006.

Ordered that the reports be printed.

Senator JOHNSTON (Western Australia) (5.52 pm)—by leave—I move:

That the Senate take note of the reports.

In support of this motion, I want to make what I think are some important remarks. Annual reports place on the public record a great deal of information about government departments and agencies and they are an important element of accountability to parliament. The information provided in annual reports is intended to assist parliament in the effective examination of the performance of departments and agencies and the administration of government programs. They are a key reference document and a document for internal management. It is unusual for a senator to speak to a report on annual reports, but I want to underline their important function and how they can be neglected as an important accountability measure. I also want to spotlight the work being done by the Judge Advocate General.

It is of vital importance to have effective machinery that allows independent statutory bodies to alert the minister, the parliament and the public to their concerns. The requirement for the Judge Advocate General to prepare for, and provide to, the Minister for Defence a report relating to the operation of the Defence Force Discipline Act strengthens the JAG’s independence and enables his office to perform its oversight role more effectively. The JAG is able to draw to the minister’s attention and alert the parliament to problems with the operation of the Defence Force Discipline Act and make recommendations to rectify shortcomings. This report demonstrates the importance of this function and the effectiveness of the JAG’s report. The JAG said in his report:

In raising matters in the annual reports, successive JAGs have endeavoured to flag for parliament and the Service Chiefs important issues that need to be addressed ... it will be necessarily apparent that practically all of the suggestions and recommendations made over the years have subsequently been introduced. Regrettably, however, it has often taken subsequent intervention, such as the recent inquiry into the Effectiveness of Australia’s Military Justice System, for that to occur. By the time of this intervention, several years will inevitably have passed and what was originally a matter of keeping the legislation up to date with developments in the law within Australia and overseas becomes, instead, an issue of serious concern.

The JAG noted that there is no formal mechanism for matters raised in the annual report to be formally considered and responded to. In his view, this arrangement is a ‘serious deficiency which defeats the self-regulating purpose of the JAG’s report’. He referred to his previous report, the 2004 report, in which he expressed concern that his report—and the purpose of his report: providing parliament with an independent report relating to the operation of the Defence Force Discipline Act—was not fully appreciated.

One of the reasons I decided to speak to the Senate about the JAG’s report is to highlight the JAG’s view on the lack of attention given to his report and how a valuable accountability measure can be overlooked. His observation applies not only to his report but also to the many annual reports presented to the parliament by key statutory bodies that
have this important oversight function. In his report the JAG said:

... if used properly, the JAG’s annual report is an important part of the self-regulating machinery designed to keep the Defence Force Discipline Act, and the discipline system as a whole, current.

The Senate Foreign Affairs, Defence and Trade Committee noted the JAG’s observations that, under his reporting regime, there is no mechanism for the government or the ADF to respond to recommendations in his report. This is clearly an area that warrants serious consideration for reform. The committee is aware that the Australian Defence Force is undergoing a period of reform, including the establishment of a permanent military court and associated changes. It is important to ensure that the oversight and reporting role now filled by the JAG continues after the establishment of the Australian Military Court. Indeed, the JAG stressed the importance of a report such as his in ‘maintaining the jurisprudential currency of the military justice system’. He noted:

If the report is to be discontinued, it is important that some other mechanism be put in its stead.

The committee strongly supports the JAG in his view. The JAG raised a number of other significant matters with respect to the independent oversight of the operation of the Defence Force Discipline Act and related legislation, particularly in light of the proposed permanent military court, which includes factors that underline the security of tenure of judicial officers, renewable fixed terms and the conditions for termination of appointment. The committee believes that these matters warrant the closest attention and should be a key consideration when decisions are finally taken on the creation of the court. The JAG also referred to delays in bringing matters to trial. Again, the committee has taken notice of the JAG’s comments and will monitor progress in this area vigorously.

The legislation to establish the court has not yet been introduced into the parliament. Nonetheless, the committee notes the JAG’s concerns and will pursue them as part of its role in scrutinising the implementation of reforms to Australia’s military justice system. Furthermore, the committee believes that the views and recommendations of the JAG contained in this and previous reports should be a central consideration for those in the ADF and the government who are involved in implementing reforms to Australia’s military justice system.

The committee considers that the JAG’s statutory independence provides an effective mechanism for making the types of observations and recommendations contained in this report. The statutory position of the JAG’s office—outside the military chain of command—provides the greatest possible guarantee of impartiality and independence. This report is an example of how independence and impartiality can improve the overall function and accountability of the military justice system. The committee welcomes and endorses the JAG’s active stance in suggesting improvements to the military justice system and it also welcomes the JAG’s initiative of providing public information regarding the operation of particular aspects of the military justice system.

It is crucial that, under the reforms now taking place, the oversight and reporting function now filled by the JAG continues into the future. The committee has on previous occasions advocated that the Inspector-General of the Australian Defence Force have the same reporting regime as the JAG. Indeed, the JAG’s report provides an ideal model and underscores the many benefits that would result from a separate annual report by the Inspector-General of the Australian Defence Force to the minister. It would allow the same objective and frank assessment of the health of Australia’s military
justice system, as shown in the JAG’s report on the discipline system. It would allow the necessary oversight free from the influences of the ADF, provide vital feedback to the Australian Defence Force on the strengths and weakness of the military justice system and inform the parliament about the effectiveness of the system as a whole.

Senator MARK BISHOP (Western Australia) (5.59 pm)—I too want to take note of the committee reports on the examination of annual reports tabled by 30 April 2006. In particular, I want to comment on the annual report of the Judge Advocate General. It is probably unsurprising that, once again, there is clear evidence of government inertia with respect to the ongoing reform of military justice within the Australian Defence Force. This was initially highlighted some two or three weeks ago when there was a six-monthly review by the relevant Senate committee into military justice changes. Now this report of the Judge Advocate General draws quite similar conclusions. Together they show us and interested observers that true reform is still a long way down the pike. The government has been making some note of a significant number of reforms fast-tracking change within the military justice system, but both the Senate committee report and this report of the Judge Advocate General show that some of that fast-tracking is illusory at best. The JAG report and the previous Senate committee report of a fortnight ago identify significant cultural and procedural issues that continue to undermine the success of institutional reform. They show how the government needs to implement institutional change and so give effect to public comments by the government, by the Minister for Defence and by the Chief of the Defence Force.

Who is the Judge Advocate General? He is a High Court judge or a Supreme Court judge, serving or retired, whose office provides civilian judicial oversight of Defence Force discipline and plays a role in the legal welfare of the Australian defence forces. It is a very important position with significant responsibilities. As such it has the capacity to play a pivotal role in the implementation of changes to military justice which remain an ongoing sore point. The military justice inquiry last year found systemic flaws and abuses within the system. In its report it made a number of recommendations to improve the system, such as setting up a permanent military court and appointing a director of military prosecutions. The government response to that military justice inquiry report accepted a number of recommendations. But the government response, tabled at the time by Senator Hill, baulked at implementing other major reforms such as agreeing to civilian authorities investigating alleged criminal activity within the armed forces. Hence these issues continue to plague the system.

To help overcome this, and to perhaps encourage ongoing reform, the Foreign Affairs, Defence and Trade Legislation Committee was asked to do a series of six-monthly reviews to assist the government to keep on track in terms of its commitment to and implementation of reforms within military justice. The first review in June of this year identified a number of major shortcomings in the government’s implementation of reform. It found that reform was inordinately slow; that there was a prevailing culture within the Australian defence forces that could undermine the success of current reforms; and that there was a significant number of new and ongoing correspondents making continuing complaints to the committee. It is time to give the same committee the ability to review the annual report of the Judge Advocate General because both provide damning evidence that the government’s commitment to reforming military justice shows perhaps a lack of substance.
Some of the main concerns flagged by the Judge Advocate General and considered by the Senate committee go to the independence of the JAG office. The JAG says this is compromised by being bankrolled by Defence legal. The government initially agreed the office would be removed from Defence legal and devolved to a more appropriate place—that is, the office of the Vice Chief of the Defence Force. That has not happened yet despite commitments in writing. I suggest that is further evidence of government inertia in terms of implementing reform. The JAG went on to say that the government continues to be slow to act on recommendations made in the JAG’s annual reports. That was an ongoing problem. The Senate committee has backed up the JAG’s concerns that there remains no formal mechanisms for matters raised in the annual report to be responded to. The Judge Advocate General publishes a report, it is tabled in the parliament, it identifies a range of problems or issues that need resolution but there is no formal mechanism—or no requirement in legislation or regulations—for government to respond to those recommendations of the JAG. That is an ongoing problem. As the Judge Advocate General says, that system, which by design fails to result in change, defeats the very purpose of the Judge Advocate General making reports—which is that they are supposedly self-regulating.

Finally, whilst he welcomed the creation of the DMP—the Director of Military Prosecutions—the Judge Advocate General made the very pertinent point, which the Senate committee endorses, that he was concerned that the role remained within the chain of command. He said it was preferable for that very important position to be independent with its own budget, thereby avoiding any perception that resources might be limited because of command influence. That is a critical point. If you are going to have judicial oversight, it needs to be separate, it needs to be funded properly and it needs to be independent in its operations. If the serving responsible officers in charge of that operation are part of the chain of command then by definition they have conflicting responsibilities—firstly, to themselves, their career and the armed forces; and, secondly, to the obligations imposed upon them. I am not so sure that the current system provides a suitable way for those conflicting responsibilities to be resolved.

The Senate committee in considering that also backed up the JAG’s concern about the independence of the proposed Australian Military Court. It made reference to safeguards to ensure that the military court’s independence included security of tenure and independence of salary of serving judges. Again, the government has failed to assure this important forum. So whilst it makes a lot of noise about implementing reform and it makes the appropriate statements in public, when it comes to the issue of introducing legislative change to achieve that reform—and a fundamental way of doing so is to ensure that the senior officers who have judicial oversight are truly independent and not part of the chain of command—the government baulks. Finally, in that context the JAG made the obvious comments that there is a lack of wisdom about appointing judicial officers to boards of inquiry. These boards of inquiry do not have judicial power and by definition are constrained in their terms of reference.

Appointing a judicial officer to these administrative inquiries undermines the legal integrity of that officer. Indeed the committee considered that and supports the recommendations and findings of the Judge Advocate General in that respect. It heeds its warning about a lack of independence of the Australian Military Court, security of tenure for judicial officers and no real measure by
which the government is able to respond to the JAG’s recommendations, even if it is so inclined. The JAG and the Senate committee further call on the government to strengthen the independence of the Inspector-General of the Australian Defence Force. This could also be done by ensuring the Inspector-General of the Australian Defence Force has the capacity to make an independent report, as is the case with the Judge Advocate General.

That would be in part a measure of just how committed the government is to true reform of the military justice system, but I must say, in conclusion, that evidence is that progress of reform, if any, is at best slow. A lot of the legislative response that has been put on the table, when one examines the detail, shows perhaps the opposite is occurring when the relevant senior officers do not have separate tenure, are part of the chain of command, do not have their own budget, do not have their own reporting capacity and, when they do make reports in their annual reports, the government of the day is not obligated in any way to respond.

So the government needs to pay more attention to ongoing reform of military justice within the Australian defence forces. It is fair to comment that a lot of the spin that has been coming out of late does not serve any real purpose. It gives the appearance of acting but in fact covers up or hides. We suggest—and the Senate committee is of the view—that the government must act on the JAG’s recommendations contained in his report to ensure that there is true cultural and—

The ACTING DEPUTY PRESIDENT (Senator Forshaw)—Senator Bishop, your time has expired, but you may seek leave to continue your remarks.

Senator MARK BISHOP—I seek leave to continue my remarks at a later time.

Leave granted; debate adjourned.

Environment, Communications, Information Technology and the Arts References Committee

Report

Senator BARTLETT (Queensland) (6.09 pm)—I present the report of the Environment, Communications, Information Technology and the Arts References Committee, About time! Women in sport and recreation in Australia, together with the Hansard record of proceedings and documents presented to the committee.

Ordered that the report be printed.

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

Leave granted.

Senator BARTLETT—I move:

That the Senate take note of the report.

As a historical aside, this will be the final report by the Environment, Communications, Information Technology and the Arts References Committee, and it is about sport. The reference was made on 29 March this year and it is being tabled today, 6 September, so that is a fairly tight time frame to have an investigation into issues surrounding women in sport and recreation. Despite that, this is a substantial and substantive report, and credit must go to all those who were involved in bringing it together. That includes, of course, the many people in the general public who showed interest in this issue.

The committee received 81 submissions, conducted three public hearings, heard from 35 different witnesses in those hearings and, through the report, makes 18 recommendations for further action. This report does not exist in a vacuum; it builds on a large body of work over a couple of decades in addressing the various challenges and issues facing women in sport and recreation. A whole lot of those are listed in appendix 1 of the re-
Towards the end of its inquiry, the committee also wrote to state and territory departments of education, asking a number of questions in relation to the number of physical activity programs in schools, and the responses that came in from the various departments prior to the report being finalised are also contained in an appendix within the report. They will be available on the committee’s website, as will be any future responses that do come in.

I think it is worth reading from the summary at the front of the report, because it does encapsulate quite well some of the key issues, even though it covered a wide range of areas, as inquiries always do. There are three important points that the committee believes are useful to express and to highlight as an introduction. Firstly, to emphasise:

… the challenges faced by women are not challenges they face alone. There are great health benefits for all Australians that come with being physically active, and there is a need for everyone—women and men, boys and girls—to be more active, and for governments and sporting organisations to play roles in facilitating that activity. There are hurdles that elite sportsmen and women both face in their efforts to compete at an elite level. Outside the sports that have the lion’s share of media coverage, and which are financially strongest, most elite sports people—men as well as women—are working hard with relatively few direct financial rewards.

1.10 Second, the solutions to the challenges faced by women’s sport are not for women alone to implement. It has to be a partnership of women and men working—across the community—together to create change.

We received evidence from men and women alike about various sporting endeavours and recreational activities and ways they can be enhanced through enabling equal opportunities for women to participate not just in playing but in the coaching, administrating, officiating and governance roles, where the role of women is just as important. And:

1.11 Third, all sportspeople have a part to play in ensuring everyone can enjoy their game or activity and all parents have a part to play—and the community more widely—in ensuring their boys and girls stay active and healthy.

In addition:

Everyone in the media, male or female, needs to take every opportunity to give the diversity of sports the coverage they deserve.

As the title of the report aptly says:

It is about time that women have enhanced opportunities ...

It is also of course a lack of time that leads to many women not being as involved as they would like in sport and recreational activities. The report also addresses some of those issues. It covers a range of areas—as I said, it is a substantial report—including the broad health benefits of participation in sport which, it should be emphasised, save governments and the public a significant amount of dollars in health budgets. Encouraging physical activity and participation in sport and recreation is, perhaps, one of the cheapest and most efficient forms of preventative medicine. It also has flow-on social benefits.

There is a chapter in the report dealing with grassroots participation, thereby building community healthiness and reducing isolation. Elite participation also gets some coverage in the report, as does the important role of leadership and governance by women in women’s sport and general sports. It finishes off with a chapter on women’s sport and the media. That is often where a lot of the focus is. That is understandable because, while there are a fair few of us involved in sport and recreation and physical activity, a much greater number of us are involved in just sit-
tong back and watching it on television or reading about it in various ways. It is therefore no surprise that there is often a lot of focus on how much media coverage there is of women’s involvement in sport, as well as the nature of that coverage.

This chapter is an important one. I received some feedback from the public about this inquiry when I put various things about it on my website. People said, ‘It just doesn’t rate as well’—all the sorts of things that we hear all the time—‘people just aren’t as interested in it and people should just accept it.’ The chapter on this issue commences with a couple of fairly typical reports by a couple of journalists basically dismissing women’s sport as just something of interest or great widespread entertainment value for media coverage. But the fact is, as is said in this report, that is not always the case by any means. The 1999 Netball World Championship final, for example, between Australia and New Zealand outrated the Bledisloe Cup rugby held a few months earlier in New Zealand. We all know—it is a matter of great legend; anybody with a beer or a Bundy rum in their hand could tell you—how much New Zealanders and Australians love their rugby and, between them, how much they love their Bledisloe Cup. But, apparently, they love their netball championship finals even more.

One may say: ‘Don’t believe everything you read in the media about these things.’ There is interest in the community and a lot of it depends on how it is portrayed and, as with any of these things, quite frankly, how it is hyped. If the hype or the focus or the genuine interest and participation that is reflected in the community is portrayed in the right way then the interest is there.

There are 18 recommendations, as I said. I will not go through them all. I was pleased in a way because they certainly reflect my view that you cannot just regulate and force all media to show 50 per cent women’s sport. I think those sorts of approaches, whilst perhaps appealing on a surface level, are unlikely to work and in some circumstances could be counterproductive. However, the committee made some recommendations that I believe are likely to benefit and improve the situation. I think it is the sort of area where, once you get some momentum, once you get a shift in mindset, then a lot of it can look after itself. It is just a case of overcoming the barriers. It is not so much forcing people to do something they do not want to do as just removing some of the barriers and making them realise what is there in front of them all the time.

I would like to put on record the work of other senators in this inquiry. Senators Lundy and Ronaldson in particular did the lion’s share with regard to the conduct of this inquiry and the pulling together of the report. It should be emphasised that it is a unanimous report. Senate committees can pull together across party lines unanimous reports that are constructive, that produce strong recommendations and that, if taken seriously, will lead to positive improvements. I would like to take the opportunity to urge the government to do a bit better than it has done many times in the recent era by responding to the recommendations reasonably promptly. The report took only about three or four months to put together. It would be nice to have a response in that time frame.

I also thank the secretariat for their involvement and their very hard work in pulling the report together in that very tight time frame. I thank the secretary, Ian Holland, and particularly Peter Short and Dianne Warhurst with regard to this inquiry. As this is not only the final report from the references committee but will be my final formal act as chair of the committee, I should also thank all the other members of the secretariat who as-
sisted me during my time as chair: Jacqueline Dewar, in particular; also Jacqui Hawkins, Robyn Clough and probably some others. It is always the people behind the scenes who do most of the work; it is the chair who comes along at the end and just drops the report in the Senate. I thank also the other senators on the committee who made it work quite effectively and cooperatively. It is a good example of how Senate committees can work effectively. It has been a privilege to serve in that position and it is good to finish with this particular report. (Time expired)

The ACTING DEPUTY PRESIDENT (Senator Forshaw)—Before Senator Ronaldson commences, I understand that informal arrangements have been agreed for Senators Ronaldson and Adams to speak for five minutes each and, with the concurrence of the Senate, I shall ask the clerks to set the clock accordingly.

Senator RONALDON (Victoria) (6.20 pm)—Can I initially thank the chairman for his role, his leadership and his kind words. In some respects, I suppose, it is with some sadness that I speak to this excellent report of the Environment, Communications, Information Technology and the Arts References Committee. The fact that we had to prepare such a comprehensive report, I think, is a reflection on what has not been, and there is no doubt that it is ‘about time’. That of course is the title of the report and it is taken from the last paragraph of the introductory chapter, which reads:

It is about time that women have enhanced opportunities, access, media coverage and roles in all sports and activities.

This report, in part, is reflective and therefore a report which documents the exasperation of many women and men about a lack of progress in many facets of the role of women in sport. It is, nevertheless, a positive report. It contains positive recommendations, positive observations and positive suggestions. As chapter 2 of the report says:

One submission, reflecting much of the evidence received during the inquiry, commented that:

The individual, community and societal benefits of regular participation in sport and physical activity are well documented, as are the risks and costs of physical inactivity. Physical inactivity is considered to be the leading risk factor contributing to preventable illness and morbidity among women in Australia.

That was evidence given by New South Wales Sport and Recreation.

I will talk about some of the recommendations in the limited time I have, but I think this report shows we need to break the cycle. There is no media coverage and there are no role models, and I think that has impacted on the participation of girls, as it has impacted on the participation of women who have been in sport and discontinued their participation. It is also reflected in the lack of women in leadership roles. The report says in chapter 5:

Negative perceptions and unreasonable expectations impact on the acceptance of women in leadership roles at all levels.

We simply have to break this cycle. It is just not good enough that, in this country, there are the sorts of barriers that we heard of time after time, from witness after witness. And this was not overtly gender based or feminist based—the report is not and the evidence most certainly was not. I think the committee got firsthand from the witnesses examples of their levels of frustration at what is happening. It is about time that was changed.

I think this is a fantastic report with very good recommendations. A lot of us worked very hard to make sure that this was a unanimous report and that we had a constructive document which we could take to this government, the state governments,
other recreation authorities, the AOC, the Australian Sports Commission, the national sporting organisations and sport in general. I hope that future action will be benchmarked against the evidence that this committee received.

We have some recommendations in there to make sure that there is some benchmarking and, in the 40 seconds I have left, I will refer to just two recommendations. The first is that we are recommending to the government that up to $3 million per annum, to be reviewed after three years, is put into the Australian Sports Commission to provide specific opportunities for greater ongoing coverage of women’s sport. We believe this is fundamental to breaking this cycle. It is just not good enough that women’s sport in this country is being treated the way it is by the media. I do not say that it is overt; I just think it is a lack of understanding of what is needed. The second recommendation that I want to draw to the Senate’s attention is—

(Time expired)

Senator LUNDY (Australian Capital Territory) (6.26 pm)—I will have to take a guess as to what that second recommendation was and refer to it myself! I am very pleased to be able to speak to a unanimous report. It is a rare thing these days and has come about through a great deal of goodwill and compromise by members of the Senate Environment, Communications, Information Technology and the Arts References Committee. The title, as you have heard, is About time! Women in sport and recreation in Australia. That encapsulates the ongoing frustration of many activists, including many distinguished sportswomen and feminists, who have long fought for improvements to the status of women in sport and recreation. Hence, it is ‘about time’ something was done. The challenge now lies with the current government to adopt the report’s recommendations. For the federal Labor opposition, this report and its recommendations will inform our women’s sports policy for the next federal election.

I want to acknowledge that this inquiry would not have progressed without the support of government senators. This is a direct result of the government holding a majority in the Senate, and I interpret this support as an indication of a constructive approach and as implying a willingness to address this issue.

It is also the last report to be tabled by the Environment, Communications, Information Technology and the Arts References Committee. As from next Monday, the references committees will be amalgamated with the legislative committees. I would like to acknowledge Senator Bartlett’s chairmanship and thank him for it. He has done an excellent job.

This inquiry had wide-ranging terms of reference. This proved to be a real challenge for the committee in the time frame that the government permitted for this inquiry. Having put forward the original suggestion, I had envisaged at least six months and many more hearings than we had time for. So it is a real credit to the hard-working committee secretariat that such a comprehensive and excellent report has been produced on time, and I know I speak on behalf of all senators involved in thanking them for their efforts. Notwithstanding the short time frame, over 80 submissions and a number of supplementary submissions were received. Private briefings from the Australian Sports Commission, the department and three very full days of public hearings in Sydney, Melbourne and Canberra were held.

Many submissions made it clear that the same problems identified over the last two decades have persisted. For example, women are still poorly represented on boards and in leadership positions in sport and recreation,
and there is still precious little regular women’s sport coverage on TV.

The report addresses the terms of reference through chapters on health outcomes of physical exercise, participation, elite sport, governance and media coverage. In an environment where current trends show that about one-quarter of our children are either overweight or obese, there was a strong emphasis in submissions on the need for improving levels of physical activity for all children. For that reason, there was a great deal of discussion around the important role schools can play in providing those opportunities. Whilst there was some confusion about voluntary or mandatory targets for physical activity in schools, the report attempts to clarify this. The committee found that girls have consistently lower participation rates than boys by about five per cent. Girls also experience a significant dropout rate in their teens which lowers their participation in sport even further.

The committee found that elite female athletes are far less able to earn a living from playing their sport. Liz Ellis, the Australian netball team captain, made the point that about 3,000 elite male athletes earn over $40,000 per annum through their sport. No woman in team sports can earn a living like this from their sport. Therefore these women must also work; if they have a family as well, it ensures that they must carry out a phenomenal juggling act just to stay involved in the sport.

With respect to governance, the committee found that women continue to be underrepresented on boards. Labor senators expressed the view that the lack of improvement warrants some intervention. We encourage the board of the Australian Sports Commission and national sporting organisations to move to a 35 per cent representation for each gender on their boards, in the way that Hockey Australia did upon amalgamation of their men’s and women’s associations.

While quotas are certainly not universally supported by women, I believe the situation demands action. It will be interesting to see if any changes occur without the need for quotas, given the range of efforts that are currently undertaken. The committee found that setting targets for greater gender equality was in the interests of boards. I know we will all be watching changes closely. We all agree that having greater numbers of women on boards is in the best interests of sports organisations because it ensures that a full range of skills, experience and expertise is available to these boards.

Finally, the committee observed the continuing lack of regular women’s sport coverage on Australian TV and in other media. This is disappointing and unfair because many children and adults of both genders miss out on seeing their female sporting heroes on a regular basis. This perennial problem has women’s sport caught in a vicious cycle that sees a lack of media coverage mean less sponsorship, which means less income, which means fewer resources to invest in the product to promote better media coverage. It is very frustrating.

Women’s sports find it almost impossible to get regular coverage, for a couple of reasons. First, the commercial risk for TV broadcasters, free and pay alike, is considered too high. This is because it is perceived that women’s sport does not rate highly enough to attract advertising, and therefore revenue, to offset production costs and the costs of the rights. When existing sports programming is jammed full of very high quality footy, cricket and other proven rating content, there is very little commercial incentive for networks to try something new like a range of women’s national leagues.
Because the coverage is not there, sponsorships are less lucrative. Because sponsorship revenue to the sport is limited, the sport is less able to purchase coverage. This means there is no opportunity to demonstrate rating credibility and therefore little chance to attract the interest of media buyers and hence break that vicious cycle. It is very frustrating, as I said.

Second, there is the appalling ongoing sexism that is perpetuated by many media jugheads who seem to derive some pleasure from denigrating female athletes and their sports. This immature and unintelligent approach is reinforced by commercial decisions in networks that see less than two per cent of women’s sport on our TV. I say immature and unintelligent because there is ample evidence that women’s sport rates—and rates strongly—when a quality product is produced and promoted well. As we have heard from Senator Bartlett, Netball New Zealand has a product which attracts 20 to 30 per cent audience share for weekly national league games and up to two-thirds of audience share for finals and international matches. This is extraordinary. At the Olympic and Commonwealth Games—to use an event example—we see female athletes rate as well as the men, if not better.

I would like to mention that the ABC has and does make an effort as a result of its charter, although moving weekly netball games in the Commonwealth Bank Trophy competition to its digital channel has pros and cons. It is good because they are aired live, but it is not so good because not everyone has access to digital TV.

What can we do to solve the problem? The committee heard arguments for government intervention in the form of content regulation. However, the committee believes that this would not have the desired effect of creating sustainable quality product and would instead create a ‘content on the cheap’ mentality when it comes to women’s sport. It would relegate women’s sport content to being second rate in perpetuity.

The committee has instead recommended intervention that recognises the commercial realities and economics of television content production. That is why the committee is recommending to the government that up to $9 million over three years—$3 million per annum—should be made available to sports and media organisations in order to subsidise production costs. That would be coordinated through the Australian Sports Commission. The aim is to break the vicious cycle by lessening the initial commercial risk to media organisations in exploring the potential of new, regular women’s sport content.

The report expresses many findings and contains 18 recommendations. If these are fully implemented, the committee is confident the recommendations would make a discernable positive difference to the experience of girls and women in sport and recreation in Australia. The recommendations fall roughly into two categories. Some recommendations are directed to organisations other than the Commonwealth government and its agencies. We hope these are considered in the spirit in which they are intended: the widespread understanding that many stakeholders have the ability to make a difference and have a role to play in improving the experience of women and girls in sport and recreation. I am also very conscious that some of these recommendations may appear familiar. If they do, it is because in some areas the committee found there has been little change over the last decade or two but is of the view that it is worth having another go.

The other category is those recommendations more directly aimed at the Australian Sports Commission and the federal govern-
ment. The ASC is in the best position to be an effective change agent, to lead by example and to coordinate strategies. Its capacity to do so will depend on the quality of the administration, the will of the commission members and the political leadership and resources provided by the minister.

The report contains, in an appendix, a list of some previous reports. I want to express my gratitude to the authors and contributors to this important area of public policy over many years. (Time expired)

Senator ADAMS (Western Australia) (6.36 pm)—As a member of the Environment, Communications, Information Technology and the Arts Committee, I would firstly like to congratulate Senator Lundy on the report About time! Women in sport and recreation in Australia. She was the one who brought the idea forward. I also congratulate Senator Bartlett on his chairing and Senator Ronaldson on his activity. I was involved with another inquiry by the same committee at the same time, but it gives me pleasure to be able to comment on the report.

This morning I was at a presentation by Senator the Hon. Rod Kemp, Minister for the Arts and Sport. He was discussing the merits of the Active After-school Communities program. This is a great program for our most valuable asset, our children. I was pleased to note there was a high proportion of girls involved in this program. With the Active After-school Communities program, instead of heading home after school to sit on the couch and watch TV or play computer games, children stay at school for another half an hour, sometimes longer, with a team of fitness and nutrition specialists. They can play sport and snack on healthy foods.

I agreed with the ambassadors for the program, Olympians Kieren Perkins and Cathy Freeman—a great role model for women in sport—when they said they would love to see the Active After-schools Community program become a permanent fixture in Australian schools. And I feel this would really benefit those issues that have been discussed in the report.

Instead of talking about the problems of obesity in our country, this government is taking steps to improve the lives of our children by engaging them in physical activity that is fun and involves them with their peers and the community as a whole—which brings me to the committee’s report. As Senator Ronaldson is the chair of the Parliamentary Friends of the Paralympics, I would like to speak about recommendation 16, which reads that—

Senator Ronaldson—The co-chair was Senator Lundy.

Senator ADAMS—The co-chair was Senator Lundy. The committee recommends:

… that the government consider allocating up to $1 million to the Australian Paralympic Committee to assist with production and associated costs of televised coverage of the forthcoming Paralympics, and that the arrangement stipulate that a condition of accessing this funding be that there be balanced coverage of male and female athletes. I think this recommendation is highly commendable and I hope that it is adopted.

One of the major findings of this committee during this inquiry was that physical activity in the form of organised sport involves people with their communities and expands their social horizons. As a rural person I could not agree more with this because sport is important in rural communities, especially for women. I can say this as I am a bowler and I am a golfer. Sport really does benefit all age groups. And for rural women participation in sport means that there is one day they can get off their farms or out of their businesses, come in and enjoy their sport and have a social day. That is the only day that
many rural women are able to have to themselves.

The inquiry had three important points which were revealed. The challenges faced by women in sport are challenges faced by everyone. The changes needed to encourage more women to go into leadership roles in sport and to participate more should be addressed by a partnership of men and women; otherwise they will not get to those leadership roles. All sports people have a part to play in ensuring everyone can enjoy their game or activity, and all parents have a part to play in ensuring their boys and girls stay healthy and active.

The committee found that participation in physical activity contributes to the overall physical and psychological health of individuals of all ages and social groups. Submissions to the inquiry emphasised the health benefits for women of participation in sport and recreation. The National Heart Foundation stated that physical inactivity is a significant risk factor for cardiovascular disease and is the leading cause of disease for Australian women.

Physical activity has also been linked to a reduction in the incidence of diseases such as diabetes, osteoporosis, depression, some forms of cancer, and injury among older people. Evidence also indicates that participation in sport and recreation has benefits for all age groups. ABS data and other social research confirms that physical activity provides girls and young women with leadership and teamwork skills, skill development, improved self-esteem and a reduced likelihood of making bad choices. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

QUESTIONS WITHOUT NOTICE: ADDITIONAL ANSWERS

Spotted Handfish

Senator IAN CAMPBELL (Western Australia—Minister for the Environment and Heritage) (6.41 pm)—I seek leave to make an explanation as to a mistake I made in question time.

Leave granted.

Senator IAN CAMPBELL—At question time today I was asked a question by Senator Milne in relation to a development at Ralphs Bay. She asserted in her question that the Ralphs Bay development was a controlled action. Although I am aware of the development and aware of its impacts, I said in my answer that I thought it was ‘a controlled action’. I am told that it is not a controlled action at this stage. It is being assessed by the Tasmanian government and has not come to the Commonwealth at this stage. It is likely to come to the Commonwealth. It is likely to be a controlled action but I was under the misunderstanding that it is a controlled action at this stage and it is not.

SCHEDULES 1 AND 3 TO THE PARLIAMENTARY ENTITLEMENTS AMENDMENT REGULATIONS 2006 (No. 1)

Motion for Disallowance

Debate resumed from 5 September, on motion by Senator Bob Brown:

That Schedules 1 and 3 to the Parliamentary Entitlements Amendment Regulations 2006 (No. 1), as contained in Select Legislative Instrument 2006 No. 211 and made under the Parliamentary Entitlements Act 1990, be disallowed (Senator Murray, in continuation, 5 September 2006).

Senator CHRIS EVANS (Western Australia—Leader of the Opposition in the Senate) (6.43 pm)—I, jointly with Senator Brown and Senator Murray, have sought to disallow the government’s regulation which
seeks to give effect to an increase in the House of Representatives printing entitlements from $125,000 per member per year to $150,000 per member per year, and also to the proposed changes to the Senate printing entitlements. We do so because the proposed changes are not in the best interests of Australian parliamentary democracy. We think the increase in the provision for House of Representatives members is way beyond what is reasonable. It has not been publicly justified. There appears to be no real justification other than the fact that the government can make such a decision.

I suppose it takes us back to the debate we had yesterday, which is where we talked about regulation of parliamentary salaries and how we handed those decisions to the Remuneration Tribunal, being the independent umpire and the appropriate place for the determination of the salaries and conditions of parliamentarians. I take the very strong view that parliamentarians ought not to be involved in decision making about their own salaries and conditions, and I take that view about other professions and occupations as well. I think that the proof of the worth of that argument is seen in this regulation. Here we have a minister in the government of the day, the Special Minister of State, who is responsible for electoral matters, seeking to increase the entitlement to use taxpayer funds to allow members to communicate with their electorates—that is, on this occasion, to increase their printing entitlements by $25,000 a year so that they can print more material for distribution to their constituents.

Of course, in principle, there is nothing wrong with members being able to communicate with their electors; it is a core part of our function, and we all do it. We are all required to do it, and no-one would argue that that is not a key part of the function of a parliamentarian. But what we are seeing is the government attempting to ensure that incumbency in this country is almost an overwhelming factor in Australian political life. We are seeing sitting members of parliament given entitlements of some magnitude, which they can use increasingly for election related purposes. The distinction between electoral matters and one’s role as a parliamentarian has blurred considerably in recent years; the definitions have been widened. I accept that these have always been difficult definitions, but we have a situation where, increasingly, members are able to campaign using their Commonwealth funded entitlements.

This latest measure of the government’s is really going a yard too far. We have not only gone a yard too far but the decision has been made by the government for the government. This is not a matter that has been considered on the basis of argument and evidence by the Remuneration Tribunal; this is the government trying to push through an increase in entitlements for parliamentarians, without reference to anyone else and without proper discussion in the parliament or with other parties, just because it can. These are similar to changes that they sought in the last parliament but the numbers in the Senate prevented them from achieving those changes. We now have a government with absolute power in the Senate seeking to increase the entitlements of members of parliament in terms of their printing allowances. As I said, this is not something that has gone to the Remuneration Tribunal. This has been done purely by the government for, I think, the government and for government members. There is no public rationale that stands up to any sort of scrutiny; therefore, Labor is trying to be consistent in saying that we will oppose this because we think it has gone too far, that it has not been independently tested and that there is no good argument for supporting it.
In a sense we are arguing against our self-interest, because all the Labor House of Representatives members will benefit from these changes. They will use them. They will have access to these resources, which will help solidify their incumbency and protect them from challenge at the next election. But you have to take a step back from self-interest and ask: is it in the interests of Australian parliamentary democracy? Is it in the interests of the body politic that the advantages of incumbency at taxpayers’ expense become so large? I think the answer has to be no. I do not think that we should be supporting the sitting members getting such an advantage in an election context as it is now proposed they get.

While it is true to say that a lot of this resource will be used for the normal activity of a parliamentarian, there is no doubt that a lot of that activity will be centred on promoting the member of parliament—promoting their profile and promoting their prospects of being re-elected. I will come to some of the detail later as to why these provisions are even more insidious in the way the use of them has been structured. Labor will oppose these regulations. We join with the Greens and the Democrats in saying that it is a yard too far.

Debate interrupted.

DOCUMENTS

The ACTING DEPUTY PRESIDENT (Senator Forshaw)—Order! It being 6.50 pm, the Senate will proceed to the consideration of government documents. There being no consideration of government documents, we will move to the adjournment.

ADJOURNMENT

The ACTING DEPUTY PRESIDENT (Senator Forshaw)—I propose the question:

That the Senate do now adjourn.

Australian Institute of Sport

Senator BERNARDI (South Australia) (6.50 pm)—Yesterday I asked a question of the Minister for the Arts and Sport, Senator Rod Kemp, about the immense contribution the Australian Institute of Sport has made at all levels of sport in Australia, specifically in light of its recent 25th birthday celebrations. I would like to elaborate briefly on my involvement with the AIS and my shared joy in the celebrations of the 25 years of success it has undoubtedly developed over the period of its existence.

Like Minister Kemp, I was at the celebrations last week. It was quite amazing to see the level of success the Australian Institute of Sport has achieved over the period of time. I was there in my capacity as a former recipient of an AIS scholarship and, more recently, as a board member of the Australian Sports Commission. Therefore, this is an issue of close personal significance to me. I remember that, when I was first invited to apply for a scholarship to the Australian Institute of Sport, I felt it was a great honour. I was a 17-year-old, fresh out of school and doing my first year at university. I went into a very gruelling regime and, fortunately for me, passed the test and was offered a scholarship that enabled me to go on and represent not only the Australian Institute of Sport but also the people of Australia and of my home state, South Australia, in a number of international and local competitions.

If I am truthful about it, I think my first job outside of my family business was with the Australian Sports Commission. I was a part-time worker. Part of the culture at the Australian Institute of Sport is to deliver well-rounded individuals, not just sports-focused individuals. Accordingly, you have to study or do some work in that environment as well as train in your particular sporting discipline.
Discipline is a key point about the AIS and its success. The athletes there are extremely committed. They do train very hard and they maintain regimes that I think most people would find difficult to maintain. They do it because they are passionate about what they do and they know that it will deliver the results that they so earnestly desire. It is about commitment and dedication to a cause.

As a member of the board of the Australian Sports Commission, one sees an extension of that commitment to a cause. The cause for the board members, of course, is to deliver a better, more robust and stronger Australian sporting system. The board members are all committed; they are knowledgeable. Under the tutelage and chairmanship of Peter Bartels, who has been a longstanding chairman of the Australian Sports Commission, and certainly with the deputy chairman Alan Jones, we have two of the most knowledgeable people in sport in this country and two people who are extremely passionate about ensuring not only that there are great opportunities for us at the elite end but that our health, wellbeing and participation rates in sports in this country are maximised.

The Australian Sports Commission and the Australian Institute of Sport have undoubtedly assisted Australia to become one of the best, most powerful sporting nations on the international stage. I have to say it is a great honour to have participated in it and made a humble contribution but it is also inspiring to know that governments on both sides of the political argument have continued to support the Australian Institute of Sport and have worked very hard together to maintain levels of funding. In recent times, the funding has been quite significantly increased to cope with an ever-increasingly competitive world in the area of sport and to ensure that Australia is at the forefront of technological as well as raw sporting advantage.

Our record in large international sporting events such as the Olympic and Commonwealth Games are testimony to what has been created there over the last 25 years. Athletes who have been through the Australian Institute of Sport program won 65 per cent of Australia’s tally of 49 medals at the 2004 Olympic Games. This figure was also reflected in our athletic success in our home games in Sydney in 2000, where 32 of the total 58 medals were won by existing or former AIS scholarship holders. It does not stop there. Our Paralympic team successes have also reflected the contribution of the Australian Institute of Sport: 63 medals were won by AIS athletes at the 2004 Athens Paralympics and AIS athletes won almost half of the total medals at the 2000 Sydney Paralympics.

Let me stress that the Australian Institute of Sport is about elite sport. It is about achieving success for Australia, but we cannot undersell the benefits of sporting success. In a country such as Australia, where sport is very much a part of our culture, we take an inordinate amount of pride when we see our sporting heroes succeed on the world stage and we are very proud of our teams and individuals who do that. But, more importantly, it gives our children the opportunity to have good, positive role models in their lives. It encourages children. For every sporting success we have, every gold medal we achieve, every world champion that is created through the Australian sporting system, we have a number of children who participate more fully in the sporting process. Not all of them, of course, will achieve great levels of success but the emphasis on health and wellbeing, getting children active and ensuring that they participate will not only make a healthier and brighter future for Australia but also maintain the pool of athletes who will enable us to continue our sporting success.
The minister in his answer yesterday touched on why the Australian Institute of Sport was set up. We were one of the first Western nations to actually centralise our sporting system in this regard. The reason is, quite simply, failure. It was failure at the 1976 Montreal Olympics. At those games, Australia came in 32nd place on the medal tally with one silver and four bronze medals. New Zealand won more medals at that Olympics than we did.

The Australian government and senior sporting officials at that time realised that something had to be done to tap into the sporting potential of Australia. In 1981 the Australian Institute of Sport was opened, followed by the Australian Sports Commission a couple of years later. This marked the turning point for Australian sport and our talented athletes. The AIS originally offered scholarships in eight sports. Currently we have 35 separate programs covering 26 individual sports, and over 700 athletes are participating in the Australian Institute of Sport program.

It is not only Olympic and Commonwealth Games athletes who benefit from the expertise and training of the AIS. Many AIS athletes have gone on to have champion sporting careers in netball, basketball, cricket, soccer and tennis, to name a few. We also have a more expansive program across Australia. It is not only the 65-hectare site in Canberra where our athletes receive the best possible attention, we have training programs in Adelaide, Melbourne, Perth, Brisbane, Sydney and on the Gold Coast. We have also established a European training site which will allow our athletes to achieve excellent results during their tours of the European sporting season.

Back in the late 1970s, when this was first conceived, there was no single integrated and interconnected support system for our elite athletes. It was sorely missed and it showed in our results. When we first came up with the AIS proposal, we did not have sports psychologists, nutritionists, biomechanists or sports medicine experts—all of the people who have since come on board and who help to put the Australian sporting system at the very forefront technologically and also physiologically for our athletes.

Our athletes previously did not have carbon fibre bikes or ‘go fast’ swimsuits. These things are now taken for granted. They are things that have been pioneered in Australia and exported across the world. These sorts of technological advances can make the difference between simply qualifying or actually winning a medal.

The AIS would not be where it is today without its committed and enthusiastic support staff who, more often than not, could achieve much higher salaries overseas in supplying their trade to competing nations, but they are committed to the development of sport in this country and they are committed to seeing Australia achieve the best it possibly can. For that, I extend my gratitude.

It would not be possible to have this level of success without the commitment of government. As the biggest sponsor of Australian sport in this country, I would like to recognise the contribution of not only this government but also previous governments and encourage them to continue to support the Australian sporting system for our health and for our future, and also because we all enjoy the benefits that accrue from winning medals.

Queensland State Election

Senator TROOD (Queensland) (7.01 pm)—Next Saturday the good citizens of my state of Queensland will go to the polls where they will elect a new state government. The contest will be between a discredited Labor government of eight years, which
has utterly betrayed the mandate given to it in 2004, and an invigorated, unified coalition with a vision for Queensland’s future and, most particularly, a commitment to keeping its promises. All elections are about accountability. They are a referendum on essentially two things: first, whether the government has delivered on its promises from the last election and earned the electorate’s trust and confidence; and, second, whether that government has a vision for the future which can be credibly achieved.

The Beattie Labor government has completely failed to meet these tests. For eight years it has made promises to the Queensland people; for eight years it has failed to deliver them. It has not just failed, it has presided over an administration of the state’s affairs where waste, incompetence and inaction have been the hallmarks of public policy and where the maladministration has been so great that the delinquent management of the hospital system has left the lives of its most vulnerable and weak citizens in jeopardy.

Few governments in the recent history of my state, and indeed yours, Mr Deputy President, have a more shameful record. How can we possibly have confidence that a re-elected Beattie government can give Queenslanders a safe, secure and prosperous future?

One might be inclined to forgive the Beattie government its multiple and manifest failures if in some way it could be said that others contributed to its incompetence or perhaps if circumstances had somehow conspired to undermine good policy. There can be no such salvation. The Beattie government is mired in its own failures. It has no one to blame but itself for its situation. There can be no alibi, no excuses and no shifting of responsibility. Everything comes back to Labor’s shortcomings. For as long as it has been in office, the government has had every advantage to succeed with its policies. It has enjoyed the three things most precious to governments: the power, the money and the time. The power it secured through three election victories, with large majorities in a single chamber legislature; the money has rolled into its coffers through Queensland’s extraordinary growth and $7.21 billion in GST revenue from the Commonwealth; and, finally, it has had the time—eight years to plan, eight years to consult and eight years to legislate, where that might have been necessary.

What do we have after all this? First, we have a public hospital system in ruinous decline, where staff are leaving in numbers. We have a Queensland health bureaucracy which is centralised, secretive and bloated. We have waiting lists of 122,000 for our hospitals. We have priority 3 patients for breast and prostate cancers waiting for treatment for up to 89 days. At the Royal Brisbane and Women’s Hospitals patients are waiting four years to be seen. Three thousand seven hundred people are waiting to see an ear, nose and throat specialist, 2,000 need an ophthalmologist, 1,400 need a urologist, 35 of the state’s 84 maternity units have been closed and 40 per cent of visiting specialists have been lost from public hospitals.

Second, the system of state transport infrastructure is utterly unable to keep pace with the rapidly growing population. In the last five years, the Beattie government has slashed $400 million from its state road budget. The northern main road district has been stripped of 14 per cent of its funds. Only one new road has been built since Beattie came to power and that was a relatively short piece from Bald Hills to Strathpine. According to AAMI, Brisbane has the highest rates of congestion in Australia, and yet last year the Beattie government underspent its transport infrastructure budget by $279 million.
Third, we have a system of public water supply where, in the absence of drought-breaking rain, the people of south-east Queensland will face the harshest water restrictions in over 100 years. After eight years of inaction, the government has finally come up with a water plan for the south-east corner. Fourth, in child protection the Department of Child Safety itself has been forced to admit that 30 per cent of children in care who had already suffered abuse were abused again within 12 months. The list goes on: failures in education, in the Police Service and in Indigenous Affairs. And for all those Queenslanders who live outside the south-east corner, where is the plan to stimulate the regions to create prosperity in the north and in the west of the state?

None of this is any way to run a government. It manifestly fails the test of good public policy. Indeed, it is an abuse of the trust and legitimacy conferred by elections—and Queenslanders deserve better. Beattie’s efforts at spin, apology and promise should be rejected. Queenslanders should not be fooled by faux contrition and by a determination now being made to try and do better. The Beattie government’s use-by date has clearly expired. He should be held accountable.

When Queenslanders enter the polling booth on Saturday I encourage them to break with the tired and discredited past. The coalition has a vision for Queensland’s future—proposals to create prosperity, to solve the water shortage, to build the transport infrastructure we need, to generate wealth in the regions and, most important of all, to fix our run-down and failing hospital system.

Mr Beattie has been in government for too long—too long for good government and certainly too long for Queenslanders. I cannot help but recall the words of Oliver Cromwell to the Rump Parliament over 350 years ago, in 1653:

You have sat too long for any good you have been doing lately…. Depart, I say; and let us have done with you. In the name of God, go!

That is the message all Queenslanders should be sending to the Beattie government next Saturday. I thank the Senate.

People with Disabilities

Senator SIEWERT (Western Australia) (7.09 pm)—I rise tonight to talk about people living with disabilities. In WA we have a wonderful program called the Politician Adoption Scheme, which is coordinated and run by the Developmental Disability Council of WA. This is a scheme under which a politician is adopted by a person living with a disability and their family. The aim is to support members of parliament to represent and advocate for the rights and needs of people whose lives are affected by disability within their electorate by providing a more personal insight into the impact of disability on people’s lives. Through personal communication and direct experience, the politician is better able to promote awareness of the rights and needs of people with disabilities and their family carers and to reinforce the community’s expectation that its elected governments will meet these needs.

Since the Politician Adoption Scheme was launched in Western Australia in March 1998 over 31 state and federal politicians, and around 40 politicians from across the political spectrum around the nation, have agreed to be adopted by a person with a disability within their electorate. This is to inform and strengthen their advocacy on issues affecting the lives of their constituents who have disabilities. I know that a number of senators from Western Australia, such as Senators Ellison, Webber and Sterle—and perhaps others—have been adopted by families in Western Australia.

The Politician Adoption Scheme builds on the existing role of politicians to represent
and advocate for the interests of the people they have been elected to represent. The Politician Adoption Scheme provides an opportunity for politicians to gain a more personal understanding of the issues and hardships facing people with disabilities, both within their own electorates and in the broader community.

The adopting person or family undertakes to support their parliamentary representative to advocate on their behalf and on behalf of other people with disabilities by providing information on their needs and reporting on progress towards meeting their needs. This is done through personal communication and involvement in their lives, providing opportunities for firsthand experience of the issues that impact on their rights and needs and by raising issues that are impacting on the quality of life of people with disabilities.

The adopted politician undertakes to use the information and insights gained through his or her adoption to advocate for policies and practices that will enable people with disabilities and their family carers to achieve a reasonable quality of life and access to the opportunities available to other community members to participate in and contribute to the life of their communities.

In August this year, at an adoption ceremony in Perth, I was lucky enough to be adopted by Luis Casella and his family. I would like to quote from the speech that Luis’s mum, Livia Casella, gave at the ceremony, because I think it makes some very important points:

My son, Luis, was born normal and then had an allergic reaction to the triple antigen injection at the age of four months. Because of this he became severely physically and mentally handicapped and an epileptic.

As you can imagine this has had an enormous impact on the family: Luis’ complete dependency on others; the divorce of my husband and myself when Luis was just 4; my life-threatening health issues; the extra burden on my ageing mother; and the irreparable scars on my daughter’s life.

None of these stopped me from loving Luis or providing for him for almost 18 years.

When a son turns 18, most parents would celebrate because it means a darling child is now independent—able to drive, to work, to look after himself. But for parents of the disabled, when their child turns 18, he becomes even more dependent on his parents. Because of the crisis in the Disability Service Sector, when a disabled child turns 18 all of the services which were helping him are now discontinued and the parents have to start again.

For Luis, whatever was allocated to him—the respite in and out of home, therapists, equipment, hospital, even his school with a superb interactive personal program which has had a fantastic result in Luis—is all taken away at the end of this year.

I now have to apply for all new services, most of which do not even compare to the past, and with all of them there is a waiting list to get over first. I have only a few months left with all my time and energy that I have left being spent in trying to achieve some support for Luis after this year.

It seems so wrong that at the end of formal schooling, all support is cut from under a child who cannot possibly look after himself, and this load is put on the parent or parents just when even more services are required. I feel that my own life is now ending and, to a lesser extent, that of my family. We should not be left begging and be worse off but should have what we rightly deserve—a brighter future.

It is my sincere hope that Senator Siewert will be able to impress on the Federal Government some of the disability issues of funding and services and the vital need to support the disabled and their families. I am hoping she will be able to instil more awareness into the government of the real day-to-day needs of the disabled, their carers, and the carers’ families.

Disabled people like Luis deserve respect, love and support and a voice in the federal and WA governments. Through caring politicians such as Senator Siewert and the media, the public has to be made more aware of the problems. Also, I think the ministerial portfolio of disability must
be given the status it deserves so that this portfolio can achieve the best for the disabled. It is morally wrong to delay services, underfund, and ignore a community who is totally dependent on the goodwill and help of others because they are unable to do it for themselves.

Luis turns 18 next week on 14 September and, as Livia so clearly points out, that means the end of the special school program he has been in, and facilities that she and Luis rely on will cease. That is unlike the situation of his peers. My son will also be leaving school at the end of this year and he has the full range of opportunities to consider for his future: study at uni or TAFE, a gap year, getting a job, on-the-job training and learning to drive—much to his mother’s distress! Luis does not have these opportunities. Because of his profound disabilities, Luis’s postschool options are very limited. His only option is the Alternatives to Employment program’s recreation and leisure activities.

Luis has been assessed by Post School Options and the funding he has been allocated will buy him a maximum of three days of alternatives to employment activities with an agency as opposed to the five days he now has in his excellent school. This presents real problems for students with high support needs and their families. After they leave school they experience a loss of continuity in daily instruction, support and learning.

For the past two years Luis has been a part of a new program at his school called the Intensive Interaction program, aimed at developing communications skills. Just recently, Luis has had some positive results from this program. For the first time in his life, as a direct result of this program, Luis’s communication skills have improved. Luis’s mother has been told that these results will probably be lost if he finishes school at the end of this year. Professional advice suggests that he needs at least another year or two to consolidate the skills that he has learned.

While other young people are excited about leaving school and keen to get to uni or TAFE to continue their education, Luis and other young people with disabilities are forced to stop their education at age 18. Why, may I ask, should they have to stop learning, to stop their skill development? And why should the milestones of their able-bodied peers be placed on people living with disabilities, who do not learn at the same rates as their able-bodied peers? Why stop at 18 for people living with disabilities? Another year or two at school would provide Luis with an opportunity to learn and to consolidate his communication skills, which would definitely enable him to have a better quality of life.

In some circumstances in Western Australia, young people with disabilities can apply to spend an extra year or two at school. But, of course, you have to apply. Unfortunately, Ms Casella’s application has been put on hold while the central office develops guidelines for assessing how people apply for an additional year at school. If Luis does not get that additional time at school, Ms Casella has to enter into a series of funding rounds to make further applications for further places. There is a competition for places; it is like a race to the bottom to see who is the worst and is therefore able to get funding. In the meantime, there will be more waiting lists while Luis’s education goes backwards.

*Senate adjourned at 7.19 pm*

**DOCUMENTS**

**Tabling**

The following government documents were tabled:

*Sydney Airport Demand Management Act 1997—Quarterly report on the maximum movement limit for Sydney Airport for the period 1 April to 30 June 2006.*

Indexed Lists of Files
The following documents were tabled pursuant to the order of the Senate of 30 May 1996, as amended:

Indexed lists of departmental and agency files for the period 1 January to 30 June 2005—Statements of compliance—
  Defence portfolio agencies.
  Department of Transport and Regional Services.
  Environment and Heritage portfolio agencies.
  Treasury portfolio agencies.

Departmental and Agency Contracts
The following document was tabled pursuant to the order of the Senate of 20 June 2001, as amended:

Departmental and agency contracts for 2005-06—Letter of advice—Employment and Workplace Relations portfolio agencies.
QUESTIONS ON NOTICE

The following answers to questions were circulated:

Minister for Industry, Tourism and Resources: Sponsored Travel
(Question No. 881 supplementary)

Senator Chris Evans asked the Minister representing the Minister for Industry, Tourism and Resources, upon notice, on 6 May 2005:

(1) For each of the financial years 2000-01, 2001-02, 2002-03, 2003-04 and 2004-05 to date, can details be provided of all privately or commercially sponsored travel, including cost and sponsor for:
(a) the Minister; (b) the Minister’s family; (c) the Minister’s personal staff; and (d) officers of the Minister’s department.

Senator Minchin—The Minister for Industry, Tourism and Resources has provided the following answer to the honourable senator’s question:

The Special Minister of State has responded to parts (a) and (b) on behalf of all ministers.

(c) I was appointed as Minister for Industry, Tourism and Resources in November 2001. Details of privately or commercially sponsored travel undertaken by my staff between November 2001 and June 2005 are set out below. The costs of each trip is not available.

2001-02: Three staff members undertook sponsored travel, as part of separate industry site inspections, sponsored respectively by Tambourine Mountain Estate, ExxonMobil, and Santos.
2002-03: Two staff members undertook sponsored travel, as part of separate industry site inspections, sponsored by the Australian Paper Industry Council.
Between July 2003 and March 2005:
One staff member undertook sponsored travel, as part of an industry site inspection, sponsored by Gunns.

(d) Details of privately or commercially sponsored travel undertaken by Departmental officers over the period from 2000-01 to 2004-05 are not held in a central location. Each case is dealt with on a case by case basis and records of the occasions on which sponsored travel has been undertaken are not available and could not readily be created.

The Department’s Code of Conduct policy notes many Departmental officers are involved in decisions which can have a major impact on individual firms and people, and emphasises the importance of maintaining a reputation for professionalism, fairness and impartiality in making such decisions. Employees are required to avoid situations which may give rise to any actual or perceived conflict of interests. This could include the acceptance of gifts or other benefits.

The policy states that “Employees must not use their official position to obtain a benefit for themselves or anyone else. Benefits include gifts, sponsored travel, personal benefits under frequent flyer schemes, substantial hospitality and entertainment. Where employees are offered a gift or benefit, it may be accepted if they have the written approval of the CEO (Secretary) or delegate.”

The Secretary has delegated his powers in relation to the acceptance of gifts and other benefits to Deputy Secretaries, Heads of Divisions, General Managers, and State Managers.

Drugs Availability
(Question No. 1661)

Senator Allison asked the Minister representing the Minister for Health and Ageing, upon notice, on 27 March 2006:
(1) Is the Minister aware that Pfizer has decided that it will not be making Olmetec available in Australia.

(2) Is the Minister aware that there are Australians who wish to have access to Olmetec who are not able to get access to the drug.

(3) What processes will the Government put in place to ensure that Australians will have access to Olmetec.

(4) Will patients be able to access this drug through the Special Access Scheme; if not, why not.

(5) Is the Minister aware that Pfizer has indicated that it will not be making Olmetec available as reference pricing has meant that the drug is not commercially viable in Australia.

(6) How many other drugs have not been made available in Australia even though they have been approved for release.

(7) How many other drugs have not been made available in Australia even though they have been recommended for funding.

Senator Santoro—The Minister for Health and Ageing has provided the following answer to the honourable senator’s question:

(1) Yes.

(2) Australians wanting to access Olmetec® may be able to do so through their medical practitioner submitting an application to the Therapeutic Goods Administration (TGA) for the Special Access Scheme (SAS).

(3) On 1 September 2005, approval was given by TGA for Pfizer to supply Olmetec to the Australian market. The decision on whether supply will actually proceed is a matter for Pfizer. The government is not able to compel a sponsor to supply a product in Australia if it chooses not to.

(4) Any applications from medical practitioners to supply Olmetec under the SAS will be considered by TGA on a case-by-case basis.

(5) Decisions about the marketing and commercial viability of particular pharmaceutical products are made by the manufacturers concerned.

An application for listing Olmetec® (olmesartan medoxomil), an angiotensin 2 receptor antagonist, on the Pharmaceutical Benefits Scheme (PBS) for the treatment of hypertension was considered at the November 2005 meeting of the Pharmaceutical Benefits Advisory Committee (PBAC). PBAC recommended that the drug be listed on the PBS on a cost-minimisation basis versus irbesartan, another angiotensin 2 receptor antagonist. PBAC considered that Pfizer had not demonstrated that Olmetec provided any additional clinical benefit and so concluded that Olmetec did not warrant subsidy at a higher price than that applying to irbesartan.

(6) Records are not maintained that would provide this information. It is a decision for each sponsor to make on whether to market a product in Australia after it has been approved by TGA.

(7) When PBAC makes a positive recommendation, the listing of the drug may not go ahead for a range of reasons. PBAC recommendations are valid for a period of five years but after that are rescinded if listing has not occurred. For all positive recommendations made by PBAC until July 2005, there are 14 drugs which have not yet proceeded to listing. It is expected that some of these drugs will be listed in the near future. For many of these drugs, there are comparable treatments already listed on the PBS. Non-listing on the PBS does not necessarily mean that the drug is not available in Australia. Drugs which are registered for use in Australia but not listed on the PBS may be available on private prescription.
Post-Budget Function
(Question No. 1892)

Senator Milne asked the Minister representing the Minister for Defence, upon notice, on 6 June 2006:
Did the Minister host a post-budget function after the release of the 2006-2007 Commonwealth Budget on 9 May 2006: if so:
(a) where was the function held;
(b) who was invited to the function;
(c) who attended the function;
(d) what was the cost of hosting the function;
(e) was the cost charged to the Commonwealth; if not, to whom was it charged;
(f) was a ticket price charged; if so, what was the ticket price;
(g) if no ticket price was charged, was a donation requested;
(h) how much revenue was collected by way of tickets charged or donations received; and (i) to whom
was the revenue paid.

Senator Ian Campbell—The Minister for Defence has provided the following answer to the honourable senator’s question:
Dr Nelson hosted a function in Mural Hall. The function was paid for by the Bradfield Forum, and the revenue raised was also paid to the Bradfield forum. There was no cost to the Commonwealth. The function was run in accordance with the Commonwealth Electoral Act 1918 and all donations will be disclosed accordingly.

Instructions to Pilots
(Question No. 1914)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 7 June 2006:
Has the Civil Aviation Safety Authority investigated any complaints that sports and recreational aviation association-accredited flight instructors have issued instructions to pilots of Jabiru aircraft that contradict instructions by the manufacturer; if so, can the details be provided, including the outcome of each investigation.

Senator Ian Campbell—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:
The Civil Aviation Safety Authority advises that it has not undertaken any formal investigation into complaints of this nature.

Macquarie Island
(Question No. 1915)

Senator Milne asked the Minister for the Environment and Heritage, upon notice, on 7 June 2006:
(1) Given the significant environmental damage being done by rabbits on Macquarie Island, what steps is the Government taking to eradicate these feral animals.
(2) Has the Government prepared and funded a program dedicated to eradicating rabbits and other feral species from Macquarie Island.
(3) How will the planned withdrawal for the Australian Antarctic Division (AAD) research station from Macquarie Island affect the capacity to manage feral species on the island.

(4) What effect will the closure of the AAD research station on Macquarie Island have on the protection of endemic flora and fauna from other potential impacts, including tourism and poachers.

Senator Ian Campbell—The answer to the honourable senator’s questions is as follows:

(1) and (2) Macquarie Island is part of Tasmania and pest management is principally a responsibility of the State. Nevertheless, recognising the World Heritage status of the island, and the impact of vertebrate pests on World Heritage values, the Government has contributed $1.3 million from the first phase of the Natural Heritage Trust to supporting an integrated vertebrate pest management programme on Macquarie Island. This programme aimed to eradicate cats and control rabbits and rodents.

Support has continued under the second phase of the Trust with funding of $146,000 over two years, 2004-05 and 2005-06, for a project officer to develop a plan for the eradication of rabbits and rodents on Macquarie Island. The project officer has been involved in testing the methodology for rabbit control.

The Government also is continuing to support research on the sea birds on the island, including the burrowing petrels which are directly affected by rabbits.

(3) and (4) The Australian Government has not closed down Macquarie Island Station. Due to reprioritisation and operational efficiencies, the Australian Antarctic Division has been able to reduce the size of its winter crew over the past few years. Discussions are currently underway in the Department of the Environment and Heritage between the Australian Antarctic Division and the Bureau of Meteorology about how the Commonwealth’s presence on the island will continue to operate.

Ms Vivian Alvaes Solon and Ms Cornelia Rau: Expenditure
(Question No. 1918)

Senator Nettle asked the Minister for Immigration and Multicultural Affairs, upon notice, on 7 June 2006:

(1) What has been the total itemised cost incurred as of June 2006 in support of the litigation and negotiation (including, but not limited to, legal fees, expert and consultant reports, translation, accommodation and transport expenses, miscellaneous fees and administration costs) involving: (a) Vivian Alvarez Solon; and (b) Cornelia Rau.

(2) What has been the total itemised cost of care for Ms Solon, both in the Philippines and in Australia, including, but not limited to, accommodation, medical care, food and clothing and other items, airfares and transport.

Senator Vanstone—The answer to the honourable senator’s question is as follows:

(1) As at 20 June 2006 Ms Vivian Alvarez Solon’s claim for compensation is the subject of an ongoing confidential arbitration process scheduled to resume on 21 June 2006. I am advised by the Australian Government Solicitor that the release of this information may have an adverse impact upon the parties to the arbitration and their ability to deal with a number of matters currently before the arbitrator, Sir Anthony Mason. Similarly, Ms Cornelia Rau’s matter is ongoing, and the release of this information may also have an adverse impact upon both parties’ ability to progress Ms Rau’s compensation resolution.

(2) This question should be directed to the Minister for Families, Community Services and Indigenous Affairs.
Compensation for Detriment Caused by Defective Administration Scheme
(Question No. 1973)

Senator O’Brien asked the Minister for Immigration and Multicultural Affairs, upon notice, on 8 June 2006:
With reference to the Compensation for Detriment Caused by Defective Administration Scheme: for each department and agency for which the Minister is responsible, what is the total payment made under this scheme for each financial year since October 1996, by department and agency.

Senator Vanstone—The answer to the honourable senator’s question is as follows:

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<th>Amount</th>
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<td>For 1996-1997</td>
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</table>

Agriculture, Fisheries and Forestry: Monetary Compensation
(Question No. 1999)

Senator O’Brien asked the Minister representing the Minister for Agriculture, Fisheries and Forestry, upon notice, on 8 June 2006:
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 Abetz—The Minister for Agriculture, Fisheries and Forestry has provided the following answer to the honourable senator’s question:
The answer is set out in the following table:

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Defence: Litigation
(Question No. 2065)

Senator Webber asked the Minister representing the Minister for Defence, upon notice, on 16 June 2006:
SENATE
Wednesday, 6 September 2006

(1) Is the department handling the claims for compensation by former sailors of HMAS Melbourne in a fair-minded and compassionate manner.

(2) Given criticism of the department for its steadfast opposition to claims for compensation by former service personnel, is any consideration being given to reviewing this opposition as a way of achieving savings in litigation and costs.

(3) Does the litigation directorate of the department oppose all claims as a matter of course with a standard approach of proceeding to litigation resulting in increased costs.

Senator Ian Campbell—The Minister Assisting the Minister for Defence has provided the following answer to the honourable senator’s question:

(1) Defence is responding to claims that allege that personal injuries arose following an event that occurred 42 years ago. The personal injuries pleaded are, in essence, psychiatric and/or psychological in nature and their diagnoses are based, in the main, on self-reported histories provided by the claimants themselves. The impact of a particular disorder on an individual has varied effects on that person’s life style and capacity to earn income. The claims raise complex medical and economic loss issues. They are not dismissed “out-of-hand”. Rather, each claim is examined on its merits to assess whether it ought to be conceded or defended. In each of the claims, Defence is advised and assisted by its external legal services providers (solicitors and barristers), medico-legal professionals and loss assessors, all of whom have requisite expertise in relation to these types of claims.

(2) and (3) Defence is mindful of the obligation for the Commonwealth to act as a “model litigant”. In this regard, it has an obligation to act fairly and honestly, to avoid delay and to avoid litigation where possible. A countervailing obligation is that owed to Australian taxpayers to resist claims where there is no meaningful prospect of liability being established.

Defence exercises its responsibility in relation to these claims subject to Government policy and legislation. The Financial Management and Accountability Act 1997 requires that public monies are spent appropriately. Appendix C to the Legal Services Directions expands on this principle, requiring that monetary settlement be effected in accordance with “legal principle and practice”. That is, there must exist, at least, a “meaningful prospect of liability being established”.

Alternative Dispute Resolution is considered by Defence in all of the cases brought by former HMAS Melbourne crew. Defence has participated in formal mediations with plaintiffs and representatives in cases prior to the commencement of formal hearings. In Victoria, formal mediation is required in all cases prior to their being listed for hearing by virtue of a general order made by the Chief Justice of Victoria.

In NSW, formal mediations have been variously initiated by the Supreme Court or the parties. Independently of mediations, Defence considers various settlement possibilities in each case and allied negotiations and discussions are held on a “without prejudice” basis.

It should be noted that current Melbourne Voyager litigation is supervised by the Supreme Courts in the relevant jurisdictions in which the claims are being pursued. A judge has been designated in each of the NSW and Victorian Supreme Courts as the list judge for these cases. In addition to this direct supervision, the department’s conduct of the litigation is subject to the Legal Services Directions issued by the Attorney-General under section 55ZF of the Judiciary Act 1903. The Directions are administered by the Attorney-General with the assistance of the Office of Legal Services Coordination in the Attorney-General’s Department. The conduct of legal professionals also is subject to review, where appropriate, by relevant professional bodies. For example, the NSW Supreme Court recently referred the conduct of a plaintiff’s legal services provider to the Victorian Law Institute.
Defence: Litigation  
(Question No. 2066)

**Senator Webber** asked the Minister representing the Minister for Defence, upon notice, on 16 June 2006:

(1) Has provision been made in future estimates for ongoing HMAS *Melbourne* and HMAS *Voyager* litigation; if so, how much has been budgeted.

(2) Has the department provided any advice on whether the introduction of a mediation scheme similar to that used for HMAS *Voyager* claimants would be appropriate for HMAS *Melbourne* claimants.

(3) What costs savings would a mediation scheme offer over the current litigation approach.

**Senator Ian Campbell**—The Minister Assisting the Minister for Defence has provided the following answer to the honourable senator’s question:

(1) Provision of funds for ongoing litigation is covered by the “Legal and Compensation” 2006-07 allocation for the Department of Defence. This allocation includes fees payable for advice and services provided by the department’s external legal services providers, judgement and settlement sums and legal costs assessments made in favour of a plaintiff. At this stage, there is no amount set aside for conduct of litigation in connection with the HMAS *Melbourne* and HMAS *Voyager* collision for the year 2006-07.

(2) No.

(3) The costs savings, if any, a mediation scheme may provide would depend on the scope and content of a “settlement scheme”.

Defence considers alternative dispute resolution in all of the HMAS *Melbourne* and HMAS *Voyager* collision claims. Defence has participated in mediations with plaintiffs and representatives in cases prior to the commencement of formal hearings. In Victoria, mediation is required in all cases by virtue of a general order made by the Chief Justice of Victoria. In NSW, mediations have been initiated at various times by the Supreme Court or the parties. Defence considers various settlement possibilities in each case – allied negotiations and discussions are held on a “without prejudice” basis.

It should be noted, that the Commonwealth cannot unilaterally impose a “settlement scheme” on current or future HMAS *Melbourne* claimants. Additionally, the Commonwealth cannot deprive HMAS *Melbourne* crew of any subsisting legal rights that they may have to pursue common law remedies for injuries arising from the collision.

Defence: Certified Agreement  
(Question No. 2110)

**Senator Mark Bishop** asked the Minister representing the Minister for Defence, upon notice, on 22 June 2006:

(1) Has the department been undertaking an information program in respect to a new certified agreement for department employees.

(2) Who has been responsible for developing that information program.

(3) What advice has been provided to employees regarding their obligations to notify their employer of their intention to commence a family.

(4) Is the department reviewing its policy in respect to employees utilising their maternity leave entitlements; if so: (a) what issues is the review examining; and (b) is the department considering introducing a system of mandatory notification by female staff of their intentions to start a family.
**Senator Ian Campbell**—The Minister Assisting the Minister for Defence has provided the following answer to the honourable senator’s question:

1. Yes, in respect to a new collective agreement for department employees.
2. Defence Workplace Relations Directorate, within the Personnel Executive, developed and delivered the information program.
3. None. Employees would need to advise Defence when applying for maternity leave.
4. No.

**Australia Post** *(Question No. 2121)*

**Senator Allison** asked the Minister representing the Minister for Employment and Workplace Relations, upon notice, on 30 June 2006.

1. Can the Minister confirm that the recent announcement by Australia Post to transfer mail sorting from country mail centres in Ballarat, Bendigo, Geelong, Morwell and Seymour to the Dandenong Letters Centre (DLC) has led to: (a) the loss of approximately 20 full-time jobs; (b) a one-day delay of mail delivered to the Latrobe Valley area; and (c) employment of new labour at DLC on reduced conditions compared with those in country mail centres.
2. Is it still a requirement, as stipulated by the Prime Minister, that Commonwealth entity jobs should be protected in rural areas; if so, were these changes approved by the Minister or the Prime Minister.

**Senator Abetz**—The Minister for Employment and Workplace Relations has provided the following answer to the honourable senator’s question:

The administration of Australia Post falls within the portfolio responsibility of Senator the Honourable Helen Coonan, Minister for Communications, Information Technology and the Arts. As such these questions would be best directed to her.

**United States Training Bases** *(Question Nos 2141 and 2142)*

**Senator Siewert** asked the Minister representing the Minister for Defence, upon notice, on 10 July 2006:

With reference to proposals for United States (US) training bases in northern Australia:

1. What agreements have been reached with the US Government on allowing US military forces to train in Australia.
2. Does the Government intend to undertake any form of community consultation prior to completing any such agreements.
3. Can the Minister confirm whether the Western Australian Government has been consulted about the proposed facility on Commonwealth land at Yampi Sound in the Kimberley.
4. Can the Minister confirm whether the Shire of Derby West Kimberley has been consulted about the proposed facility on Commonwealth land at Yampi Sound in the Kimberley.
5. (a) Can the Minister describe the nature of the facility under consideration for the Yampi Sound region; (b) what form of environmental assessment will be undertaken prior to US military forces conducting training at this site; and (c) when does the Minister anticipate US forces will be using this site.
6. (a) Can the Minister describe the nature of the facility under consideration for the Bradshaw region in the Northern Territory; (b) what form of environmental assessment will be undertaken prior to
US military forces conducting training at this site; and (c) when does the Minister anticipate US forces will be using this site.

Senator Ian Campbell—The Minister for Defence has provided the following answer to the honourable senator’s question:

(1) United States (US) military forces may, with Australian Government agreement, access Australian Defence Force training facilities in northern Australia, including Shoalwater Bay Training Area, Bradshaw Field Training Area and Delamere Range Facility. Such access is allowed under the provisions of a number of existing agreements, documents binding in international law (also called treaties). These include the:

- Exchange of Notes Constituting an Agreement, between Australia and the USA to Amend and Extend the Agreement on Cooperation in Defence Logistics Support, which entered into force on 12 October 2001;
- Agreement between the Government of Australia and the Government of the USA concerning Acquisition and Cross-Servicing, which entered into force on 9 December 1998; and

(2) Should any agreements to allow US military forces to train in Australia be negotiated, this would be in accordance with the Australian Government’s Treaty Procedures. These procedures require consultation with relevant state and local governments and community consultation as appropriate as part of the development process of the agreement. Any such proposed agreements would also be subject to review by the Joint Standing Committee on Treaties of the Parliament prior to such agreements being ratified and coming into force.

(3) (4) and (5) (a) There are no facility proposals for Yampi Sound Training Area under consideration by Defence at the current time. Hence, there has been no consultation with the Western Australian Government or the Shire of Derby West Kimberley concerning facilities at the Yampi Sound Training Area.

(b) If a facility proposal or access by US military forces was to be considered at any time in the future, all of the standard Defence protocols regarding consideration of environmental impacts would apply.

(c) There are no current plans for use of Yampi Sound Training Area by US military forces.

(6) (a) Australian and US Engineering Forces will undertake the construction of an airstrip and two aircraft hardstandings within the Bradshaw Field Training Area over the period May to June 2007 as part of Exercise Talisman Sabre 07. An airstrip has been on development plans for Bradshaw for more than ten years.

(b) The development of Bradshaw Field Training Area was subject to a comprehensive process of environmental impact assessment in the mid 1990’s under the Environment Protection (Impact of Proposals) Act 1975. The airstrip proposal for Bradshaw has also been subject to further environmental impact assessment by Defence to ensure that the best possible environmental strategies are in place to minimise any impacts that might arise from construction.

(c) Apart from building the airstrip, US forces might use the Bradshaw Field Training Area during Exercise Talisman Sabre 07, in conjunction with the Australian Defence Force.
Estimates Training Sessions
(Question No. 2165)

Senator O’Brien asked the Minister for Communications, Information Technology and the Arts, upon notice, on 14 July 2006:

(1) What Senate estimates training sessions have officers of the Minister’s departments and agencies attended in the past 3 financial years, by year.

(2) For each of the past 3 financial years: (a) how many officers participated in; and (b) what was the total cost of, training for Senate estimates, by department and agency and by financial year.

(3) Where training has been provided by a private provider, what was the name of the provider and the associated cost.

Senator Coonan—The answer to the honourable senator’s question is as follows:

(1) to (3) The details of Senate estimates training sessions attended by officers of agencies within the Communications, Information Technology and the Arts portfolio are as follows;

<p>| Department of Communications, Information Technology and the Arts |
|------------------------|------------------|------------------|------------------|------------------|</p>
<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Training Course</th>
<th>Total Number of Officers Attended</th>
<th>Total Cost</th>
<th>Provider</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003/2004</td>
<td>The Budget and the Senate Estimates Process</td>
<td>7</td>
<td>$1,330.00</td>
<td>Australian Senate</td>
</tr>
<tr>
<td>2004/2005</td>
<td>The Budget and the Senate Estimates Process</td>
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<td>Australian Senate</td>
</tr>
<tr>
<td>2005/2006</td>
<td>The Budget and the Senate Estimates Process</td>
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<td>Australian Senate</td>
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</table>

<p>| Australia Council for the Arts |
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<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Training Course</th>
<th>Total Number of Officers Attended</th>
<th>Total Cost</th>
<th>Provider</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003/2004</td>
<td>Nil</td>
<td>1</td>
<td>$200.00</td>
<td>Australian Senate</td>
</tr>
<tr>
<td>2004/2005</td>
<td>Senate Committees Budget and the Senate Estimates Process</td>
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<td>$200.00</td>
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<tr>
<td>2005/2006</td>
<td>Senate Committees</td>
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<td>$200.00</td>
<td>Australian Senate</td>
</tr>
</tbody>
</table>

<p>| Australian Broadcasting Corporation |
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<table>
<thead>
<tr>
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<th>Total Number of Officers Attended</th>
<th>Total Cost</th>
<th>Provider</th>
</tr>
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<tbody>
<tr>
<td>2003/2004</td>
<td>Nil</td>
<td>17</td>
<td>$2,590.91</td>
<td>Australian Senate</td>
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<tr>
<td>2004/2005</td>
<td>Appearing Before Senate Estimates Committees</td>
<td>17</td>
<td>$2,590.91</td>
<td>Australian Senate</td>
</tr>
<tr>
<td>2005/2006</td>
<td>Nil</td>
<td>17</td>
<td>$2,590.91</td>
<td>Australian Senate</td>
</tr>
</tbody>
</table>

<p>| Australian Communications Media Authority |
|------------------------|------------------|------------------|------------------|------------------|</p>
<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Training Course</th>
<th>Total Number of Officers Attended</th>
<th>Total Cost</th>
<th>Provider</th>
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</thead>
<tbody>
<tr>
<td>2003/2004</td>
<td>Nil</td>
<td>1</td>
<td>$2,750.00</td>
<td>Stone Wilson Consulting</td>
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<tr>
<td>2004/2005</td>
<td>Senate Estimates</td>
<td>1</td>
<td>$2,750.00</td>
<td>Stone Wilson Consulting</td>
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<td>$2,750.00</td>
<td>Stone Wilson Consulting</td>
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</table>
National Archives of Australia

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<th>Total Number of Officers Attended</th>
<th>Total Cost</th>
<th>Provider</th>
</tr>
</thead>
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<tr>
<td>2003/2004</td>
<td>Nil</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2004/2005</td>
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<tr>
<td>2005/2006</td>
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Telstra

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<th>Financial Year</th>
<th>Training Course</th>
<th>Total Number of Officers Attended</th>
<th>Total Cost</th>
<th>Provider</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003/2004</td>
<td>Nil</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>2004/2005</td>
<td>Telstra: Appearing Before Senate Estimates Committees</td>
<td>15</td>
<td>$2,850.00</td>
<td>Australian Senate</td>
</tr>
<tr>
<td>2005/2006</td>
<td>Nil</td>
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</tr>
</tbody>
</table>

The following portfolio agencies have advised that no officers have attended Senate estimates training sessions in the past 3 financial years:

- Australia Post
- Australian Business Arts Foundation
- Australian Film Commission
- Australian Film Television and Radio School
- Australian National Maritime Museum
- Australian Sports Commission
- Australian Sports Anti-Doping Authority
- Bundanon Trust
- Film Australia
- Film Finance Corporation Australia
- National Gallery of Australia
- National Library of Australia
- National Museum of Australia
- NetAlert Ltd
- Special Broadcasting Service Corporation

Estimates Training Sessions

(Question No. 2166)

Senator O’Brien asked the Minister for Immigration and Multicultural Affairs, upon notice, on 14 July 2006:

1. What Senate estimates training sessions have officers of the Minister’s departments and agencies attended in the past 3 financial years, by year.

2. For each of the past 3 financial years: (a) how many officers participated in; and (b) what was the total cost of, training for Senate estimates, by department and agency and by financial year.

3. Where training has been provided by a private provider, what was the name of the provider and the associated cost.
Senator Vanstone—The answer to the honourable senator’s question is as follows:

(1) The Department has no record of any structured internal Senate estimates training being provided to Department of Immigration and Multicultural Affairs (DIMA) officers in the past 3 financial years.

DIMA officers attended the following APSC organised courses:

(2) The APSC has provided the following information in relation to DIMA officer attendance at Senate estimate training sessions:

<table>
<thead>
<tr>
<th>Training Session</th>
<th>Participants</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Snapshot session Parliamentary Committees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of participants 2003/2004: 4</td>
<td></td>
<td>$1,250</td>
</tr>
<tr>
<td>Number of participants 2004/2005: 5</td>
<td></td>
<td>$1,610</td>
</tr>
<tr>
<td>Number of participants 2005/2006: 0</td>
<td></td>
<td>$0</td>
</tr>
<tr>
<td>Preparing to appear before Parliamentary Committees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of participants 2003/2004: 0</td>
<td></td>
<td>$0</td>
</tr>
<tr>
<td>Number of participants 2004/2005: 1</td>
<td></td>
<td>$1,535</td>
</tr>
<tr>
<td>Number of participants 2005/2006: 1</td>
<td></td>
<td>$1,565</td>
</tr>
</tbody>
</table>

(3) The training attended by DIMA officers was organised by the APSC. The providers and total costs were:

<table>
<thead>
<tr>
<th>Training Session</th>
<th>Provider</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Snapshot session Parliamentary Committees</td>
<td>Media Gurus</td>
<td>$2,860</td>
</tr>
<tr>
<td>Preparing to appear before Parliamentary Committees</td>
<td>Stone Wilson Consulting - Laurie Wilson</td>
<td>$3,100</td>
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</table>

Marnic Worldwide Pty Ltd

(Question No. 2181)

Senator O’Brien asked the Minister representing the Minister for Agriculture, Fisheries and Forestry, upon notice, on 14 July 2006:

With reference to evidence to the Senate Rural and Regional Affairs and Transport Legislation Committee hearing on 24 May 2006 (Committee Hansard p. 19):

(1) Can the Minister confirm the evidence given by Mr Grant that, at that date, an assessment of compensation for Marnic Worldwide Pty Ltd had not occurred.

(2) Can the Minister confirm evidence given by Mr Grant that the lawyers representing the officer investigating the Marnic claim, Mr Dalton, had written to the lawyers representing the company seeking documents that would see out the basis of the claim.

(3) On what date was the above letter from Mr Dalton’s legal representatives sent to Marnic’s legal advisers.

(4) Can the Minister confirm that Minter Ellison Lawyers, acting on behalf of the Australian Quarantine and Inspection Service (AQIS), wrote to Talbot Olivier Lawyers, acting on behalf of Marnic, on 25 May 2006 advising that AQIS had formed a view that Marnic could not seek damages on the
basis of the following categories: (a) loss of future income due to default by Marnic and the closing of supplier’s factories; (b) loss of the total Marnic business; and loss of the value of the Marnic business as a saleable entity on the international market.

(5) Was advice sought from the Department of Finance and Administration (DoFA) by: (a) AQIS; (b) Mr Dalton; and (c) someone acting on behalf of AQIS or Mr Dalton, in relation to the application of the Compensation for Detriment Caused by Defective Administration Scheme to the Marnic claim prior to the approval of the above letter, dated 25 May 2006; if so: (i) who sought the advice, (ii) when was the advice provided, and (iii) who provided the advice.

(6) If DoFA did provide advice, did that advice endorse the terms of the above letter; if so, what was the set of facts relating to the Marnic claim provided to DoFA with the above request.

(7) If the DoFA advice did not endorse the terms of the above letter, what was the nature of the advice.

(8) Given Mr Grant’s evidence to the Senate committee that the assessment of the claim for compensation by Marnic had not taken place as at 24 May 2006, when did AQIS form the view that a number of aspects of the Marnic claim ought to be excluded.

(9) (a) On what date were the contents of the above letter from Minter Ellison Lawyers to Talbot Olivier Lawyers approved by AQIS; (b) which AQIS officer approved the contents of the letter; and (c) what advice was provided by AQIS to the Minister, or his office, relating to the decision to exclude a number of claim categories from the Marnic application for compensation.

(10) Can the Minister confirm that the above letter also advised the legal representatives of Marnic that it was likely that there would be further facts discussed and agreed as part of the compensation assessment process.

(11) If the establishment of the factual basis for the Marnic claim was not complete as at 25 May 2006, and there were to be further facts discussed and agreed as part of this assessment process, on what basis did AQIS determine that Marnic would be refused the opportunity to seek compensation for losses in relation to the three categories identified above.

**Senator Abetz**—The Minister for Agriculture, Fisheries and Forestry has provided the following answer to the honourable senator’s question:

(1) Yes.

(2) Yes. The Department through its legal representatives wrote to Talbot Olivier Lawyers, acting on behalf of Marnic World Wide Pty Ltd (Marnic), seeking documents in addition to those provided in the original claim received by the Department in July 2005 that Marnic would want to be considered in any determination of compensation.

(3) The Department through its legal representatives wrote to Talbot Olivier Lawyers, acting on behalf of Marnic, on 1 December 2005, 13 March 2006, 23 March 2006 and 28 April 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.

(4) No.

(5) (a) No.
(b) Yes.
(c) Yes.

(i) Officers of Corporate Policy Division and Mr Dalton.
(ii) The advice was sought at various times during the investigation.
(iii) The Special Claims and Land Policy Branch of the Department of Finance and Administration responsible for administration of the CDDA guidelines.
(6) No.

(7) Advice was provided about the application of the CDDA scheme guidelines.

(8) AQIS did not form a view that a number of aspects of the Marnic claim ought to be excluded.

(9) AQIS did not approve the contents of the letter of 25 May 2005 from the Department through its legal representatives to Talbot Olivier Lawyers, acting on behalf of Marnic. Consistent with the CDDA scheme guidelines, the investigation of Marnic’s claim is being undertaken by an officer independent of AQIS.

(10) Yes.

(11) AQIS has not determined that Marnic would be refused the opportunity to seek compensation for losses in relation to the three categories identified in question (4).

International Ship and Port Facility Security Code

(Question No. 2186)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 14 July 2006:

Can details be provided of all occasions on which masters of vessels in Australian waters have raised the security level to three under the International Ship and Port Facility Security Code.

Senator Ian Campbell—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:

No ship operating in Australian waters has done so at security level three.

No Australian ship has operated at security level 3 to date. Foreign ships are required to advise Australian ports of the security level at which they are operating prior to entry to port. No Australian port has been advised that a foreign ship seeking entry to the port was operating at security level 3.

A ship’s master cannot raise the security level of their ship. Security levels are set by a ship’s Flag Administration and can only be lowered or raised by that body, unless the ship is operating in a port that has a higher security level than the ship, in which case the higher security level prevails.

Mr Jerry Hagstrom

(Question No. 2188)

Senator O’Brien asked the Minister representing the Minister for Agriculture, Fisheries and Forestry, upon notice, on 14 July 2006:

(1) Was Congress Daily journalist Mr Jerry Hagstrom prevented from attending a press conference by the Minister for Agriculture, Fisheries and Forestry at the Australian Embassy in Washington in April 2006; if so: why was Mr Hagstrom prevented from attending the press conference.

(2) Did the Minister authorise Mr Hagstrom’s exclusion from the press conference; if not who authorised Mr Hagstrom’s exclusion.

(3) Was Mr Hagstrom directed to leave the embassy forecourt by security staff.

4) Did the Minister authorise the direction to Mr Hagstrom to leave the embassy forecourt; if no, who authorised this direction.

Senator Abetz—The Minister for Agriculture, Fisheries and Forestry has provided the following answer to the honourable senator’s question:

(1) No. There was no ‘press conference’. The Minister held two interviews with Australian journalists.

(2) Non-Australian journalists were not invited.

(3) Yes.

QUESTIONS ON NOTICE
No. The direction was authorised by the Embassy’s Security Services Manager.

Immigration and Multicultural Affairs: Travel Entitlements
(Question No. 2216)

Senator O’Brien asked the Minister for Immigration and Multicultural Affairs, upon notice, on 14 July 2006:

(1) What entitlement do partners or family members of senior officers of the department, or agencies for which the Minister is responsible, have to travel at government expense.

(2) If an entitlement exists, by department and/or agency: (a) what process is used to assess whether the travel costs of partners or family members are met by the Government; (b) who undertakes such an assessment; and (c) who approves funding for partner or family travel.

Senator Vanstone—The answer to the honourable senator’s question is as follows:

Department of Immigration and Multicultural Affairs

(1) All Senior Executive Staff (SES) of the Department are covered by Australian Workplace Agreements (AWAs). Under AWAs, partners or family members of SES staff have the following entitlements to travel at government expense:

i. When a SES member is relocating from one locality to another as a result of a term transfer or temporary transfer, the Department will pay reasonable travel costs for the accompanying family members who normally reside with the employee to relocate.

ii. When a SES member is on term transfer in another locality and has a dependant residing at the normal locality, the Department may approve, subject to the cost being reasonable, the reimbursement of economy class airfares to enable reunion visits.

iii. When a SES member is on term transfer in another locality and has dependant children who are being educated at a primary or secondary school not in the term transfer location, the Department may pay travel costs for the children to join the member in the term transfer location at breaks between terms or up to a maximum of four times per year, whichever is the lesser.

iv. When a SES member is travelling overseas and has an aggregated period of unaccompanied short-term overseas duty of forty weeks or more, the Department may approve the payment of fares and accommodation costs for a spouse to accompany the SES member on an official overseas trip. Fares may be paid at the class to which SES members are entitled, or at a lesser class, if budget pressures would have prevented the approval of the travel;

v. When a SES member becomes critically or dangerously ill while absent from his/her usual office on duty, the Department will reimburse a close relative to travel to the locality where the member is located an amount equal to the fares reasonably incurred by such travel.

vi. When a SES member is on temporary transfer in another locality and has a dependant residing at the normal locality, the Department may provide travel costs for the dependant to travel to the employee’s locality up to twelve times per year, or up to $6 000 in travel costs per annum, whichever is less. Travel costs will be at the economy fare level.

vii. When a SES member is posted overseas, the Department will pay the costs of travel to and from the post for the dependant. The dependant is entitled to travel at the class at which the SES member is entitled to;

viii. When a SES member is on a long-term overseas posting at a designated hardship post, the Department will provide assisted leave fares for the SES member and their dependants in order to provide relief from difficult climates and environments and access to adequate medical, hospital and dental services and facilities. Leave fares are economy class fares to either a regional leave centre (Australia, London or Miami as appropriate) or a relief leave centre which are neighbouring...
destinations that provide relief from post conditions. The SES member and their dependants are entitled to one leave fare to a regional leave centre and between one to three leave fares to a relief leave centre per posting period depending on the location of the hardship post; and

ix. The Secretary has the discretion to approve travel costs for partners or family members in other situations not described above.

(2) (a) The process used to assess whether the travel costs of partners or family members are met by government is based on an assessment of:

- eligibility based on one of the criteria described above; and
- eligibility of the partner or family member based on the definition of a partner, dependant, family member, spouse or close relative for each criteria.

(b) The assessment is undertaken by the delegate holding the appropriate authority. Based on the categories provided in (1), the appropriate delegate is:

- the First Assistant Secretary of the Ministerial, Corporate Support and Assurance Division or the Assistant Secretary of the People Services Branch for i, ii, iii, iv and v;
- the Secretary for vi and ix;
- the First Assistant Secretary of the Client Services Division or the Assistant Secretary of Overseas Operations Branch for vii; and
- the First Assistant Secretary of the Client Services Division, the Assistant Secretary of Overseas Operations Branch or Overseas Regional Directors for viii.

(c) Funding for partner or family travel is approved by the same delegate that undertakes the assessment as specified in (b).

Migration Review Tribunal and Refugee Review Tribunal

(1) In accordance with clauses 1.10 – 1.10.2 of the Remuneration Tribunal’s Determination 2004/03: Official Travel by Office Holders, an office holder (being a Member of the tribunals), may be entitled to be accompanied by his/her spouse or partner for purposes relating to official business at Commonwealth expense when travelling within Australia or overseas in accordance with this Determination. Accompanied travel may only occur when the office holder’s employer certifies in writing that it is demonstrably in the interest of the Commonwealth, given the purpose of the travel, for the office holder to be accompanied by his/her spouse or partner. Where the office holder’s spouse or partner accompanies him/her, the spouse or partner may travel at the same class of travel as the office holder.

With regard to the Registrar of the tribunals, an employee of the Secretary of the Department, the following arrangements apply:

- If the Registrar is required to transfer temporarily to another city or town for official duties for not less than one month, and has a dependant residing at the normal locality, the Department may provide travel costs for the dependant to travel to the Registrar’s temporary locality, up to 12 times per year, or up to $6,000 in travel costs per annum, whichever is less.
- If the Registrar becomes critically or dangerously ill, whether as a result, of injury or disease, while absent from his/her usual office on duty, and as a result of the illness, a close relative travels to the city or town where he/she is located, the Department will reimburse the close relative an amount equal to the fares reasonably incurred by such travel.

(2) (a) Office holders need to prepare in writing submissions to the Minister demonstrating that given the purpose of the travel, it is in the interest of the Commonwealth for the office holder to be
accompanied by his/her spouse or partner. In the case of the Registrar’s spouse/dependant, travel costs will be at the economy fare level unless combined with travel for official duty. Travel costs in these circumstances will not include a component for accommodation, meals and incidentals.

(b) The Minister for Immigration and Multicultural Affairs undertakes an assessment for office holders on the advice of the Department. The Principal Member assesses an application by the Registrar for his/her spouse/dependant.

(c) The Minister for Immigration and Multicultural Affairs approves funding for Member partner travel. The Principal Member determines travel costs for the Registrar’s spouse/dependant.

Veterans’ Affairs: Travel Entitlements
(Question No. 2225)

Senator O’Brien asked the Minister representing the Minister for Veterans’ Affairs, upon notice, on 14 July 2006:

(1) What entitlement do partners or family members of senior officers of the department, or agencies for which the Minister is responsible, have to travel at government expense.

(2) If an entitlement exists, by department and/or agency: (a) what process is used to assess whether the travel costs of partners or family members are met by the Government; (b) who undertakes such an assessment; and (c) who approves funding for partner or family travel

Senator Ian Campbell—The Minister for Veterans’ Affairs has provided the following answer to the honourable senator’s question:

Department of Veterans’ Affairs

(1) The only travel entitlements for partners or family members of senior officers (other than the Secretary) are for reunion visits during relocation interstate or overseas postings.

The remuneration and conditions of Secretaries, including official travel, has been determined by the Prime Minister under section 61 of the Public Service Act 1999. The Determination is available on the web site of the Department of the Prime Minister and Cabinet at www.pmc.gov.au.

(2) For senior officers (other than the Secretary):

(a) entitlement criteria are specified in the relevant Australian Workplace Agreement (AWA) of each senior officer.

(b) the Secretary or Delegate; and

(c) the Secretary or Delegate.

Australian War Memorial

(1) Accompanied travel is part of the remuneration package of Senior Executive Service (SES) officers. Within all SES AWAs there is a small pool of funds that the officer can use for several purposes including accompanied work related travel.

(2) (a) The travel must be assessed as work related and the officer travelling must have accumulated sufficient funds under their AWA pool to pay for the accompanied travel.

(b) Director; and

(c) Director.
Questions on Notice

Wheat Exports

(Question No. 2226)

Senator O’Brien asked the Minister representing the Minister for Trade, upon notice, on 14 July 2006:

1. Can an outline be provided of the role played by departmental officials in negotiations with representatives of the Government of Yemen in 1999 to secure Australian wheat sales to Yemen.

2. How did officials work with the Australian Wheat Board/AWB Limited during these negotiations.

3. (a) When did these negotiations commence; and (b) when did they conclude.

4. (a) What was the outcome of the negotiations; and (b) if a contract for the sale of wheat was secured, what was the term and value of the contract.

5. What knowledge did: (a) the Minister; (b) the Minister’s office; (c) the department; and (d) the Wheat Export Authority, have of any related agency payments authorised by the Australian Wheat Board/AWB Limited in relation to wheat sales to Yemen.

Senator Coonan—The following answer has been provided by the Minister for Trade to the honourable senator’s question:

1. A review of relevant departmental records has not identified involvement by departmental officials in securing wheat sales to Yemen in 1999.

2. See above

3. See above

4. See above

5. Neither the Minister (Mr Vaile), nor the Minister’s Office, nor the department have any knowledge of related agency payments to Yemen in relation to the sale of wheat in 1999. In relation to the knowledge of the Wheat Export Authority, the Senator is referred to the Honourable Peter McGauran MP, Minister for Agriculture, Fisheries and Forestry.

Defence: Internal Investigation

(Question No. 2229)

Senator Mark Bishop asked the Minister representing the Minister for Defence, upon notice, on 19 July 2006.

With reference to the article ‘Sacked Defence worker alleges cover-up to protect brass’ in the Age of 22 June 2006:

1. Can the Minister advise the nature of the adverse findings made against two individuals, one Australian Public Services (APS) and one Australian Defence Force (ADF), in relation to the combat fleece jacket investigation by Victorian combat clothing section of the Defence Materiel Organisation (DMO).

2. As adverse findings were made against each of the two members of the DMO, why was the APS employee dismissed, while the ADF personnel member was later found to have ‘no case to answer’.

3. What was the difference in the adverse findings made against the APS employee and the ADF member.

4. The APS employee pursued an unfair dismissal application with the Industrial Relations Commission in Victoria: why was this matter settled prior to hearing.
QUESTIONS ON NOTICE

(5) (a) Was legal advice sought by the DMO in this matter; (b) which firm or agency provided advice; (c) what was the cost of the advice; and (d) did legal advice recommend a negotiated settlement in the claim; if not, why was the claim for unfair dismissal settled.

(6) (a) How many applications for unfair dismissal have been made by past employees of the DMO since January 2003; and (b) how many applications have been successful.

(7) For each of the following financial years, in how many instances has the DMO negotiated a settlement in applications for unfair dismissals: (a) 2005-06; (b) 2004-05; and (c) 2003-04.

Senator Ian Campbell—The Minister for Defence has provided the following answer to the honourable senator’s question:

(1) (2) and (3) An internal investigation made findings that an Australian Public Service (APS) member, in his position as the Project Manager of the combat fleece jacket project, and an Australian Defence Force (ADF) officer, with some involvement with support to the project, may have failed in the performance of their duties in the acquisition process. The relevant delegate found that the findings against the APS member were substantiated, and terminated his employment under the APS Code of Conduct provisions contained in the Public Service Act 1999.

The delegate, who considered the ADF officer’s performance, found that there was insufficient evidence to warrant action against the officer resulting in no adverse finding being made against the ADF member.

(4) The matter involving the APS employee was settled through conciliation by the Australian Industrial Relations Commission.

(5) (a) Legal advice was sought by Defence.
(b) Blake Dawson Waldron.
(c) $2,757.
(d) The content of the legal advice is subject to legal professional privilege. Disclosure of the content of the advice has the potential to harm the interests of the Commonwealth in responding to current and future litigation. That said, all claims against Defence must be, and are, settled in accordance with legal principle and practice under the Legal Services Directions 2005, including, where applicable, on the basis of external legal advice.

(6) (a) Fourteen.
(b) None.

(7) (a) 2005-06: 1.
(b) 2004-05: 8.
(c) 2003-04: 1.

Compensation for Detriment Caused by Defective Administration Scheme

(Question No. 2232)

Senator Mark Bishop asked the Minister for Finance and Administration, upon notice, on 19 July 2006:

(1) Do the Department of Finance and Administration guidelines at Attachment B to Finance Circular 2001/01 relating to compensation for detriment caused by defective administration (CDDA) state, inter alia:

Paragraph 4 - ‘Care should be taken to ensure that the principles of natural justice are applied…’
Paragraph 19 - ‘Each case must be decided on its own merits’.

QUESTIONS ON NOTICE
Paragraph 36 - ‘The overarching principle to be used in determining the level of compensation is to restore the claimant to the position he or she would have been in had defective administration not occurred’.

Paragraph 35 - ‘Offers of compensation to claimants should be calculated on the basis of what is fair and reasonable in the circumstances and in consideration of the fact that the Commonwealth should not take advantage of its relative position of strength in an effort to minimise payment’;

if so:

(a) Why was Air Vice-Marshal Criss AM AFC (A VM Criss) recently only compensated for a loss of salary previously determined in a Redress of Grievance Defence Department rejected report dated 29 June 2001;

(b) Was the department consulted in the process of the Defence Department delegate making his decision in the AVM Criss case; if so, how many times was the department consulted; and

(c) Who holds the delegation for the administration of CDDA within the Department of Defence.

(2) Do the CDDA guidelines at paragraph 39 relating to the payment of interest state: ‘…where the agency’s actions and/or notification for defective administration were unreasonably protracted… (interest on damages may be payable…’; if so, given that AVM Criss submitted his Redress of Grievance in March 2001, and that the Department of Defence compensated the member in August 2005 an amount recommended for payment in a June 2001 report, and given that the member submitted his CDDA claim in October 2002, can the Minister explain why the member was denied the payment of interest on the money withheld by the Department of Defence for over 4 years.

Senator Minchin—The answer to the honourable senator’s question is as follows:

(1) Yes. Attachment B - Compensation for Detriment caused by Defective Administration in Finance Circular 2001/01 - Commonwealth Compensation Schemes, Debt Waiver and Write-Offs does contain the paragraphs, which are mentioned in (1) of Question No 2232.

(a) The Minister for Defence is responsible for decisions in his portfolio under the Compensation for Detriment caused by Defective Administration Scheme (CDDA Scheme).

(b) The Department of Finance and Administration was not consulted in the processes undertaken by the Department of Defence when the decision was made on the claim by Air Vice Marshal Criss AFC under the CDDA Scheme.

(c) You should ask the Minister for Defence in view of his responsibilities under the CDDA Scheme.

(2) No. Paragraph 39 in Attachment B - Compensation for Detriment caused by Defective Administration in Finance Circular 2001/01 - Commonwealth Compensation Schemes, Debt Waiver and Write-Offs states:

“…In some cases interest may be payable where it forms part of the damages suffered (interest as damages), but not in general because of a delay in paying those damages (interest on damages). In regard to the latter, an exception may be where the agency’s actions and/or notification of defective administration were unreasonably protracted. In determining this, consideration should be given to any agency service standards on timeliness”.

In relation to “why the member was denied the payment of interest on the money withheld by the Department of Defence for over four years”, you should ask the Minister for Defence in view of his responsibilities under the CDDA Scheme.
Australian Defence Force Reservists
(Question No. 2255)

Senator Faulkner asked the Minister representing the Minister for Defence, upon notice, on 26 July 2006:
With reference to Australian Defence Force (ADF) Reservists in Iraq and Afghanistan: By year, how many ADF reservists have been deployed to: (a) Iraq; and (b) Afghanistan.

Senator Ian Campbell—The Minister Assisting the Minister for Defence has provided the following answer to the honourable senator’s question:
Reservists are deployed to Iraq on Full-Time Service and administered in the same way as members of the permanent force. Records cannot discern Reservists deployed prior to 1 July 2005.
(a) From 1 July 2005 to 31 December 2005 – 137.
From 1 January 2006 to 10 August 2006 – 83
(b) From 1 July 2005 to 31 December 2005 – 4.
From 1 January 2006 to 10 August 2006 – 20.

Australian Defence Force
(Question No. 2256)

Senator Faulkner asked the Minister representing the Minister for Defence, upon notice, on 26 July 2006:
With reference to Australian Defence Force (ADF) operations near or in Fallujah:
(1) Have ADF sub-units, task groups or patrols participated in operations in or near Fallujah in conjunction with United States (US) forces; if so, when and under what operational constraints.
(2) Were after-action reports produced and submitted to the ADF chain of command; if so, were any investigations carried out as a result of these reports.
(3) If follow-up investigations were carried out, were the results notified to Defence headquarters in Canberra, and subsequently to the Minister.

Senator Ian Campbell—The Minister for Defence has provided the following answer to the honourable senator’s question:
(1) No.
(2) and (3) Not applicable.

National Health and Medical Research Council
(Question No. 2261)

Senator Bob Brown asked the Minister representing the Minister for Health and Ageing, upon notice, on 27 July 2006:
With reference to the latest appointments to the National Health and Medical Research Council, and principal committees:
(1) Given the urgent need for improved health outcomes for Indigenous Australians, why did the Government reduce the numbers of Indigenous appointees to the research committee from two to one.
(2) Given the fact that rural and regional Australia has poorer health outcomes than urban Australia, why did the Government only appoint one researcher from a regional university.
(3) Why was the research and health policy expertise in Tasmania and South Australia ignored with no appointments being made to the research committee from either of these two states.
(4) Why were no Tasmanians appointed to the Australian Health Ethics Committee and the Australian Health Committee, when in the last triennium both these committees had at least one Tasmanian appointee.

Senator Santoro—The Minister for Health and Ageing has provided the following answer to the honourable senator’s question:

(1) In line with the introduction of more streamlined operational arrangements for the NHMRC from 1 July 2006, the number of members on the NHMRC Research Committee was reduced from 21 to 16. Consequential to this reduction and taking into account the broad range of expertise needed for the Committee, the resultant number of Indigenous appointees for the current triennium happens to be one.

This does not reflect any reduction in the importance the NHMRC will give to Indigenous health, which remains a high priority.

(2) (3) and (4) The selection of appointees to the NHMRC and its principal committees is based upon a broad range of technical expertise required by the committees. The resultant geographic spread of appointees is consequential to this process and will vary from one triennium to the next.

Kakadu National Park
(Question No. 2266)

Senator Allison asked the Minister for the Environment and Heritage, upon notice, on 28 July 2006:

With reference to the fifth Kakadu National Park Plan of Management, will the Minister support: (a) a zoning table and zoning map to secure the protection of wilderness values (i.e. retain Zone 4 in the current plan); (b) a prohibition of new visitor facilities in the current protection zones 3 and 4 of the park; (c) the indication of all existing park developments on the map; (d) a complete schedule of all proposed new developments to be made available for public exhibition, review and examination; and (e) a cap on visitor levels to 200 000 per annum to prevent overuse.

Senator Ian Campbell—The answer to the honourable senator’s question is as follows:

In accordance with the requirements of the Environment Protection and Biodiversity Conservation (EPBC) Act 1999 (EPBC Act), the Director of National Parks and the Kakadu Board of Management are currently considering public submissions received in response to an invitation to comment on the draft fifth management plan for Kakadu National Park. In accordance with the EPBC Act, once all comments have been considered, the Director and Board may revise the draft plan after which a final document will be forwarded for ministerial consideration. As such, it is premature to comment at this stage on what may or may not be included in the final plan.

Aerial-Baiting Programs
(Question No. 2267)

Senator Bob Brown asked the Minister for the Environment and Heritage, upon notice, on 31 July 2006:

(1) Has there been a recent program of aerial 1080 baiting carried out in the Kosciuszko National Park; if so: (a) where and when was this aerial baiting carried out; (b) what was the purpose of this baiting program; (c) what steps were taken to ensure that the native wildlife species were not poisoned as a result of this program; and (d) in particular, what steps were taken to prevent the poisoning of the rare alpine dingoes.

(2) What information does the Government have about the secondary poisoning of other species as a result of aerial baiting programs.
(3) How much is this aerial baiting program expected to cost.
(4) What other alternative control measures have been investigated instead of using aerial 1080 baiting against the target species.
(5) Does the Government consider the alpine dingo an endangered or vulnerable species; if not, why not.
(6) How many alpine dingoes are there left in the wild.

Senator Ian Campbell—The answer to the honourable senator’s question is as follows:

(1) (a) A limited program of aerial 1080 baiting was carried out in the Kosciusko National Park by the NSW National Parks and Wildlife Service in the past 12 months. The program consisted of the release of 750 baits over 75kms adjacent to the Snowy Plains on 16 November 2005 and a further release of baits in the same area and in the extreme south-eastern portion of Kosciuszko National Park during June 2006. (b) The purpose of the baiting program was to address the issue of stock losses as a result of increased wild dog activity in the Mt Kosciusko National Park area. (c) The impacts of the baiting program have been assessed under the Environment Protection and Biodiversity Conservation Act 1999 (the EPBC Act) and the program has been allowed to go ahead on the basis that the application methods adopted will result in minimal impacts on native fauna. This includes size of bait, concentration of 1080 and timing in relation to the Spotted-tailed quoll breeding season. The aerial baiting targeted wild dogs routes in areas that are inaccessible by foot near the periphery of the Park. (d) Under the NSW Rural Lands Protection Act 1998 areas of known dingo populations are protected. In Kosciusko National Park this includes large remote areas where baiting is not permitted. Only the boundary areas of the Park are subject to 1080 baiting programs.

(2) A number of studies prepared for the NSW National Parks and Wildlife Service between 1999 and 2006 were taken into account by my Department in determining the potential for this program to impact on listed threatened fauna.

(3) The Australian Government does not possess information on the costs of carrying out the aerial baiting program. This information should be sought from the NSW Department of Environment and Conservation.

(4) Other measures of dog control such as trapping and ground baiting are carried out in areas accessible by foot or horse. However, in inaccessible areas aerial baiting is the only method employed.

(5) The dingo is not a listed threatened species under the EPBC Act as the national dingo population is not considered to be under threat.

(6) The population of dingoes in the alpine areas is not available.

Australian Defence Force

(Question No. 2297)

Senator Faulkner asked the Minister representing the Minister for Defence, upon notice, on 3 August 2006:

With reference to the new role of the Australian Defence Force (ADF) in Iraq’s Dhi Qar Province:

(1) Can the Minister confirm the role of the ADF troops, stationed at Tallil Airbase, who are now called the ‘Overwatch Battle Group (West)’ which is part of the Multi-National Division - South East (Iraq).

(2) Is it correct to state that the Overwatch Battle Group (West)’s role is akin to a call-out in a crisis as indicated in Defence Media Release CPA 174/06 of 28 July 2006.

(3) What constitutes a crisis, or circumstances, for the purpose of using ADF troops to assist the Iraqi Security Forces in Dhi Qar Province.
(4) Who agreed to the definition of a ‘crisis’ or ‘circumstances’ in which ADF troops would be used.
(5) What is the approval process for the call-out of ADF troops in such a crisis or circumstances.
(6) Does the approval process involve the Minister.
(7) What additional civil military training have ADF personnel undertaken before or after moving to Talil Airbase.

Senator Ian Campbell—The Minister for Defence has provided the following answer to the honourable senator’s question:

(1) The Australian Overwatch Battle Group (West) [OBG(W)] will conduct routine engagement in Al Muthanna Province, including continued mentoring and training of the Iraqi Security Forces, and liaison with the civilian and security authorities. There is also an on-going program of reconstruction activities under the civil-military cooperation program. In the event of a security crisis in Al Muthanna that is beyond the capability of the Iraqi Security Forces to control, the OBG(W) may be tasked to intervene to restore order. Finally, in accordance with the relevant UN Security Council Resolutions, the OBG(W) could be used in other circumstances to ensure the security and stability of Iraq.

(2) Yes.

(3) A security crisis is a situation that exceeds the capabilities of the Provincial Iraqi authorities and requires national security forces to intervene. Only if the national Iraqi forces are unable to deal with a crisis would the Australian OBG(W) be utilised.

(4) A Memorandum of Understanding was agreed between the Government of Iraq and the Multinational Forces – Iraq, which defines the circumstances in which coalition troops would intervene in a province following Iraqi assumption of security control in that province.

(5) The Commander of the Australian Joint Task Force in Baghdad would forward the request for intervention by OBG(W) through the Australian command chain to the Chief of the Defence Force, who would consult with the Government.

(6) Yes.

(7) The OBG(W) conducted unit and sub-unit training and a mission rehearsal exercise prior to leaving Australia. Following its arrival in Iraq, the OBG(W) has conducted further comprehensive training, mission rehearsal exercises and battle preparation.

Devil Facial Tumour Disease

(Question No. 2300)

Senator Milne asked the Minister for the Environment and Heritage, upon notice, on 4 August 2006:

(1) Is there a definitive pre-clinical test that can detect the presence of devil facial tumour disease (DFTD); if not, how can the Government be certain that the devils that have been exported will not develop DFTD at a later date.

(2) Given that Tasmania’s Department of Primary Industries and Water (DPIW) state that the wildlife park that was to be used to source the devils for export was located in a region well away from where the disease has occurred: is the Government aware that DPIW maps in fact show that the areas surrounding the wildlife park in question have the highest transmission rates for DFTD.

Senator Ian Campbell—The answer to the honourable senator’s question is as follows:

(1) There are currently no definitive pre-clinical tests that can detect the presence of devil facial tumour disease (DFTD). Work on a pre-clinical test is being undertaken as a matter of priority as part of the joint Australian and Tasmanian Government’s DFTD Programme.
The Tasmanian Devils that were exported were bred in captivity from a disease free managed population.

(2) The Tasmanian Chief Veterinary Officer determined that Tasmanian Devils can safely be moved between managed populations, subject to conditions attached to the export, such as ensuring that the managed population cannot come in contact with wild populations that may carry the disease.

China

(Question No. 2312)

Senator Bob Brown asked the Minister representing the Minister for Foreign Affairs, upon notice, on 8 August 2006:

With reference to the plight of environmental activists in China:

(1) Is the Minister aware that Mr Tan Kai, founder of ‘Green Watch’ has been in detention since 17 October 2005 for setting up an independent organisation for environmental protection; if so, what information does the Minister have about his situation and condition.

(2) Is the Minister aware that Mr Sun Xiaodi, a former uranium worker, is under house arrest after reporting on nuclear pollution from the ‘792 uranium mine’; if so, what information does the Minister have about his situation and condition.

(3) Will the Minister raise the plight of Mr Tan Kai and Mr Sun Xiaodi with Chinese authorities.

(4) What representations has the Minister made to Chinese authorities concerning the right of citizens to organise and publicise environmental issues in China.

Senator Coonan—The following answer has been provided by the Minister for Foreign Affairs to the honourable senator’s question:

(1) I am aware of reports that Tan Kai has been in detention since October 2005. According to Human Rights in China (HRIC) Tan Kai went to trial in May this year on a charge of illegally obtaining state secrets and was sentenced to 1.5 years imprisonment by a local court in Hangzhou on 11 August. HRIC reports that the charge was based on a claim that, while doing computer repair work, Tan Kai saved sensitive information on his own computer.

(2) I understand that Sun Xiaodi, a former employee of the Gansu No. 792 uranium mine, was detained in April 2005 on suspicion of illegally providing state secrets after an Agency France Presse journalist interviewed him about his claims of environmental contamination of the mine. According to information provided to us by the Chinese authorities, Sun Xiaodi’s detention was changed to house arrest in September 2005. On 9 March 2006 the surveillance against him was lifted. China has advised that there are currently no measures in force against him.

(3) The government will continue to monitor the situation of Tan Kai and will consider raising his case with the Chinese authorities, as we do with other individual cases of concern.

The Government has raised the case of Sun Xiaodi with the Chinese authorities on a number of occasions. On 7 July 2006 the Australian Embassy in Beijing raised our concerns about Sun Xiaodi with the Chinese Ministry of Foreign Affairs. At that time the Ministry of Foreign Affairs undertook to seek information from local judicial authorities about his case and report back to us. The Government raised Sun’s case as part of the 2006 Australia-China Human Rights Dialogue process. China informed us that Sun Xiaodi was no longer under surveillance and the security forces have no measures in force against him.

(4) The Australian Government regularly makes representations to the Chinese authorities concerning the rights of citizens to organise and publicise issues, including environmental issues, in China. At the recent Australia-China Human Rights Dialogue we called on China to protect freedom of association, the right to peaceful protest and the right to use lawful means to express grievances. We
raised our concerns about China’s use of vague laws, such as the state secrets laws, to prosecute people for taking political stands. We also urged China to ratify the International Covenant on Civil and Political Rights, which recognises basic political and civil rights such as freedom of assembly and association as well as freedom of opinion and expression. We will continue to raise these concerns in the future.

Mary River Cod
(Question No. 2319)

Senator Bob Brown asked the Minister for the Environment and Heritage, upon notice, on 8 August 2006:

With reference to the Mary River Cod:

(1) What is the assessed impact of the proposed dam on the Mary River.

(2) What is the status of the Mary River cod, and in particular, what threat does the dam pose to it.

(3) What studies have been carried out on the Mary River cod: (a) by whom; and (b) with what conclusion.

(4) Is the Mary River cod protected; if not, why not.

Senator Ian Campbell—The answer to the honourable senator’s question is as follows:

(1) My Department is yet to receive a referral under the Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act) for the proposed dam on the Mary River. Once a referral is received, my Department will give careful consideration to whether the proposed action is likely to have a significant impact on the Mary River Cod and any other matter of national environmental significance that is protected by the EPBC Act and, if so, to ensuring a rigorous and transparent assessment of those impacts is completed.

(2) See response to Question 1. The Mary River Cod is listed as an endangered species under the EPBC Act. The Mary River Cod was once common in the Mary River system of coastal south-eastern Queensland, but has been in decline since the early 1900’s. Population declines are believed to be due to habitat degradation and fragmentation, the construction of weirs and barrages, and overexploitation of this species by recreational fishing.

(3) Two published studies have been carried out on the Mary River Cod. These studies describe this species and investigate habitat preferences and population status. Details of these studies are provided below. These studies will be used by my Department to help determine the impacts on this species of the proposed dam once a referral is received.


(4) The EPBC Act requires that a recovery plan is prepared for all listed threatened species and ecological communities. The Mary River Cod Research and Recovery Plan seeks to secure and enhance populations of Mary River Cod in the Mary River system, and to restore populations of cod in their historic range in south-eastern Queensland. As a nationally listed threatened species, any action that has, will have, or is likely to have a significant impact on the Mary River Cod requires approval under the EPBC Act. The EPBC Act also requires that I must not act inconsistently with a
recovery plan when deciding whether or not to approve the taking of an action, and what conditions to attach to such an approval.

**Mary River Turtle**  
**(Question No. 2320)**

Senator Bob Brown asked the Minister for the Environment and Heritage, upon notice, on 8 August 2006:

With reference to the Mary River turtle, *Elseya albagula*:

1. What is the assessed impact of the proposed dam on the Mary River.
2. What is the status of the turtle *Elseya albagula* and, in particular, what threat does the dam pose to it.
3. What studies have been carried out on the turtle *Elseya albagula*: (a) by whom; and (b) with what conclusion.
4. Is turtle *Elseya albagula* protected; if not, why not.

Senator Ian Campbell—The answer to the honourable senator’s question is as follows:

Before I commence the answer to this question, I should confirm that the scientific name for the Mary River turtle is *Elusor macrurus*. On the presumption that this is the species to which Senator Brown refers I will now tender my answer.

(1) My Department is yet to receive a referral under the Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act) for the proposed dam on the Mary River. Once a referral is received, my Department will give careful consideration to whether the proposed action is likely to have a significant impact on the Mary River turtle and any other matter of national environmental significance that is protected by the EPBC Act and, if so, to ensuring a rigorous and transparent assessment of those impacts is completed.

(2) See response to Question 1. The Mary River turtle is listed as an endangered species under the EPBC Act. The Mary River turtle is known to occur in the major tributaries and main stream of the Mary River. Population declines are believed to be due to the clearance and degradation of riparian habitat, and increased predation by foxes and goannas and suspected human interference of nests.

(3) A number of published studies have been undertaken on the ecology of the Mary River turtle. These studies include a description of this species and an analysis of the role of temperature in influencing the gender of turtle hatchlings. Details of these studies are provided below. These studies will be used by my Department to help determine the impacts on this species of the proposed dam once a referral is received.


(4) The EPBC Act requires that a recovery plan is prepared for all listed threatened species and ecological communities. A recovery plan for the Mary River turtle is currently in development. As a nationally listed threatened species, any action that has, will have, or is likely to have a significant impact on the Mary River turtle also requires approval under the EPBC Act.

**Parliamentary Departments: Overseas Travel**  
**(Question No. 2392)**

Senator Carr asked the President of the Senate, on notice, upon 16 August 2006:

With reference to the Department of the Senate and the Department of Parliamentary Services:
QUESTIONS ON NOTICE

(1) Can an update be provided on the same basis as the details asked for in question on notice no. 966 of 16 June 2005 concerning overseas travel by: (a) the Secretary and each Senior Executive Service (SES) officer or SES-equivalent officer for the period 1 June 2005 to 31 July 2006, and in each case, where a spouse or partner accompanied the officer, the costs paid out of departmental funds for the spouse or partner; and (b) officers below the SES level, including departmental costs of any accompanying spouse or partner.

(2) Can the President request the Speaker to provide answers to the above questions in respect of the Department of the House of Representatives.

The President—The answer to the honourable senator’s question is as follows:

Department of the Senate

(1) (a) The Clerk of the Senate (Secretary of the Department of the Senate) did not undertake any official overseas travel for the period 1 June 2005 and 31 July 2006.

Official overseas travel undertaken by the SES officers of the Department of the Senate

1 June 2005 to 31 July 2006

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<th>Name</th>
<th>Purpose</th>
<th>Duration</th>
<th>Total Cost</th>
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<tr>
<td>Mr C. Elliott Clerk Asst</td>
<td>Presentation of a paper at the International Seminar on Comparative Review of Public Consultation Methods for Legislatures, Beijing, China</td>
<td>10-15 July 2006</td>
<td>Sponsored by the Research Office of the Standing Committee of the People’s Congress of the People’s Republic of China and the Parliamentary Centre Canada. $421.16</td>
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<td>Ms A. Griffiths Usher of the Black Rod</td>
<td>Parliamentary delegation to Trinidad and Tobago and the United States of America</td>
<td>11-25 July 2006</td>
<td>$22,612.00</td>
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TOTAL $23,033.16

Neither officer was accompanied by a spouse or partner.

(b) Official overseas travel undertaken by officers below SES level of the Department of the Senate

1 June 2005 to 31 July 2006

<table>
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<th>Name</th>
<th>Purpose</th>
<th>Duration</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
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<td>Mr N Bessell</td>
<td>113th IPU Assembly – Geneva, Switzerland; and bilateral visit to Singapore</td>
<td>16-27 October 2005</td>
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<td>Mr N. Bessell</td>
<td>114th IPU Assembly – Nairobi, Kenya; and bilateral visit to South Africa</td>
<td>28 April–12 May 2006</td>
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<td>Mr N. Bessell</td>
<td>IPU Working Group on Reform, Geneva, Switzerland</td>
<td>16-21 July 2006</td>
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</tr>
<tr>
<td>Mr J. Curtis</td>
<td>Parliamentary delegation to the United Kingdom and Poland</td>
<td>25 June–8 July 2006</td>
<td>$12,901.69</td>
</tr>
<tr>
<td>Ms J. Dewar</td>
<td>Parliamentary Service Delegation to South African Parliament, Cape Town, South Africa.</td>
<td>8-22 November 2005</td>
<td>$12,659.37</td>
</tr>
<tr>
<td>Mr R. Grant</td>
<td>Senate Foreign Affairs, Defence and Trade Committee’s inquiry on Australia’s relationship with China</td>
<td>21-27 August 2005</td>
<td>Hosted by the Government of the People’s Republic of China $92.98</td>
</tr>
</tbody>
</table>
Wednesday, 6 September 2006

SENATE

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Name | Purpose | Duration | Total Cost
--- | --- | --- | ---
Mr B. Holmes | 36th Presiding Officers’ and Clerks’ Conference, Samoa | 11-15 July 2005 | $2,179.18
Mr E. Humphrey | Parliamentary delegation to Turkey and Ireland | 16-28 October 2005 | $3,593.86
Dr A. Marinac | DPD Strategic Planning Session and other consultative visits, Indonesia | 28 August–3 September 2005 | 1,897.77
Dr A. Marinac | Consultative and development work in establishing a committee system in the DPD, Indonesia | 12-19 March 2006 | 5,044.00
Mr C. Reid | Parliamentary Delegation to the European Institutions, Brussels, Belgium and Bilateral Visit to Norway | 22 April–6 May 2006 | $22,093.96

**TOTAL** |  |  | **$83,329.76**

No officer was accompanied by a spouse or partner.

**Department of Parliamentary Services**

(1) (a) The Secretary of the Department of Parliamentary Services did not undertake any official overseas travel for the period 1 June 2005 and 31 July 2006.

No SES officer of the Department of Parliamentary Services undertook official overseas travel for the period 1 June 2005 to 31 July 2006.

(b) Official overseas travel undertaken by officers below SES level of the Department of Parliamentary Services 1 June 2005 to 31 July 2006

<table>
<thead>
<tr>
<th>Name</th>
<th>Purpose</th>
<th>Duration</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ms M. Barnes</td>
<td>Parliamentary Service Delegation to South African Parliament, Cape Town, South Africa</td>
<td>7-24 November 2005</td>
<td>$13,082.44</td>
</tr>
<tr>
<td>Mr. J. Lloyd*</td>
<td>Attend New Zealand Turf Conference (New Zealand)</td>
<td>28 May to 4 June 2005</td>
<td>$2,098.95</td>
</tr>
<tr>
<td>Ms. D. Goodall</td>
<td>Attend Commonwealth Hansard Editors’ Conference (Canada)</td>
<td>6-15 August 2005</td>
<td>$12,184.63</td>
</tr>
<tr>
<td>Ms E. Tomaras</td>
<td>Parliamentary Delegation to the Federated States of Micronesia</td>
<td>17-25 November 2005</td>
<td>$11,538.17</td>
</tr>
</tbody>
</table>

**TOTAL** |  |  | **$38,904.19**

No officer was accompanied by a spouse or partner.

(2) I have written to the Speaker requesting the relevant information in relation to the Department of the House of Representatives.

* Note: Official travel to this conference was also reported in the answer to Question on Notice No. 966.

**Wilderness Society**

(Question No. 2403)

**Senator Bob Brown** asked the Minister for Finance and Administration, upon notice, on 17 August 2006:

Has the Minister met with representatives of the Wilderness Society in the past 5 years; if so, on what dates.

**Senator Minchin**—The answer to the honourable senator’s question is as follows:

No.