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- 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 Stephen Parry
Nationals 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

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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 Transport and Regional Services and Deputy Prime Minister
Treasurer
Minister for Trade
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
Minister for Education, Science and Training and Minister Assisting the Prime Minister for Women’s Issues
Minister for Families, Community Services and Indigenous Affairs
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 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 Services  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 to the Minister for Transport and Regional Services  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)
SHADOW MINISTRY—continued

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

Shadow Minister for Agriculture and Fisheries
Shadow Assistant Treasurer, Shadow Minister for
Revenue and Shadow Minister for Small
Business and Competition
Gavan Michael O’Connor MP
Joel Andrew Fitzgibbon MP

Shadow Minister for Transport
Senator Kerry Williams Kelso O’Brien

Shadow Minister for Sport and Recreation
Senator Kate Alexandra Lundy

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

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

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

Shadow Minister for Immigration
Anthony Stephen Burke MP

Shadow Minister for Ageing, Disabilities and
Carers
Senator Jan Elizabeth McLucas

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

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

Shadow Minister for Citizenship and Multicultural
Affairs
Senator Annette Hurley

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

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

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

Shadow Parliamentary Secretary for Education
Kirsten Fiona Livermore MP

Shadow Parliamentary Secretary for Environment
and Heritage
Jennie George MP

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

Shadow Parliamentary Secretary for Immigration
Ann Kathleen Corcoran MP

Shadow Parliamentary Secretary for Treasury
Catherine Fiona King MP

Shadow Parliamentary Secretary for Science and
Water
Senator Ursula Mary Stephens

Shadow Parliamentary Secretary for Northern
Australia and Indigenous Affairs
The Hon. Warren Edward Snowdon MP
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The PRESIDENT (Senator the Hon. Paul Calvert) took the chair at 12.30 pm and read prayers.

BUSINESS

Rearrangement

Senator ELLISON (Western Australia—Manager of Government Business in the Senate) (12.30 pm)—I move:

That government business notice of motion no. 1, relating to the hours of meeting and routine of business for today, and government business order of the day no. 1 (Broadcasting Services Amendment (Media Ownership) Bill 2006 and a related bill) be postponed till a later hour.

Senator CHRIS EVANS (Western Australia—Leader of the Opposition in the Senate) (12.31 pm)—This is an extraordinary situation where, for the second day running, the government advises us, with minutes to go, that its Broadcasting Services Amendment (Media Ownership) Bill 2006 will not be proceeded with yet. It is clear the government does not know when it will be in a position to have stitched up a deal to proceed with that bill but, in the meantime, the Senate sits around waiting for its opportunity to deal with the bill. We were told that it would come on for debate first thing on Monday, that we needed to be prepared and that it would be debated on Monday and Tuesday—and the minister was insisting we have a vote by Wednesday. There would be no further delay; we would have the vote by Wednesday. Here we are on Tuesday and we cannot even get debate started on the bill! The government is in such disarray it cannot even bring the bill on. So, not only is it not ready to vote but it is not even ready to debate it. The Senate has been treated with complete contempt, because we just sit around waiting for the next bit of advice about when the government might be able to get its act together. Quite frankly, it is totally unacceptable.

The Minister for Communications, Information Technology and the Arts, Senator Coonan, has totally lost control. She flaps around as a hapless minister, waiting for the National Party or the Prime Minister to tell her whether or not she is going to be able to proceed with her bill. We had the extraordinary situation last night, apparently, where she was prepared to negotiate with The Nationals—but only one at a time! She was not prepared to take them on more than one at a time. They could come in individually, but they could not come in as a team. She is so frightened by Senator Joyce and Senator Nash that she will not deal with them together—an extraordinary situation. We have the minister having late night discussions, trying to convince Nationals senators—and all the while the Senate waits. It hangs around, waiting, promised by the government: ‘Soon we’ll be able to bring the bill in—if not today, then tomorrow.’

The minister just postponed a notice of motion which was designed to have us sitting tonight. Senators have cancelled arrangements tonight so as to be available tonight to debate the bill. The government came and asked the Labor opposition whether we would be prepared to sit extra time, extra hours, and we said, ‘Sure, we’re always prepared to work to deal with important legislation.’ But now they are not sure whether they want to do it, because they have not got their act together. This is a government that have totally lost control.

It is an irony, isn’t it? At a time when they control the Senate, when they have the numbers in the Senate, they cannot control themselves. The government are in total disarray, unable to deliver in the parliament, so the parliament is treated with contempt. The parliament is not the place where they are pre-
pared to debate their ideas and their policies; they try and do it in backroom deals, try to work in the dead of night, try to stitch up deals so they can come into the parliament and pretend they have got a policy position of some consistency. They are not prepared to come in here and debate those issues. They are not prepared to see where the argument takes us. This is even though they have got the numbers. They are still not prepared to deal with parliamentary scrutiny until they think they can stitch up their dissidents or stitch up people who might actually think that narrowing the base of media ownership is not necessarily a good thing for Australia.

We are being treated with total disdain. The parliament is being treated with an arrogant disdain by the Prime Minister. Senators do not know what to prepare for. One minute it is coming on; next minute it is not. Now Senator Ellison is telling me that it may be coming on later. We were prepared yesterday to start this debate; it was postponed. We were assured it would start today; it has been postponed again. The government is in total disarray.

We had the Prime Minister yesterday indicating he just might not be so committed to media ownership—it might all be just a little too hard—and, really, it was not a particularly high priority for him. In other words, he might cut and run again, like all the rhetoric about Iraq: ‘We’ve got to stay the course; we’re not prepared to cut and run’! Who remembers the refugee legislation, the unauthorised arrivals legislation? I seem to remember someone cutting and running. He could not deliver what he wanted, so he cut and ran. Here we are again today, on the broadcasting media ownership laws: ‘Well, I’m not sure I can deliver, so I’m preparing to cut and run.’ He will not bring it on in the parliament and he will not have the debate until he can be assured he is going to win—and, if he cannot get his way, his petulance will see the bill not brought on.

The minister has been left to hang out to dry. She is now completely undermined, and the Prime Minister’s petulant arrogance says, ‘I can only bring it on if I can win. I’m not going to play: I’m going to take my ball home unless you say I’m allowed to win.’ That is what we saw with the refugee bill, the Migration Amendment (Designated Unauthorised Arrivals) Bill 2006. He was so dedicated to it, so committed to it, that he did not even have the guts to bring it into the parliament, because he could not get his way. We have seen that petulance and arrogance again with the appointment to the Telstra board and the way that Mr Howard has insisted on trying to get his man on the board—despite the rightful objections—as a spy for the government, because he is concerned he has lost control. It is petulant. It is arrogant. It is a sign that the government is governing for itself, driven by ideology, not by the needs of Australian citizens, and today we have another example that the government has just lost it. It is a government in decay. It is a government that is losing the plot. It is a government that is governing for itself.

We now have the disarray reflected in the Telstra legislation. What a shambles that has been. We have had the shambles of the on again, off again Medibank privatisation; we have had the refugee legislation, where we fussed around for weeks, debated it in the public arena and then the government did not have the courage to bring it into the parliament; and now we have the media ownership legislation, with the Prime Minister preparing to walk away, leaving the back door open to cut and run. We have the parliament being treated with complete disdain, because the government, for the second day in a row, has said, ‘Oh well, we’re not ready.’ In other words: ‘We haven’t stitched up the deal. We
don’t know whether we can rely on the Nats. Till we get the deal together, it’s all a bit hard and we want to leave ourselves the option of cutting and running.’ We are all waiting. We are acting on your advice. We have all made other arrangements for tonight because you said you needed the extra hours. You are not prepared to go ahead with that, because you do not know if you will need them. We have had people preparing for debates that have been delayed.

The Senate does not know where it is at because the government does not know where it is at. We ought to be treated with more respect. We need to have the government explain just what is going on, because the minister has clearly lost control. She is an embarrassment to the government. She does not enjoy the support of the party and she has no idea what is going on. She has no idea what her policy is. She has no idea what she will walk into the parliament with. We understand that the government is drafting hundreds of amendments as it madly tries to make some sense of the policy mess that is now its media ownership policy. It is not good enough. It is a sign that the government has completely lost it. The arrogance and the petulance of not being prepared to front up to the parliament and debate these issues is, I think, a real sign of a government that is decaying rapidly.

For the second day in a row, the government has had to delay the legislation—giving last-minute notice to other senators and treating them with complete disrespect. The government ought to get its act together, because at this stage we clearly will not get the bill by the end of the week. We have a very difficult committee stage ahead. The minister said that she needed the bill by Wednesday—she said that we were not going beyond Wednesday. Well, it is now Tuesday, we have not started and there is no sign of us starting. As I say, the minister is postponing the motion and there is nothing that we can do other than agree with it. But it really is a sign of the arrogance of the government, of how it is losing control and of how the Prime Minister is leaving himself the option of cutting and running.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (12.39 pm)—The Greens do not support this motion. We believe that the Senate ought not be sitting at the pleasure of the member for Bennelong. It is a much more serious matter than that. There has to be goodwill in this place and a consideration which is mature, proper and adequate by all members involved. For us to support this motion would mean that the government will sometime later today, perhaps, finalise the media legislation, with major amendments, which we would be expected to debate, with no reference to our constituencies, at 7.30 pm tonight.

Senator Sherry—They’re cancelling tonight’s sittings.

Senator BOB BROWN—No, they are postponing consideration of it, Senator. That means simply whittling away the opportunity of the Senate to make a considered decision about when it will sit to determine very important amendments to the legislation, which from the Greens point of view ought to be going back out to the community for discussion and input so that we can be properly democratically representative of the community we come from. These are huge issues. These are issues about the right of our democratic community to be informed from a wide variety of sources instead of having an ever-diminishing number of people controlling the media. It is fundamental to democracy.
We do not go along with a government that says, ‘Sometime later today, we will decide whether or not the Senate sits tonight to consider legislation that it has not seen.’ That is an appalling process. The government ought to think again about that. If the government wants to have extra sittings on this matter, then it should schedule another sitting week. It does not want to do that, because it does not want to face the scrutiny of parliament on more days than it can help. The whole process is one of the Senate being abused by the executive—by the Prime Minister’s office, and at his direction. The minister is the hapless intermediary in that process. We will not accept it.

Senator ALLISON (Victoria—Leader of the Australian Democrats) (12.42 pm)—I agree with my colleagues on this side of the chamber on the mess that we are in today in dealing with the Broadcasting Services Amendment (Media Ownership) Bill 2006 or not dealing with it; we are still not sure whether it is coming on for debate. I think it is a disgraceful way to treat the Senate and the scrutiny over government legislation that we are charged with. We have now had the bill delayed for at least two days, when there was a very short time frame in which to examine this legislation—legislation we now understand is likely to be hugely varied by negotiation with members of the National Party. They will no doubt take on board their rural constituents but forget about some of the other really big issues in this legislation, which will no doubt be swept through if agreement is reached.

I want to make the point that this is no way to conduct business. This is neither a way for us to have a proper understanding of this legislation nor to have a proper debate in this place. It is on again, off again. Suddenly we are back to the ANSTO legislation and then we are going to be on something else after ANSTO. It is a shemozzle; and pandemonium really. I wish the government would do as the Prime Minister suggests and agree that this is not important and that we should drop the whole bill, because quite frankly we see no merit in any of it and I think the vast majority of Australians see no merit in this legislation. If the Prime Minister is in doubt about its importance and says he does not care one way or the other, then let us forget about it and get on with the more important business of this place. I would encourage the government to do that. I think it is appropriate for them to withdraw the bill and for us to reschedule the rest of this week’s sitting so that we know what it is that we are dealing with.

Senator ELLISON (Western Australia—Manager of Government Business in the Senate) (12.44 pm)—What we are doing today is simply finishing off last night’s second reading stage speeches on the Australian Nuclear Science and Technology Organisation Amendment Bill 2006. I understand that we have two or three speakers remaining on that and, of course, they would have been aware that speeches on the second reading were delivered last night. I do not see that there is any great issue with continuing those this afternoon. It is public knowledge that there has been a Senate committee of inquiry into the broadcasting legislation. Recommendations have been made by the committee on that legislation. The Minister for Communications, Information Technology and the Arts has been considering those, the report having been tabled last Friday. The minister has had that under consideration. As I advised the Leader of the Opposition in the Senate, Senator Evans, I anticipate the broadcasting bills coming on after the second reading stage speeches have concluded. The government’s intention is to bring on the second reading debate on the broadcasting legislation at the conclusion of the second reading stage speeches on the Australian Nu-
clear Science and Technology Organisation Amendment Bill 2006. As I understand it, the list for that is relatively short.

I would remind senators that we try to give people as much notice as possible but, as it says on the Senate red in the top right-hand corner, ‘This document is issued as a guide to senators. The business listed is subject to change.’ It has certainly been my experience that that document has been available in the Senate under both the previous government and this government. I certainly endeavour to give as much notice as I possibly can to senators. That is the situation; that is the intended program of the government. In discovery of formal business, which will take place after question time, I will deal with the question of extended hours this evening—of which notice was given yesterday—to incorporate and facilitate an extended debate on the broadcasting legislation, as senators have expressed a great interest in that. That is the government’s proposal. That is the plan of action and I commend the motion to the Senate.

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

The Senate divided. [12.51 pm]
(The President—Senator the Hon. Paul Calvert)

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

NOES
Allison, L.F. Bartlett, A.J.J.
Bishop, T.M. Brown, B.I.
Brown, C.L. Campbell, G. *
Carr, K.J. 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. McEwen, A.
Milne, C. Moore, C.
Murray, A.J.M. Nettle, K.
O’Brien, K.W.K. Poiley, H.
Ray, R.F. Sherry, N.J.
Siewert, R. Stephens, U.
Sterle, G. Webber, R.
Wong, P. Wortley, D.

PAIRS
Chapman, H.G.P. McLucas, J.E.
Humphries, G. Marshall, G.
McGauran, J.J. Conroy, S.M.
Santoro, S. Stott Despoja, N.

* denotes teller

Question agreed to.

AUSTRALIAN NUCLEAR SCIENCE
AND TECHNOLOGY ORGANISATION
AMENDMENT BILL 2006

Second Reading

Debate resumed from 9 October, on motion by Senator Santoro:

That this bill be now read a second time.

upon which Senator Stephens had moved by way of an amendment:

At the end of the motion, add “but the Senate condemns the Government for:
(a) its extreme and arrogant imposition of a nuclear waste dump on the Northern Territory;

(b) breaking a specific promise made before the last election to not locate a waste dump in the Northern Territory;

(c) its heavy-handed disregard for the legal and other rights of Northern Territorians and other communities, by overriding any existing or future state or territory law or regulation that prohibits or interferes with the selection of Commonwealth land as a site, the establishment of a waste dump and the transportation of waste across Australia;

(d) destroying any recourse to procedural fairness provisions for anyone wishing to challenge the Minister’s decision to impose a waste dump on the Northern Territory;

(e) establishing a hand-picked committee of inquiry into the economics of nuclear power in Australia, while disregarding the economic case for all alternative sources of energy; and

(f) keeping secret all plans for the siting of nuclear power stations and related nuclear waste dumps”.

Senator ALLISON (Victoria—Leader of the Australian Democrats) (12.54 pm)—As I said last night, it has been very hypocritical of this government to have insisted on a national code for the siting and development of wind farms, to make sure that community concerns were taken into consideration, but then to have overridden that with the Commonwealth Radioactive Waste Management Bill last year, which imposes on the Northern Territory a nuclear waste dump, despite government opposition there and huge community objection to the dump.

In fact, rather than consulting, the government did quite the opposite. The Northern Territory Chief Minister first heard about the decision in a press release from the minister. The Alice Springs council first heard of the proposal on local radio and a property owner right next door to one of the sites found out through a friend.

We continue to hold the view that low-level waste should be stored as close as possible to its production and that state-of-the-art above-ground repositories should be established in each state and territory for this purpose, and we continue our long opposition to the construction of the unnecessary new nuclear reactor at Lucas Heights. The Democrats argue that it is imperative to manage Australia’s radioactive waste in a responsible, scientific, robust and transparent manner. To date, the federal government has failed to do that.

The Democrats recognise that radioactive material is a reality and a serious issue, but it is here that our strategy differs from that of the government. We support the strategy advocated by the Medical Association for the Prevention of War, the Australian Conservation Foundation and Friends of the Earth. First and foremost, the government must seek to minimise waste generation rather than make plans to expand our nuclear industry. Secondly, the government should aim to minimise transportation. Waste management is preferably done on site in a retrievable and secure fashion. Thirdly, the government should focus on establishing secure, monitored, above-ground storage which responsibly addresses the need to maximise long-term safety and does not preclude any improved storage options which might become available in the future. Fourthly, the government should gain community acceptance of the management system based on the principles promoted by the International Atomic Energy Agency. That does not simply mean consultation; the community must give informed consent to the facility.

On the issue of nuclear stewardship and an expanding nuclear industry in Australia,
we believe that the stewardship approach being foreshadowed for Australia flies in the face of global security and is not environmentally or economically sound. A uranium enrichment industry in Australia is also bad news. It is highly energy intensive, contributing further to Australia’s greenhouse gas emissions, and leaves a massive amount of toxic radioactive and chemical waste. Uranium enrichment in the United States alone releases 14 million tonnes of CO₂ per annum and, for every tonne of natural uranium mined and enriched for use in a nuclear facility, the majority—that is, 87 per cent—is left as waste. The bulk of the by-product is depleted uranium. Despite putting tonnes of DU into weapons used in Afghanistan and Iraq—polluting those countries with dangerous DU dust—the United States still has 470,000 tonnes in store and 1.2 million tonnes are stored around the world.

Expanding uranium mining and enriching uranium in Australia, even with a leasing arrangement, will do absolutely nothing to get rid of the world’s nuclear weapons and will only exacerbate the situation, in our view. Expansion of uranium mining could lead to an increase in the number of nuclear weapons states and the material available for dirty bombs used by terrorist groups. The report Nuclear power: no solution to climate change notes that, of the 60 countries that have built nuclear reactors or nuclear power plants, over 20 are known to have used their so-called peaceful facilities for covert weapons research and/or production. In some cases, nation states have succeeded in producing nuclear weapons under cover of a peaceful nuclear program. They are India, Pakistan, Israel, South Africa and possibly North Korea. The report also notes that the International Atomic Energy Agency safeguards system still suffers from flaws and limitations, despite improvements in the past decades. At least eight nuclear non-proliferation treaty member states have carried out weapons related projects in violation of their NPT agreements or have carried out permissible weapons related activities but failed to meet their reporting requirements to the IAEA. Egypt, Iraq, Libya, North Korea, Romania, South Korea, Taiwan and Yugoslavia are in this situation.

The Democrats are very concerned about the decision to sell uranium to China because, despite the agreed safeguards, there are no guarantees that China will not use our uranium for weapons or even displace other uranium to do so. We are also concerned about the ongoing talks on the possibility of selling Australian uranium to India, which is not a signatory of the NPT. The provocative move by Korea yesterday in testing a nuclear bomb suggests a very real risk of a nuclear arms race in the region. As has already been noted, the non-proliferation treaty has failed to some extent. There are still 27,000 nuclear weapons worldwide, and the nuclear weapons states have not agreed to disarm, as was expected at the time of signing that treaty. We also have the comprehensive test ban treaty, which is yet to be ratified for want of signatories. This lack of progress on disarmament and on banning testing has no doubt been a factor in North Korea taking up this disastrous testing option.

Australia could and should play a part in not contributing to further regional instability. It should refuse to sell our uranium to nations such as India and China; indeed, we should be using our uranium as leverage over progress on disarmament for the nuclear weapon states. Even our close allies like the United States need to hear the message from Australia that it is not acceptable to go on having so many nuclear weapons and that we must go to total disarmament of nuclear weapons worldwide at some stage. When it comes to nuclear capability in a region already fraught with political tension, it is es-
sential that the government continues to press its concerns peacefully and through all the diplomatic means at its disposal. Most of all, however, the government must abandon its plans to sell uranium to a publicly unstable region.

The Democrats support the second reading amendment by the ALP. The government should be condemned for putting short-term economic gain ahead of national, global, environmental and health security. The government should be investing in renewable energy for export. Innovation in renewable energy products is going overseas—the latest is the Silvery solar cell technology produced by the Australian National University and Origin Energy. It is outrageous and a national shame that this government has failed to support and foster the renewable energy sector. There was a time when we were world leaders. We still are world leaders in innovation, but no longer in commercialisation or development.

The government should abandon its plans to expand the nuclear industry in Australia. Just because we have 40 per cent of the world’s known uranium deposits, it does not mean it is safe or smart to dig it up, enrich it or send it off to become an uncertain and possibly destructive end product, damaging the environment in the process.

Senator LIGHTFOOT (Western Australia) (1.03 pm)—The Senate is considering the Australian Nuclear Science and Technology Organisation Amendment Bill 2006. Only 20 million people reside in Australia, a country which is the same size as the mainland of the United States of America, where there are 260 million people. The coast of Australia has one of the most centralised populations of any coast in the world. Nearly 90 per cent of the people in Australia live around the coast, particularly in the capital cities of Perth, Adelaide, Melbourne, Sydney, Brisbane, Darwin and Hobart. Australia is made up mostly of old and stable geological rocks. Electricity in Australia is predominantly produced from coal, gas and diesel—all fossil fuels. Some renewables operate in Australia—solar, hydro, wind and biofuels. Nuclear power is the only possible alternative to the power generators that emit CO₂ and other greenhouse gases. Why? Nuclear is green; nuclear is clean. Nuclear power is the only economical alternative that can produce enough electricity to satisfy the great demand in Australia, which is expected to double in 25 years.

As someone who has been involved in the search for uranium over many years, I do not believe that uranium in its natural state as an ore, uranium as upgraded and value-added U₃O₈ or spent uranium from nuclear power stations is at all dangerous. If it is handled in the right way it is no more dangerous than coal, no more dangerous than nickel, no more dangerous than lead and no more dangerous than beach sands from which radioactive monazite is mined.

This bill will give ANSTO an effective role in managing mid-level and high-level nuclear waste. Currently, there is no such facility. Would my colleagues opposite recommend, say, Indonesia? Indonesia, which is led by President Susilo Bambang Yudhoyono, one of the greatest leaders Indonesia has ever had, is geologically unstable. Do the other side want to put our waste and the world’s waste in Papua New Guinea? Papua New Guinea is not only geologically unstable but, at times, perhaps through no fault of its own, it has also been politically unstable. Should nuclear waste go to Solomon Islands? The answer is, of course, a deafening no. Should it go a little closer to the eastern states of Australia, in Vanuatu? The answer, of course, is no.
Nuclear waste should in fact go to a place that is geologically stable, that has some of the world’s oldest rocks and that has no subterranean water movement—a country that is one of the five oldest continuous democracies in the world. We understand through our tertiary institutes, and through training in those institutes, that nuclear waste can be stored only in a country that is geologically stable, that has old rocks, that has no water movement and that has been led by stable governments for the last 105 years—and that country, of course, is Australia.

There is one other thing that adds to the proposition and the attractiveness of Australia for a nuclear or high-level waste repository and that is, of course, that we have wide open spaces. In one million square miles in Western Australia we have just over two million people living. Of those two million people, 75 per cent live in the Perth metropolitan area, in that narrow strip between Yanchep-Two Rocks in the north and down to Bunbury in the south—1.5 million people, three-quarters of the whole population of that million square miles, live there.

The current act, inadvertently, restricts ANSTO and its redoubtable expertise in assisting other Commonwealth agencies which produce radioactive waste—hospitals, some universities, and of course Lucas Heights. With the establishment of the repository facility in the Northern Territory, a state-of-the-art repository, it will be important for ANSTO to be able to condition and make safe waste from the other Commonwealth agencies before it is transported to the proposed repository in the Northern Territory.

The Northern Territory has around 100,000 people in it. It is a lot better place to put uranium waste—or partly-spent uranium, as most of it will be—than leaving it at Lucas Heights. Lucas Heights now is a suburb that one might call an inner Sydney suburb. I have been to several nuclear facilities around the world, not just Lucas Heights. How many people in here have been to inspect Lucas Heights? I certainly have. I have been to Calvert Cliffs, a 2,000-megawatt plant, sitting on the very edge of Chesapeake Bay, arguably the most environmentally sensitive area in the United States. Two thousand megawatts of electricity is produced there. It is put into the Baltimore gas and electric grid at US$3.5c a kilowatt-hour. What an achievement that is: US$3.5c a kilowatt-hour from a nuclear power plant. I have also been to one near Bristol in the United Kingdom. I have not just been and had a look at it; I have been inside, into the reactor chambers, peered down through that hazy, mesmeric blue colour of the heavy water in which the uranium rods are. I have also been to one in southern Taiwan and had a look at that facility, which is run in an exemplary fashion.

I have also been to Argentina, to a place called Bariloche. It is the most beautiful place on earth. Sitting there is a nuclear facility from which we bought our new INVAP reactors that replaced the old HIFAR reactors at Lucas Heights. It is a beautiful place, Bariloche, at the foot of the alps in Patagonia. No problems with these people with storing radioactive waste. No problem with making money out of these facilities. The one that we bought from INVAP in Bariloche in Argentina is state of the art, sourced from the best possible materials and the most up-to-date, state-of-the-art nuclear facilities around the world.

Waste is currently treated safely, and has been for generations, in the United States, the United Kingdom and the European Union, in Russia, China and Japan. China incidentally is planning 36 more nuclear power plants. What is going to happen to us in Australia if we are the only developed country in the world that does not have a nuclear power plant? What is going to happen to us if we
become the biggest exporters of uranium in the world, the biggest exporter of $\text{U}_3\text{O}_8$? That is not where the money is, incidentally; the money is in converting that $\text{U}_3\text{O}_8$ into fuel rods or fuel balls, or some type of uranium that can be immediately used in reactors. What is going to happen to us if Canada gets the jump? What is going to happen to us if—because the world price becomes so high and we become so restrictive because of the patently and obviously stupid three-mines policy of the Labor Party—other countries are forced to source their material from, say, Africa or other unstable parts of the world?

France gets 79 per cent of its power from nuclear energy. No-one stops drinking French champagne—when they can afford it; I cannot, not on a backbencher’s salary; if I had a minister’s salary, yes, I could afford to drink it—or eating any of the food products from France, which are amongst the best in the world, because of that. I happen to believe that the south-west of Western Australia and Tasmania have magnificent food, but France does too. No-one says they are not going to drink French champagne or eat French food because 79 per cent of France’s electricity is nuclear powered. Sweden—a country that the successive Labor parties in state parliament in Western Australia and in the federal parliament have admired so much—derives 50 per cent of its power from nuclear. About six or seven years ago in Sweden, the Labor Party said that if they got into power they were going to do away with nuclear. Not only did they not do away with it, they increased the production of nuclear power from 48 per cent to 51 per cent. That is how reliant on nuclear power is one of the most innovative and clever countries in the world and how much it believes in nuclear power.

It is imperative that ANSTO, with its highly experienced and professional staff, handle and make safe all our radioactive material sourced in Australia, whether it be from the universities, from hospitals or whether it be material that may be intercepted from points of entry into Australia, such as potential terrorists bringing radioactive material into Australia for nefarious reasons.

We will also meet our obligations under the International Convention for the Suppression of Acts of Nuclear Terrorism in Australia with a responsible, state-of-the-art Northern Territory nuclear waste repository. Consideration had to be given to ensuring that the public of Australia was reliably informed that waste or spent fuel from Lucas Heights was not stored indefinitely in what is now an inner Sydney suburb and that residents feel that radioactive waste is transported in a proper fashion to the proposed repository in the Northern Territory when and if that takes place. The main waste, however, from the Lucas Heights facility will be returned to INVAP in Argentina from where it will then go to Canada, and the supplies of the research reactor, for further processing.

The radioactive waste currently at ANSTO, including old waste from ANSTO—some of which has been there since the early 1960s, nearly 50 years ago—is to be transported in special accident-proof containers to the proposed repository in the Northern Territory and out of the inappropriate temporary storage at Lucas Heights. Passage of the bill into law is absolutely essential if we are to set an example to other countries in our region and to secure the support of Australians, who reap immense benefits from radioactive isotopes used in medicine and other radioactive activities.

Power demand is expected to increase by three per cent per annum by 2020. Fossil fuels contribute to 80 per cent of the world’s energy production—84 per cent from coal in Australia alone. Australia has the largest
known reserves of uranium. Australia is one of the largest producers of uranium, behind Canada. We have the biggest uranium reserves in the world bar none. Uranium contributes to 40 per cent of our energy exports. The major importers are the United States, the UK, the European Union and Asia. Japan and South Korea are becoming major buyers. Australia is about the only developed nation not moving towards electricity generated from nuclear power. I am a global warming sceptic, but I do know one thing—billions of tonnes of carbon dioxide, or CO₂, emissions go into the Pacific, Indian and Atlantic oceans. The pH of those oceans ranges from between 8.2 and 8.3—with 7, as everyone knows, being a neutral pH. Those three oceans sequester fully one-third of all the CO₂ emissions in the world. Those CO₂ emissions change the pH factor and produce a more acidic environment—but not much more. Over the past 10 years the pH factor has become 0.1 per cent more acidic. If anything is going to cause coral bleaching, it is going to be the production of carbonic acid as a result of the sequestration of carbon out of the air by our oceans. That would be disastrous for Australia.

If the Greens, or those in the Labor Party who have sentiments similar to the Greens, want to stop global warming or the alteration of our oceans and our coral, they should firstly get behind this ANSTO repository plan for the Northern Territory. It will be state of the art; it will be the best in the world. Secondly, they should get behind the Prime Minister, who wants to move to the cleanest, greenest and most economically viable method of producing electricity outside the so-called ‘dirty energy’ from which we produce our electricity now. Let’s switch to nuclear. Nuclear is a worry to a lot of people, but I am sure that, once they find out how good, how clean, and how economic it can be and how it can advance the status of living of this wonderful country, those who have some apprehension will also support the Prime Minister in his drive to nuclear. I thank the Senate.

Senator CROSSIN (Northern Territory) (1.19 pm)—I rise to speak on the Australian Nuclear Science and Technology Organisation Amendment Bill 2006. Senator Lightfoot, there is a problem when you get up and read a brief and you do not understand what you are talking about. The last time I looked, there were more than 100,000 people in the Northern Territory. The fact that you are not sure how many people live there might be an indication of your lack of care about the nuclear dump we are about to have imposed on us up there, thanks to your government.

The purpose of this bill is to allow ANSTO to handle, manage or store radioactive materials from a broad range of sources and circumstances than is currently allowed under the Australian Nuclear Science and Technology Organisation Act of 1987. Predominantly this bill outlines three powers that will be extended to ANSTO in three broad circumstances. ANSTO will have the power to look at radioactive material and waste that might arise from incidents including terrorist or criminal acts. The bill allows ANSTO to manage or control waste that is currently not generated by ANSTO. Finally, the bill allows ANSTO to deal with the reprocessed spent fuel rods which are going to return to Australia and which we know will contain fuel that is reprocessed from the waste of other countries, not just Australia.

Let me go into the background of those three broad categories. ANSTO and New South Wales Emergency Waste Management presented submissions to the Senate inquiry into this bill. In 2005 the New South Wales
State Emergency Management Committee sought ANSTO’s advice on the handling, storage and disposal of radioactive material that the Commonwealth may require in the event of an emergency or malicious situation. The Commonwealth noted that the New South Wales Police forensic services may need to take custody of radioactive material as part of investigations. However, they have no facilities to hold such material. The Australian Federal Police and the Victoria Police, in their submissions, raised similar issues with ANSTO.

It would make sense, with ANSTO being the pre-eminent body that would know the most about these materials, that their involvement in emergency situations such as dirty bombs was not envisaged during the drafting and the amendments of the original ANSTO Act. As I said, it would make common sense these days to extend ANSTO’s powers to enable it to become involved in these situations. Given their nuclear research and management expertise, it is appropriate that law enforcement or emergency and disaster agencies should be able to access ANSTO’s capabilities and facilities, including for terrorist events that may use radioactive materials. In its current form, the ANSTO Act limits the initial assistance ANSTO could provide in an emergency to little more than the provision of advice. ANSTO cannot take possession of any nuclear materials in the event of an incident. However, this bill will facilitate ANSTO’s involvement in emergencies.

It will also bring Australia into line with standards set out in the United Nations Convention for the Suppression of Acts of Nuclear Terrorism. Australia has not ratified that convention, but these changes are intended to assist Australia’s consideration of its position in relation to ratification of the convention. In that sense, the Labor Party gives that section of the bill a tick. We think it is eminently sensible to provide ANSTO with its ability to take part and participate in any emergency waste management that might arise under those situations.

ANSTO and the management of Commonwealth nuclear waste is now directly linked to the situation in which we find ourselves in the Northern Territory. This government lied to the people of the Northern Territory prior to the last election and a nuclear waste dump is now to be imposed upon us without consultation, without agreement and without any recognition of the needs or concerns of the three communities which are to be involved. ANSTO is currently constrained to management and processing of its own waste alone. It does not have the power to process waste from other Commonwealth sources—defence forces or the CSIRO. ANSTO is licensed to operate a store for research reactor spent fuel prior to it being sent overseas for reprocessing. It is also licensed to operate a separate facility to condition—that is, handle and process waste for safe and secure disposal—and store other radioactive waste generated by the organisation.

Radioactive waste held at a variety of premises will require conditioning before it can be sent for long-term storage or disposal. The Australian Radiation Protection and Nuclear Safety Agency, ARPANSA, is developing a code of practice and safety guide for the conditioning and management of radioactive waste prior to its disposal. Once developed, ARPANSA intends to apply these national requirements for predisposal management to all Commonwealth entities. ANSTO’s experience in managing its own waste makes it the only body suitable for and capable of conditioning Commonwealth waste to meet ARPANSA’s requirements.

As a consequence of this bill, ANSTO will be able to lend its expertise to waste man-
agement of all radioactive materials held by the Commonwealth. However, much larger quantities of waste will be transported to Lucas Heights for conditioning and held there during processing before eventual storage at the waste dump. In addition, ANSTO has the expertise and capability for the management of waste in Australia. As such, ANSTO should be able to lend its facilities and expertise to the conditioning and processing of nuclear waste.

The bill explicitly provides that materials and waste generated, possessed or controlled by a Commonwealth contractor are taken to be de facto generated, possessed or controlled by the Commonwealth itself, and as such contractors are covered by the same responsibilities and immunities as the Commonwealth. In a sense, this closes another loophole that was obviously missed when the Commonwealth Radioactive Waste Management Act was rammed through this parliament last year. We know that the passage of that act had extensive immunities and meant that there is currently very little, if any, chance of a successful state or territory challenge to the siting or operation of the waste dump on the grounds of the ANSTO Act or the bill. However, the department has identified this provision in its submission to the Senate legislation committee inquiry into this bill as limiting potential legal action against Commonwealth contractors by jurisdictions opposed to the Commonwealth’s radioactive waste management strategy.

As this government’s agenda for dumping nuclear waste in the Northern Territory unfolds, we see another tiny loophole where in fact legal action may well have been taken with respect to contractors transporting and generating or possessing waste generated by the Commonwealth itself. This, of course, is another mean and tricky way in which this government will ensure that there can be no legal challenge to what is transported, stored, held or maintained in the waste dump in the Northern Territory.

Despite the Commonwealth’s intention to use this bill to limit any residual capacity for legal challenges to the nuclear waste dump, it is generally preferable for ANSTO to be able to lend its expertise, facilities and qualified staff to waste processing and management. Although ANSTO will in a sense be responsible for waste generated by a contractor, this bill ensures one further step, that any loophole for legal challenge will be closed to ensure that the waste dump proceeds.

The final area that this bill covers is to ensure that ANSTO has the responsibility for all spent nuclear fuel that is coming back to this country. We know that at present spent fuel from the research reactor at Lucas Heights has been sent to France and Scotland for reprocessing. Reprocessing involves the spent fuel waste being held in storage for a considerable period in order to reduce its radioactivity. The reprocessed spent fuel is due to return some time between 2011 and 2015. Hence the need for this government to move fairly quickly to establish a national nuclear waste dump. Without consultation, it will impose that nuclear waste dump on the Territory.

We know that ANSTO has entered into contractual arrangements for the reprocessing and eventual return of the waste. The intermediate-level waste will return first to Lucas Heights before it is taken to the proposed dump in the Northern Territory. This bill ensures that the waste that is coming back to Australia will cover not only Australia’s waste but waste from other countries, because, when we send spent fuel over to France or Scotland, they do not just process our waste into any spent fuel rods; it is mixed with the fuel from right around the world, and the spent fuel rod that comes back to us will be a mixture of whatever it is from
other countries that has been put together, if I can say it as simply as that. So there is no guarantee that a spent fuel rod coming back to Australia will solely contain material that was generated from Australia. So it is not ‘probable’; we know that waste returning to Australia will contain wastes not generated by the Australian research reactor, and this government believes it is not clear that a court would regard such wastes as wastes arriving from ANSTO’s activity. Therefore this is another loophole for a legal challenge that anyone may want to undertake in taking on this government about what could or could not be stored at the waste dump or what could or could not be handled by ANSTO.

The proposed amendments in this bill would ensure that ANSTO has the necessary powers to accept all waste, any waste, from any of the countries under its contractual agreement and manage and store such wastes. There is, I think, some question over whether it is intermediate-level waste. ANSTO and ARPANSA have told me at estimates that there is no way that it is high-level waste. Material I have read through any French website, their nuclear atomic energy agencies or similar agencies to ANSTO assures me that in fact there is only high-level or low-level waste in France. One would have to believe that perhaps they are right and our people are pulling the wool over our eyes. I am certainly now of the view, after the extensive reading I have done, that in fact what we will be getting back from France is nothing but high-level waste.

That leads me to make some final comments in the remaining minutes about this whole sorry saga of where we are going with the storage of this nuclear waste. We know, of course, that this government has tried to tell Territorians, who have to face the threat of the imposition of a nuclear waste dump in the Northern Territory, that the nuclear waste dump will be safe. But in fact this bill is an acknowledgment of the grave security risks involved in handling, holding and transporting radioactive materials. The bill contains provisions that recognise the potential for terrorists to use nuclear wastes in a dirty bomb.

The Australian Labor Party concede that the storage of nuclear radioactive waste is important, but we do not believe that the way in which this government has gone about it is the way to go. There are still grave concerns for Territorians over the risks of having the waste in their backyard, and for the coalition government to pass legislation to establish a waste dump and then pass legislation some months later about the safety and security of that waste clearly shows that this government really thinks that security on this issue is only a secondary concern.

While this government likes to talk tough on security issues, it has been sadly lacking in substance. You only need to look at the report in the Weekend Australian on 19 November last year which said: The back door to one of the nation’s prime terrorist targets—

that is, the Lucas Heights nuclear reactor—is protected by a cheap padlock and a stern warning against trespassing or blocking the driveway. This level of security may have been deemed as broadly adequate by the then Acting Prime Minister, John Anderson; however, this standard of security is deemed simply unacceptable by just about everyone else. But we know that this government is still playing catch-up in terms of security and safe handling of radioactive materials. It is only now, with this bill, that the federal government will give ANSTO the power to deal with radioactive material and waste arising from a relevant incident, including a terrorist or a criminal act.
I listened with interest, of course, to Mr Tollner’s speech in the other place on this legislation. I notice that my Senate colleague Senator Scullion is not down to defend his actions or record in relation to nuclear waste in the Territory, but Mr Tollner went to some pains to ‘clarify the record’, he said, in relation to how the whole sorry saga about the proposed nuclear waste dump in the Territory unfolded. I have to say that I think Territorians have already made up their minds on this issue, and they know that the member for Solomon misled them. He said:

There’s not going to be a national nuclear waste dump in the Northern Territory ...

We have heard that many times echoed in the House of Representatives and in the Senate chamber in the last year. That is the promise that Mr Tollner gave to Territorians prior to the last federal election. Again, trying to convince Territorians otherwise is merely wasted breath, but Mr Tollner has demonstrated that he is still back-pedalling following his broken promise during his contribution to parliament on this bill. I just want to read into Hansard the comments he made during his speech only a couple of weeks ago. He actually said:

Our environment minister, Senator Ian Campbell, I believe, shot off his mouth a bit early and said that there would be no waste facility located on mainland Australia.

I probably would have to agree with David Tollner—there probably are instances where Senator Ian Campbell has shot off his mouth a bit—but I am a bit surprised that Dave has only just realised what the minister is really like. I think the minister should have listened to Mr Tollner. After all, Dave would probably have to be the absolute authority on shooting off his mouth. Just have a look at the next sentence in Mr Tollner’s contribution to that speech.

**Senator Humphries**—Mr Acting Deputy President, I raise a point of order. I think that the senator should refer to the member of the other place by his proper title.

**The ACTING DEPUTY PRESIDENT (Senator Murray)**—Quite right. Could you observe that propriety, Senate Crossin.

**Senator CROSSIN**—I think the minister should listen to Mr Tollner. After all, Mr Tollner is an authority on shooting off his mouth. Just look at the next sentence of Mr Tollner’s speech, when he admitted that he naively believed the minister. If I remember correctly, on Darwin radio just last week, David Tollner referred to Senator Ian Campbell as an ‘itinerant drunk full of Dutch courage’ in reference to his minister on the issue of the culling of crocodiles.

The member for Solomon and Senator Nigel Scullion were sucked into the misleading statements of the minister and passed on this misleading information to the people of the Northern Territory in the lead-up to the Northern Territory election. The message that comes out of this whole sorry saga about the nuclear waste dump in the Northern Territory is very clear: no-one can trust the federal cabinet of this Howard government. If government members cannot trust their own cabinet, why should Territorians? Mr Tollner might plead ignorance in this debate, but ignorance is not an excuse for incompetence for the boys from the CLP, who have consistently failed to stand up for the rights of Territorians.

Mr Tollner goes on a bit further. At the Central Council meeting of the CLP a few weeks ago, Mr Tollner pushed for and got up a motion on uranium enrichment. The Country Liberal Party put out a press release on 27 September calling for submissions on uranium enrichment. Mr Tollner was quite excited about this. ‘Let’s look at uranium enrichment,’ he said. I would have to say that
the CLP has moved from ignorance to lunacy now. Where has Mr Tollner come up with this idea? Before the last election he stated that he did not want a low-level nuclear waste dump in the Northern Territory. He has now had a major shift in his beliefs and he wants to have a look at an enrichment facility. But not in his own electorate, though; he probably has in mind the electorate of Lingiari, which is the only place it would fit.

BHP Billiton, this week, have come out and said that the local uranium enrichment industry is not viable. They said:

... enriching uranium has been dealt a blow by BHP Billiton’s declaration that the industry is unviable.

Although the CLP might be calling for submissions on uranium enrichment, there is no notice of that on their website. Their website is devoid of any closing date for submissions. You would have no idea where to send submissions to the CLP. It is just another opportunity for Mr Tollner to grandstand—to not represent Territorians as he was elected to do—on this issue. (Time expired)

Senator STERLE (Western Australia) (1.39 pm)—I rise today to speak to the Australian Nuclear Science and Technology Organisation Amendment Bill 2006. In particular, I would like to speak in support of the Labor Party’s second reading amendments to the bill. These amendments call on the Senate to condemn the Howard government for its arrogance in breaking a promise not to locate a waste dump in the Northern Territory and for keeping secret all plans for the siting of nuclear power stations and related nuclear waste dumps.

The bill extends the Australian Nuclear Science and Technology Organisation’s ability to handle, manage or store radioactive materials from a wider range of sources and circumstances than it is able to at present. As such, the bill might be better called the ‘Increasing Nuclear Waste Bill’, because that is what it is effectively about. As a result of this bill, larger quantities of radioactive waste will be transported to Lucas Heights prior to eventually being stored at the Commonwealth’s planned nuclear waste dump.

The bill explicitly provides that materials and waste generated, processed or controlled by a Commonwealth contractor are taken to be generated, processed or controlled by the Commonwealth itself. As such, contractors are covered by the same responsibilities and immunities as the Commonwealth. Senators will note that this approach to contractors is very different from the approach the government is taking with its so-called Independent Contractors Bill 2006. It is instead a clear attempt to prevent any residual capacity for a legal challenge to a nuclear waste dump in the Northern Territory by removing the avenue to challenge ANSTO’s authority to manage waste generated by non-ANSTO sources. The Howard government, as we all know, is determined to dump radioactive waste in the Northern Territory.

Before the last election, the people of the Northern Territory were given an undertaking—a promise, in fact—by this government that there would not be a dump in the Northern Territory. When this government needed to be re-elected, it could not wait to reassure Territorians that there would be no nuclear waste dump in the Territory. However, once the Howard government was safely back in office, it seems that it could not break that commitment fast enough. Just last year, Mr Tollner, the member for Solomon, claimed not to support the nuclear waste dump in the Northern Territory. At that time he said:

There’s not going to be a national nuclear waste dump in the Northern Territory. That was the commitment undertaken in the lead-up to the federal election, and I have not heard anything apart from that view expressed since that election.
It seems Mr Tollner was either asleep in the party room or no-one in the cabinet saw fit to tell him the truth.

But Mr Tollner should not feel left out, because he is not alone. The member for Solomon might wish to consider forming a faction with the member for Hasluck and the member for Kalgoorlie for backbench Liberals whose voices carry absolutely no weight with the Howard government ministers. They could even call it the ‘left right out’ faction, because that is what they are. Just ask them: they cannot wait to tell you. They will sob on your shoulder about how they are left right out of the decision-making processes of the Howard government they are supposed to be a part of. Despite their public pleading over issues in their electorates, they are all ignored and rolled in spectacular fashion by the Howard government.

Just ask the member for Hasluck. For nearly a year, Mr Stuart Henry, the member for Hasluck, called on the Howard government’s Minister for Transport and Regional Services to reject BGC’s proposal for a brickworks on Commonwealth land at Perth airport, in his electorate. He pleaded in parliament a number of times for the minister to reject the proposal. And a fat lot of good it did. It seems that Len Buckeridge’s millions carried a lot more weight with the Howard government than Mr Henry’s feeble pleas.

The Howard government granted the approval, and BGC’s bulldozers have already cleared the bushland in preparation for the smokestack. And Mr Henry must be hurting over being knifed so viciously by his own government. There is blood in the water. In today’s West Australian newspaper someone from the Liberal Party, who will remain nameless, has even leaked details of Crosby Textor polling to Andrew Probyn of the West Australian which shows that Mr Henry is looking pretty crook.

I reckon the polling must be accurate because not only is Mr Henry pumping propaganda into the electorate of Hasluck as fast as he can but honourable Senators Lightfoot and Adams have been enlisted to help. Senator Lightfoot and Senator Adams are using their postage entitlement to send newsletters and letters to the good people of Hasluck, claiming that somehow, because a Howard government minister for transport approved the building of brickworks against Mr Henry’s express wishes, it is the Western Australian state government’s fault.

**Senator Parry**—What’s this got to do with it?

**Senator Sterle**—It is relevant. In his letter of 22 September 2006, Senator Lightfoot wrote:

> ... the outcome of this issue could have been vastly different had it not been for the overwhelming silence of your local state members of the Carpenter government.

Apparently, according to Senator Lightfoot, even Labor members of the Western Australian state parliament stood a better chance of being listened to by the Howard government than poor old Mr Henry. But do not get me wrong. I am happy for Senator Lightfoot to waste his postage entitlement on long, rambling and defensive letters that make ridiculous claims this far out from an election. It reeks of desperation, and the people of Hasluck know it.

Just like the member for Solomon and the member for Hasluck, Mr Barry Haase, the member for Kalgoorlie, could be a co-convenor of the ‘left right out’ faction. For years, Mr Haase has been banging on about his one and only idea—changes to the zone tax rebate. As we all know, the Howard government last week again rejected Mr Haase’s proposal to increase the zone tax rebate. In a recent article in the Kalgoorlie Miner, reporting on Mr Haase’s most recent failure, I
made the comment that he was a tiger in his electorate but that when he got to Canberra he was a kitten, because he did not have the guts to put up a private member’s bill on the matter. I was astounded by Mr Haase’s response. He was quoted in that article as saying:

It would be an absolutely time-wasting effort, less than futile ... He went on to say—and this is my favourite part: When you go to a capital city, the party room or the parliament your voice is just one more among the chatter.

What a shocking admission of failure. If the member for Kalgoorlie joined forces with the member for Hasluck and the member for Solomon to form the ‘left right out’ faction, their chances of being heard in the government party room chatter might just increase—but I doubt it.

Like the people of Solomon, Hasluck and Kalgoorlie, I know that the only way they stand a chance of having their voice carried with the weight it deserves is if they were to elect Labor members in a Beazley Labor government at the next election. However, there seems to be one Liberal backbencher who does not have any trouble getting his voice heard in the party room. I refer here to the member for Tangney. I congratulate Dr Dennis Jensen, the member for Tangney, on successfully overturning the decision of the WA branch of the Liberal Party to dump him from his safe seat after only one term.

The wishes of the Liberal Party preselectors were recently overturned after an intervention by none other than the Prime Minister. Not only does the Prime Minister listen to Dr Jensen; he runs to his rescue! We can only speculate why it is that the Prime Minister intervened to get the decision to dump Dr Jensen overturned. It could have something to do with Dr Jensen’s stated desire to have a nuclear power plant in his own electorate. Dr Jensen has been the biggest supporter of nuclear energy in the Howard government, and he is the only Liberal backbencher to put up his hand and volunteer his constituents as human shields for Australia’s first nuclear power station.

But there is a hitch. In my home state of Western Australia, the former Liberal Court government, with the Labor opposition’s active support, enacted legislation preventing the establishment of a nuclear facility. In spite of this, under the Australian Constitution this legislation is not binding on the decisions of the Howard government on Commonwealth land. Unfortunately, once again for Mr Stuart Henry, the closest piece of Commonwealth land to the electorate of Tangney is the Perth airport site where the BGC Brickworks are currently being built.

If the Howard government minister for transport can see clear to have a brickworks with a massive smokestack built near the flight path of Perth airport against the express wishes of the local member from his own government party room, it is easy to imagine that he would also grant approval for the member for Tangney’s nuclear facility on airport land. The minister and the Howard government certainly have not ruled it out. Given the Howard government’s form—backflips and betrayal over the Northern Territory nuclear waste dump—who would believe them if they ruled it out anyway? The Howard government have shown time and again that they cannot be trusted on such issues.

Why would anybody trust the Prime Minister when he breaks his promise to keep interest rates at record lows, when he smashes his promise that no worker will be worse off under the Howard government and when he dumps his promise to keep nuclear waste out of the Northern Territory? We can only say
that broken promises are the debris left after 10 long years of the Prime Minister taking a wrecking ball to the foundations of our fair and decent society.

The waste dump legislation gave the government total power to site, construct and operate a Commonwealth radioactive waste dump at one of three sites in the Northern Territory. The government overrode all existing and future state and territory law and regulation that got in the way. In addition, many federal laws have been overridden, including the Environment Protection and Biodiversity Conservation Act, the Aboriginal and Torres Strait Islander Heritage Protection Act, and the Native Title Act. Given this form, it is easy to imagine the Howard government setting up a nuclear facility on the land next to the BGC brickworks.

The Prime Minister has consistently refused to rule out any part of Australia for a nuclear power station. Local communities have a right to know what the government’s intentions are and what to expect from it on both nuclear power sites and the siting of future nuclear waste dumps. Make no mistake about it: this government is determined to bring nuclear power to Australia.

The Howard government knows that local communities will not cop it, which is why it is refusing to talk about the most important thing: where the power plants and the resulting high-level waste dumps will be. At a Senate estimates hearing this year, ANSTO told Labor and later ABC radio that at least three to five nuclear power plants would be needed for a viable Australian nuclear power industry. If the Prime Minister is serious about nuclear power, he should come clean and tell us where these three to five sites might be.

We also know that the coalition has form when it comes to the location of nuclear facilities. It certainly knows how to keep them secret. In 1997 the government considered a short list of 14 possible sites for nuclear research reactors but kept the list secret from the public. The confidential briefing—signed with ‘good work’ by the former science minister, Mr Peter McGauran—said that the short list should be kept secret because:

... release of information about alternate sites may unnecessarily alarm communities in the broad areas under consideration.

If the government are in fact planning to introduce nuclear power—and it seems that they are—or uranium enrichment plants, they must answer some questions that the Australian people want to ask. Which suburbs or towns will be home to the new nuclear reactors and enrichment plants? What will the government do to make sure that local residents and schools are safe? Where will we see nuclear reactors in our major cities? Will they be in any cities other than Sydney? What will be done with the nuclear waste? Will there be nuclear waste dumps other than in the Northern Territory?

*Senator Bernardi interjecting—*

**Senator STERLE**—I will take that interjection, Senator Bernardi. You are an advocate for one in South Australia. It will be interesting to hear your response when your turn comes. The member for O’Connor certainly has big plans. In his speech on the second reading he talked about his desire to set off nuclear explosions in and around rivers of Western Australia. Liberal senators from Western Australia have not repudiated Mr Wilson Tuckey’s ideas, so I can only assume that he has broad support.

**Senator Forshaw**—They ought to call him ‘dear leader’.

**Senator STERLE**—He has been called a lot of things, but that is not one of them. For those of you who do not believe that anyone could think that setting off nuclear bombs was a good idea, this is what he had to say:
A couple of Australian engineers wrote a paper on it, which came into my possession. They argued that you could dig a mineshaft 1,500 feet deep, half-fill it with TNT and blow a hole 600 feet deep to store water.

They went on to say that you could also drill a hole eight inches in diameter and put the appropriate nuclear device at the bottom of that hole, 1,500 feet below the ground, and also get a 600 feet deep water storage. I thought that was a pretty good idea.

... when will Australians have the courage to ask themselves: might this be a solution to our water storage issues?

The newly reprieved member for Tangney also made a contribution that is worthy of further comment. In his speech in the second reading debate on this bill he said:

“Having evolved in the surrounding radiation, our bodies not only adapted to radiation but, indeed, need radiation to survive. Studies have been conducted and conclusively show this. Tests were conducted on lab rats where the level of surrounding radiation was reduced to the greatest extent possible. It was found that these rats became ill to a far greater extent than a group of control rats.

That might have other meanings on the other side of the chamber, but I will move on. According to Dr Jensen, radiation is good for us. Maybe when we have a drink or take a shower under water from Mr Tuckey’s nuclear dam, we will get all the beneficial radiation the member for Tangney would have us exposed to.

While there is a substantial debate in the Labor Party about the mining of uranium—and for many years there has been a variety of views in the Labor Party about the mining of uranium—there is one thing that we are absolutely 100 per cent clearly agreed on, and that is that we oppose a nuclear power industry in this country. The Howard government should be open and transparent about the way in which it chooses to make decisions on issues that involve nuclear waste. The people of Australia deserve nothing less.

Senator FORSHAW (New South Wales) (1.55 pm)—I have to say that the speech by Senator Sterle is a tough act to follow. I note that I have about three or four minutes to speak on the Australian Nuclear Science and Technology Organisation Amendment Bill 2006 before we move to question time. That is a heck of a lot less than even the half-life of technetium 99, which is about 30 minutes. I will commence my remarks now and will no doubt return to them at a later time.

I think I am destined to make speeches in this chamber on nuclear issues until I leave. There might be some people who think, ‘Hopefully, that is not too far away.’ It is an issue that I have spoken on on many occasions in the Senate or at Senate committee hearings. Indeed, I have participated in a number of committee inquiries, in particular into issues surrounding the decision to build a new reactor at Lucas Heights. I will not bore everybody or drive everybody mad by going back over all of that history, but I mention it because I find it interesting that some participants in the debate on this bill—both here and in the other place—have only recently discovered the importance of the issue about what we do about disposing of nuclear waste—how we handle it and what is the appropriate role for ANSTO in that process.

I remind the Senate that, back in 1993, when Labor was in power, the government commissioned a report that became known as the McKinnon report. It was the report of the research reactor review. Two important recommendations came out of that report. The first was that, before any final decision was made about whether or not we should build a new reactor to replace the HIFAR reactor at Lucas Heights, there should be a proper, detailed consideration of alternative
sites to Lucas Heights. The second clear recommendation was that there should be evidence that the issue of treating, storing and disposing of nuclear waste had been advanced to a point where there was clearly evidence of a system that could be introduced to deal with that issue.

At a later time in the debate, I will return to expand on my comments in regard to this bill.

Debate interrupted.

QUESTIONS WITHOUT NOTICE
Telstra

Senator McEWEN (2.00 pm)—My question is to Senator Minchin, Minister for Finance and Administration. As the minister responsible for signing off on the T3 prospectus, can the minister indicate when he first saw a draft of the prospectus document? Who else in government was given access to the draft prospectus? Is it true that on Saturday the Prime Minister insisted on inserting additional information, putting the government’s case for the appointment of Mr Cousins? Was the minister personally involved in the negotiations through Sunday and into Monday to have the changes demanded by the Prime Minister included in the document? At what time on Monday morning did the minister finally give his consent to the prospectus?

Senator MINCHIN—I think there are about 10 questions there! How long do I get, Mr President? Can I begin my answer by apologising to the Senate for not being here yesterday but thanking my colleague Senator Coonan for so ably filling in for me and answering questions extremely well—and indeed creating history by her presence at the desk yesterday. Can I also take this opportunity to thank the government’s many advisers, the people in my department, Telstra and all our bankers and lawyers for their cooperation in making sure that we were able to issue the prospectus yesterday for the T3 offer. I look forward to some three million copies of that prospectus being made available to Australians so that they can consider an investment in this share offer.

I have been asked a significant number of questions with respect to the prospectus, and I am happy to deal with those questions, but it needs to be understood that a prospectus is a complex legal document. It is required to be issued by the law. It is required to have within it a significant statement of the risks associated with the investment. That is a part of any prospectus and, indeed, prospectuses issued internationally for telecommunications companies are much more complex, with many more risk pages in them than ours. So obviously there was considerable negotiation between the government, on one hand, as the seller of the shares and Telstra, as the holder of the company in which the shares are held, to reach a satisfactory conclusion. We had some 10 different teams of lawyers involved, representing all the variety of interests that there are, in putting together a prospectus for what will be the biggest share offering in this country since, in fact, T2 some seven years ago. So yes, of course, there was considerable negotiation as to the state of the words.

Because this is a global offering, we had to comply with the corporate rules around the world. The company’s US lawyers were keen to ensure that the risks statement complied with the legislation in that country, and obviously they were very keen as directors to ensure that they complied fully, as public company directors, with their risk disclosure obligations. We, as the government selling these shares on behalf of taxpayers, had a slightly different perspective that we wanted to bring to this issue. We are obviously keen to ensure that investors are properly, fully informed but at the same time do consider the attractiveness of this offer. So, naturally,
a lot of work went on, as you would expect in negotiating agreement on the form of words on which both the board and the government had to sign off.

The deadline for the launch of the offer had been set at 9 October for some time. The board knew that. The board scheduled a specific meeting at 7.30 yesterday morning to enable it to formally sign off. I was not in a position to formally sign off on behalf of the government on the prospectus, of course, until the company had signed off. Once that occurred, we received confirmation from the board that they were happy. Then we signed off. I signed off on behalf of the government, obviously in consultation with my Prime Minister, yesterday morning. That enabled us to go to the launch at midday—and a very successful launch it was—and I would encourage all Australians to take very keen interest in what is an outstanding offer.

Senator McEwen—Mr President, I ask a supplementary question. Did the minister convey the threat by the government to vote against two existing board members if Telstra continued its campaign against the appointment of Mr Cousins? If it was not the minister, who in the government was responsible for conveying this threat? Does the minister have full confidence in the two directors the government threatened to vote off the board?

Senator Minchin—As Senator McEwen obviously realises, at the time of the AGM the government will still be the 51.8 per cent shareholder in this company. As it always has, it will responsibly and sensibly exercise its responsibilities as the majority shareholder at the AGM. We have indicated in the prospectus that we will be supporting and voting for all four directors who are up for re-election at the AGM, and we will also be exercising our votes in favour of the nomination of Mr Cousins.

**DISTINGUISHED VISITORS**

The President—Order! I draw the attention of honourable senators to the presence in the chamber of a parliamentary delegation from the Netherlands, led by Mrs Yvonne Timmerman-Buck, President of the Dutch Senate. On behalf of all senators, I wish you a very warm welcome to Australia, and particularly to the Senate. With the concurrence of honourable senators, I would ask the President to take a seat on the floor of the Senate.

Honourable senators—Hear, hear!

**QUESTIONS WITHOUT NOTICE**

**North Korea**

Senator Ferguson (2.06 pm)—My question is to the Minister representing the Minister for Foreign Affairs, Senator Coonan. I ask: will the minister update the Senate about reports of a nuclear weapons test in North Korea?

Senator Coonan—I thank Senator Ferguson for his question and his deep interest in this portfolio. I am sure that all senators are very interested in this very vexing question. Senators would be aware of North Korea’s claim that it conducted a nuclear weapons test despite Australian and international calls to exercise restraint. Reports suggest that the test occurred at approximately 10.36 am local time yesterday at Hwaderi, near Kilju. The seismic tremor was estimated to have been 3.5 on the richter scale. The test represents a grave setback to the peaceful resolution of Korean peninsula tensions and it is a fundamental blow to regional stability. North Korea’s record in the region is poor and the region has long endured its provocations, but this nuclear test is the most outrageous action to date.

North Korea acts in flagrant disregard for the international community and its resolve for a strong international nuclear non-
proliferation regime and opposition to nuclear testing. These tests also fly in the face of North Korea’s oft-repeated claim that it desires a nuclear-free Korean peninsula. They also defy the spirit in which the United Nations Security Council resolution 1695 was unanimously adopted. National security and prosperity will never result from the possession of weapons of mass destruction and threatening behaviour. It can only be found in dialogue, we suggest, and peaceful coexistence and commerce with neighbouring countries and the international community. The North Korean government must understand that its offensive and ill-considered actions will have severe consequences and that provocative behaviour will not secure its future.

The foreign minister, Mr Downer, called in the Ambassador of the Democratic People’s Republic of Korea, His Excellency Mr Chon Jae Hong, this morning to register these concerns in the strongest possible terms. The government has also decided to block the future granting of visas to North Korean citizens and has initiated the cancellation of all existing visas for DPRK citizens, with some very limited exceptions. At this time the government is choosing to continue to engage in dialogue with North Korea. It is not presently proposed that Ambassador Chon will be asked to leave. Australia’s financial sanctions against companies and an individual connected with involvement in financing North Korea’s continuing efforts to develop its nuclear and other weapons of mass destruction programs will continue, consistent with similar action taken by Japan and the United States.

The government will remain vigilant on this issue and will actively promote a concerted, strong international response to North Korea through key regional mechanisms such as APEC and the ASEAN Regional Forum. Other bilateral actions will be considered in due course. North Korea’s own actions have only sharpened the country’s isolation from the international community. North Korea is denying its people a more promising economic future. So far as this government is concerned, it is the North Korean people who matter the most. The Australian government remains seriously concerned about their welfare and will continue to provide humanitarian support through multilateral agencies in the form of food and other aid to the North Korean people.

**Telstra**

**Senator POLLEY** (2.10 pm)—My question is to Senator Minchin, the Minister for Finance and Administration. Doesn’t the T3 prospectus that the minister signed off on yesterday identify that Telstra considers government regulations and the proposed appointment of Mr Cousins as serious risks to the future of the company? Doesn’t Telstra say that these risks could impact on the delivery of the promised 28c dividend in 2007? Given that the government refuses to agree with Telstra’s assessment on these issues, how on earth are mum and dad investors supposed to know who is telling the truth? Do they believe the government and assume that Telstra is misleading them? If the government thinks the board’s assessment is wrong, does that mean Telstra has breached its duty to accurately inform investors?

**Senator MINCHIN**—Regrettably, and with great respect, that question reveals the complete lack of any commercial capacity, knowledge or awareness on the part of the ALP. Most of these senators were not around, I guess, when the Labor Party sold Qantas, the Commonwealth Bank and Commonwealth Serum Laboratories, and therefore they were not part of the process of preparing prospectuses on those companies. Clearly the senators on the other side have no idea about the legal and corporate obliga-
tions on companies and shareholders to issue full risk disclosure. These requirements have become even more onerous in the last few years. So the company is required by law—and, as I said, there are 10 teams of lawyers all over these documents—to list all those risks no matter how theoretical or unlikely they may be. This of course is all in the interests of—

Opposition senators interjecting—

The PRESIDENT—Order! I call to order senators on my left.

Senator Wong interjecting—

The PRESIDENT—Order! Senator Wong.

Senator MINCHIN—This is done to the end objective of ensuring that investors are fully informed. We support that objective that, of course, they should be aware of all the theoretical risks. For a company like Telstra, which is probably the most heavily regulated company in Australia, and of course those opposite want it even more heavily regulated—so why they cry crocodile tears now about the level of regulation, I am not sure; again, it is a reflection of their incoherence—it is important that investors, in considering whether to participate in this offer, are fully informed about that regulatory environment. What Telstra’s lawyers have told them, they are required to say about those risks, albeit that most of them could well be described as theoretical. So that is a proper statement that needs to be set out in the prospectus. That is also the case with respect to Mr Cousins.

It is an obligation on the company to set out for the sake of investors its legal obligations with respect to the theoretical risks if Mr Cousins were found to be, according to their tests, not independent. If you read the prospectus, you will see that of course it is heavily couched in that sort of language. We understand the company’s legal obligations. We understand that they are required by their lawyers to put down all these sorts of theoretical risks in the prospectus. But what is important is that people understand that we have made it quite clear, as has Mr Cousins, that he will act independently in his capacity as a director.

The crocodile tears we see from this lot reflect the incoherence of their position. They are the ones saying that the government of this country should retain 51.8 per cent of the shares in this telephone company—that we should have $23 billion tied up in a telephone company. But when we come to exercise the responsibilities that go with that 51.8 per cent shareholding they attack us for so doing. It is an utterly incomprehensible position to adopt. You say that the government should have those shares and be the majority shareholder and elect directors at AGMs, but then when we elect a director at the AGM we are attacked for so doing. It is an incomprehensible position. It makes them look utter fools and the community will treat them as utter fools. It is our responsibility to fill the vacancy that exists on the Telstra board at the AGM. We will be the majority shareholder at that AGM. We have indicated that we will elect Mr Cousins as a director at that AGM. We stand by our statements that he will act independently on that board. He will bring great quality to that board. In pursuing this line, you are calling Mr Cousins a liar. He has made it quite clear in his public statements that he will act independently. He is an experienced public company director, with a fine record of acting independently, and I would call on the ALP to stop questioning his integrity.

Senator POLLEY—Mr President, I ask a supplementary question. Should the minister’s mother believe him or Telstra in considering whether or not to buy more shares? Will the minister give a 100 per cent guarantee on the 28c dividend for 2007, despite
Telstra’s assessment of the risks? How can the government expect small investors to put billions of dollars into Telstra when it fundamentally disagrees with the board over the risks faced by the company?

Senator MINCHIN—Existing shareholders in Telstra, of whom there are, I think, 1.6 million—shareholders like my mother, like Warren Snowdon MP, like Peter Garrett MP—will all receive prospectuses in the mail. I would urge all members of the Labor caucus, including Mr Snowdon and Mr Garrett, to read the prospectus very carefully, to look through the risks statement, to examine the very attractive offer that we have provided: our 10c a share discount, our one in 25 share bonus, the minimum entitlements which they will receive and the 14 per cent dividend yield they will get if they participate in this offer. I encourage them all to read that very carefully, to talk to their financial advisers and to make a considered decision as to whether they participate in this offer.

Aged Care

Senator HUMPHRIES (2.17 pm)—My question is to the Minister for Ageing, Senator Santoro. Last month I asked the minister about alternative policies in aged care. I was disappointed to learn that there were no such policies. While ever the optimist, I now ask him: have any alternative policies come to light since then and, if so, does the government have any plans to implement those policies?

Senator SANTORO—I thank Senator Humphries for his question. I understand why he has asked it. He probably heard the rumour that the ALP had released its long-awaited policy paper on ageing and aged care—the one that Barry Jones in fact promised in July this year. Naturally, I was very interested. I went to the ALP website. I noticed that that policy cupboard was empty as far as aged care was concerned, as has been the case now for many years. As far as Senator McLucas was concerned, there was no policy paper on aged care on the ALP website. But then I did find the paper by going to Senator McLucas’s website. I started to ask myself: why isn’t this paper on the official ALP website? Why is it that the Labor leader and the executive of the caucus do not have sufficient confidence in this paper for it to be on the ALP website? It is obvious: they do not have confidence in a policy paper that does not exist. Senator McLucas should not take this as a personal snub, because Senator Carr is also in the same position. His policy paper also does not make it onto the ALP website.

Senator Carr—That’s just wrong; you’re wrong.

Opposition senators interjecting—

The PRESIDENT—Order! Senator Carr, come to order. There is too much noise on my left and, Senator Carr, shouting across the chamber, as you are, is totally disorderly.

Senator SANTORO—Having waited so many years for this policy paper that was going to reveal the ALP’s intentions on aged care, we have absolutely nothing. In fact, Senator McLucas’s paper does not contain one single new policy commitment, no firm indication of what Labor wants to do differently from the Howard government when it comes to caring for our elderly and our frail. In fact, what I did find upon examining Senator McLucas’s paper was a repetition of some policy suggestions that clearly reflect what the Howard government is already doing. Let me just go through a few examples. In terms of dementia, Senator McLucas suggests that the government should invest in dementia research and caring for those people with that condition. What Senator McLucas should do is go back to the 2005 federal budget, which allocated more than $320 million over five years to dementia research.
Senator Abetz—A very generous package!

Senator SANTORO—As Senator Abetz says, a very generous package. Let’s go to community care. Senator McLucas suggests that we should allocate more resources to community care programs. She might like to know—and I would like to inform her and, through this question, the Senate—that, under the Howard government, the number of community aged care places increased from about 5,000 under Labor to 38,000—an 800 per cent increase. I am pleased that Senator McLucas has finally cottoned on to the importance of community care because, right up until now, she has blatantly ignored the government’s very serious involvement in and commitment to community care by engaging in her scare campaigns against the elderly and the aged. She rings journalists, trying to spin them stories about shortages in aged care places, but her figures certainly omit the tens of thousands of extra aged care places that we have provided in the community. You should be honest when you talk to people about that.

Let’s have a look at healthy ageing. Senator McLucas’s discussion paper calls for a healthy ageing program and for there to be a whole-of-government approach to it. What Senator McLucas should do is seek to familiarise herself with the Office for an Ageing Australia, which was established several years ago, which released a national strategy for an ageing Australia in 2002, and which has provided a very strong leadership in that area. (Time expired)

Senator HUMPHRIES—Mr President, I ask a supplementary question. I thank the minister for that answer, but are there any more examples of alternative policies that the government may adopt?

The PRESIDENT—Senator Humphries, you cannot ask direct questions about alternative policies. That question is out of order.

Aged Care

Senator McLUCAS (2.22 pm)—My question is to Senator Santoro, the Minister for Ageing. Can the minister confirm that in April 2004 Professor Warren Hogan presented his review on aged care funding, outlining a number of options for medium- and long-term reform of this sector? Didn’t the government commit to consult with the community over these reform options, allocating $1.3 million to a task force to draft a discussion paper in 2005? Why is it that 2½ years on there is no sign of the promised consultation process with the community, no sign of the discussion paper and no attempt by this government to address the reform options raised by Professor Hogan? Rather than taking cheap shots at others for putting forward policy options and trying to generate discussion and debate, when will the minister actually deliver on the government’s promise to consult with the community over needed aged care reforms and then implement those changes?

Senator SANTORO—I thank Senator McLucas for her question, because it allows me to elaborate on the answer that I previously started giving. I will take Senator McLucas’s question in parts, as she asked them.

Opposition senators interjection—

The PRESIDENT—No, Senator. Ignore the interjections and I ask you to return to the question.

Senator SANTORO—As I said, I will take Senator McLucas’s question in parts. In terms of consultation with the community, which was the first point that she raised, I suggest to Senator McLucas that, in fact, if she were honest, she would admit that the level of consultation with the aged care sec-
tor, particularly under the Howard government, has been second to none. When this government came to power—

Senator Chris Evans—What happened to Hogan?

The PRESIDENT—Senator Evans, continuing to interject across the chamber is disorderly and turning your back on the chair while you do it is not the best practice to be showing the rest of your colleagues.

Senator Chris Evans—Mr President, I rise on a point of order. I apologise for interjecting—your order is correct—but I cannot pay attention to the minister and you, given the angles. I meant no disrespect to you; I was listening to the minister.

The PRESIDENT—Let us listen to the minister in some sort of peace and quiet.

Senator Santoro—When the Howard government came to power in 1996, there were minimal fire standards, there was no accreditation process and there was no complaints abuse mechanism to take care of complaints from the aged care sector. The sector had been neglected under the 13 years of the Keating-Hawke government to the extent that it was a cottage industry. It was the Howard government that introduced all the reforms that I have just mentioned—fire safety, accreditation, complaints tribunals and complaints commissioners—and all the other quality control mechanisms that have been put in place.

In addition to that—and I give credit where credit is due—we took up an initiative of the Labor Party to start moving the aged care sector into community care. When they left government, as a result of a wise decision by the Australian public in 1996, there were 5,000—

Senator McLucas—Mr President, I rise on a point of order that goes to relevance. I asked a very specific question about what is happening with the long-term response to Hogan. The minister has been on his feet for a couple of minutes now and has not got anywhere near it.

The PRESIDENT—The minister has two minutes plus left to answer the question. I remind him of the question and ask him to return to it.

Senator Santoro—I continue to answer very relevantly Senator McLucas’s question by again reminding her that the first part of her question was about consultation. But let us talk about the response to Hogan. Three budgets ago the government clearly committed over $2.6 billion in response to Hogan. That has gone into increases in aged care places across all aged care facilities in Australia, across all the regions that have been designated for the allocation of places. More importantly, as I was saying before I was again interrupted by Senator McLucas, we have continued to provide more capacity for people who are aged and frail to make a choice as to whether they go into aged care facilities or whether they stay in their own homes. By doing that, we implemented one of Professor Hogan’s recommendations that people be provided with choice and quality care when it comes to aged care.

In addition to that, we addressed some specific issues raised by Professor Hogan, particularly issues relating to dementia. As I have stated in my previous answers—and I just wish that Senator McLucas would come into this place and reflect the reality of our response to Professor Hogan—the reality is that, when it comes to dementia, we have stepped forward with $320 million to be paid over five years to a sector that is doing wonderful work particularly in research but also in caring very specifically for people with the dementia condition within Australia’s aged care facilities and some people with the dementia condition within community care.
One of the most frustrating things that I find about this job is that we have an opposition shadow minister who just refuses to recognise the wonderful work that we have done in aged care. That is intellectual and political dishonesty of the worst kind. (Time expired)

Senator McLucas—Mr President, before I ask a supplementary question, I note that the minister absolutely avoided answering the fundamental question: where is the government’s long-term response to the Hogan review? Does the minister agree with his comments earlier this year, when I asked that same question, that the response was going to be released shortly? Is it going to be released or is it not? Can the minister confirm that, when the issue of aged care reform was raised earlier this year, the following response was received from his office and reported in the media: ‘A spokeswoman for the Minister for Ageing, Senator Santoro, could not be contacted’? Can the minister also confirm that, when the option of adjusting care subsidies paid for dementia sufferers was reported, we got the following response: ‘A spokesman for the federal Minister for Ageing, Senator Santoro, would not confirm or deny that the government was considering the option’? When will the minister actually have something to say on the future reform of the aged care sector?

Senator Santoro—I cannot believe the supplementary question. As a government we have over the past nine months, since I have been minister, handed out to the sector tens of millions of dollars for workforce training and retraining. We have continued to improve the quality of the aged care system with a $110 million package in terms of our response to the abuse issue, which arose during the year and which was shamelessly whipped up, through you, Mr President, by Senator McLucas. If there is one very clear instance of abuse of the elderly, it was when Senator McLucas whipped up the campaign of fear. If anybody has abused the confidence of the aged care sector, it is Senator McLucas—and she comes back in here day after day and disgraces us. (Time expired)

Senator Chris Evans interjecting—

The President—Order! Senator Evans, if you cared to face the chair instead of shouting across the chamber—as I warned you about earlier—you would see that I am on my feet.

Senator Bob Brown—Mr President, on a point of order: I ask you to look at the claim that a senator has abused confidences—I do not think that is inconsistent with the parliamentary rules—and come back to the Senate with your ruling on that matter.

The President—I will review the Hansard, but I do not understand your point of order. Perhaps you might like to give me a call after question time and tell me what you are implying.

Forestry

Senator Watson (2.31 pm)—My question is directed to the Minister for Fisheries, Forestry and Conservation, Senator Abetz. Would the minister inform the Senate how the Howard government is supporting value-adding and downstream processing in the Tasmanian timber industry? Is the minister aware of any alternative policies?

Senator Abetz—I thank Senator Watson for his question, and I note his long-standing support for value-adding in the Tasmanian timber industry. Australia currently has an annual trade deficit in timber and timber products of some $2 billion. We export woodchips and we import paper; we export whole logs and we import sawn logs; we export sawn logs and we import furniture. In short, we need to value-add more of our timber product—and that is exactly what
the Howard government is about, as shown by our $56 million package to assist the Tasmanian timber industry in more value-adding. That is also why the Howard government is so strongly supportive of establishing a world’s best practice pulp mill in Tasmania—a mill which will not cause the harvesting of a single extra native forest tree, a mill which will merely process woodchips already destined for export.

This proposed mill is currently being reviewed by the Resource Planning and Development Commission, and I do not intend to prejudge the outcome. However, I have been asked about alternatives. The Labor Party is still 'twixt and 'tween the Martin Ferguson view of the world and the Anthony Albanese view of the world, and we will see how that plays out in due course. But, of course, we do have a view from the Australian Greens. They oppose any new pulp mill, as they have opposed every value-adding—

Senator Bob Brown—Mr President, on a point of order: the minister, when referring to the Greens, has to be truthful. His statement is not truthful. The Greens do not oppose a mill based on plantations and closed loop technology, where a community will allow it. He is wrong.

The PRESIDENT—There is no point of order.

Senator ABETZ—The Greens are opposed to the building of any new pulp mill in Tasmania, as they are opposed to any value-adding proposal. Apparently, they are happier to have polluting mills in Japan and the offshoring of jobs to Japan rather than having the jobs in Australia. Just listen to some of the outlandish claims they have made about the proposed pulp mill in their submission to the RPDC—cosigned, I might add, by Senator Milne. I thought we had gone to the extreme when we heard their diatribe about the Exclusive Brethren, but they have now descended to an even lower level of silliness. Just listen to some of these objections to the pulp mill: ‘The pulp mill will turn north-east Tasmania into a desert.’ What about Canada? What about Finland? What about Japan? All these countries have a number of pulp mills. Are they deserts? No, they are not. So why would north-east Tasmania all of a sudden be turned into a desert?

Then we are told: ‘It will melt the New Zealand ski fields and cause New Zealand to sue us.’ Where are the ice caps in Japan, Canada and Finland? Guess what, they are still all there—and, despite having pulp mills, two of those countries have hosted Winter Olympics. The only thing that might melt the ice caps in New Zealand are the westerly winds from Tasmania that blow the hot air from the Greens over there. The pulp mill is going to kill 50 people per year! It is going to cause an increase in interest rates, and inflation will rise! And get a load of this: it is even going to lead to an increase in violence, sex industry offences, child prostitution and police corruption! If you do not know why you oppose something, just grab everything, pull it all together and regurgitate it as an objection! (Time expired)

Senator Bob Brown—Mr President, on a point of order: Gunns says there will be an increase in prostitution, so why should the Greens not agree with that analysis?

The PRESIDENT—There is no point of order. Resume your seat.

Senator WATSON—Mr President, I ask a supplementary question. Can the minister provide further information in answer to the question?

Senator ABETZ—Just for the record, the Greens assertion is: sex industry offences and child prostitution. Gunns said nothing of the sort in their submission. But these outlandish claims ran to three volumes. Three volumes is what the Greens, through Senator
Milne, submitted to the RPDC. As the Greens are being more and more marginalised in this country, their outrageous claims become more and more extreme, more and more unsubstantiated, as they try to gather around themselves a degree of support. Tasmanians know that the only federal party genuinely in support of value-adding to the Tasmanian timber product is the Howard government’s.

Burrup Peninsula Rock Art

Senator SIEWERT (2.37 pm)—My question is to the Minister for the Environment and Heritage, Senator Ian Campbell. I refer to the minister’s decision to delay the addition of the Burrup Peninsula rock art province to the National Heritage List in order to carry out further consultation. Is the minister concerned that further destruction of rock art could occur during this period? Does the minister agree that, until such time as his decision is finalised, there should be no further destruction or disturbance of rock art or any other sites inside the proposed area for listing by the Australian Heritage Council?

Senator IAN CAMPBELL—I thank Senator Siewert for the question. This is an incredibly important issue for Australia: the Burrup Peninsula and, more broadly, the Dampier Archipelago, which is an absolutely outstanding region in terms of its natural beauty but also because of the outstanding cultural heritage that is quite obvious to anyone who visits there, and also to those who would read the report prepared by the Australian Heritage Commission in relation to the petroglyphs or, in layman’s language, ancient rock art.

There is art on the rocks right across the Dampier Archipelago, which spreads for a distance of roughly 200 miles north to south and potentially 40 or 50 miles east-west—a massive area. There are literally thousands upon thousands of pieces of art. That does not reduce the significance of any piece of it. It dates back to 6,000, 7,000, 8,000, 9,000, 10,000 years ago. It is, as Senator Siewert knows—because I am sure she has visited the site on more than one occasion, as I know a number of other senators have—really quite an awesome experience to be exposed to the work of mankind from so many millennia ago. And it is very much the aim of the major economic stakeholders, the Australian government and, indeed, the state government, to see a very sound and sensible management plan put in place that will deliver for Australia and the world a range of benefits from that incredibly important region.

As a number of senators would know, the region is not only home to ancient rock art from previous civilisations. It is also the home of a multi-billion dollar industry based around not only the natural gas that flows off the North West Shelf of Western Australia but also the iron ore that comes out of that province and is shipped through the port at Dampier.

That is a multi-billion dollar industry—and, I think I can confidently predict, will be a multi-trillion dollar industry over a period of time—that has benefits to Australia’s economy but also substantial benefits to the substantial challenge of addressing climate change in the world. I make the point that, when we are looking at the protection of the rock art, when we are looking at the development of the Burrup, we need to ensure that there is a long-term plan in place for the protection of the rock art. That is something that I hope to achieve for a long-term period. I want to work with the state government to put a protection regime in place, a management plan in place, which will ensure that there is minimal interruption or damage done to the rock art, but also that we protect and do not put any new impediments in the way
of development of the Burrup Peninsula and, particularly, the natural gas exports.

Every time you substitute a tonne of coal burned in China or in Korea or oil burned in North America with natural gas from the North West Shelf, you reduce the greenhouse gas emissions of the globe by 40 to 60 per cent. We know that greenhouse gas emissions are a substantial problem—probably the No. 1 environmental issue facing the planet—and Australia makes a wonderful contribution to reducing global greenhouse gas emissions by exporting that natural gas. And anyone who wants to put more impediments in the way of exporting that natural gas is defeating one of the really substantial aids in this global challenge to the environment. So I want to put in place a regime that protects the rock art for the long term and puts a management plan in place. I think more and more Australians will visit that precinct—(time expired)

Senator SIEWERT—I ask a supplementary question, Mr President. I noticed the minister did not answer my first question, so maybe he could answer that and this one at the same time. What action does the minister propose to take in the event that Woodside or any other party moves to destroy rock art or other heritage sites within the boundaries proposed by the Australian Heritage Council?

Senator IAN CAMPBELL—I will address that issue. I sought to address it by saying that there are thousands and thousands of pieces of rock art. The issue is a matter for the state government at the moment, until we put a listing in place, but I am saying to the Senate and the people of Australia that we want to have a listing process that ensures that all of the major issues are addressed. There are substantial economic and environmental benefits to be gained for Australia and for the world by ensuring that we do not put any new impediments in the way of the expansion of natural gas exports to the world.

I thought the Greens cared about greenhouse gas emissions and global warming. The Australian government cares about that as much as we care about the rock art. You can actually jog and chew gum; you can actually, if you work hard, try to save the world from global greenhouse gas emissions and global warming by exporting natural gas out of north-west Australia. You can do that. You can also, if you work with the state government and the major economic stakeholders, put in place a long-term plan to protect the rock art. (Time expired)

Arts

Senator EGGLESTON (2.44 pm)—My question is to the Minister for the Arts and Sport, Senator Kemp. Will the minister update the Senate on recent government initiatives that have helped to strengthen Australia’s arts sector? Is he aware of any alternative policies?

Senator KEMP—I thank the honourable senator for that very important question and for his continuing interest in the arts. Those who follow the government’s great record in the arts know that regular announcements on the arts are made, most recently on the Playing Australia program, which ensures that many of our performing arts companies can travel around Australia. This government has given a very high priority to the arts. To see that, you only have to look at the levels of funding for the arts now compared with the funding levels under the previous government. You only have to look at the support we have given through the Nugent report, the Strong report and the Myer report to various areas of the arts to see the priority this government has given to the arts. People in regional and rural Australia praise the initiatives that we have taken.
Senator Eggleston asked about alternative policies. A speech by the ninth shadow arts spokesman, Peter Garrett, has come into my hands. It is a unique speech. I do not commend it, but it does make some interesting points. Of course, it does give a spray to some of my colleagues. One would expect that from a shadow arts spokesman. Surprisingly, the speech also gives a spray to members of the Labor Party. Interestingly, it refers to ‘pollies of all persuasions’ giving priority to sport, rather than the arts. If the shadow arts spokesman is speaking about his colleagues in the Senate or the House of Representatives, I can give him many names of Labor Party members and senators who have shown a good interest in the arts.

Senator Conroy interjecting—

Senator KEMP—Not you, Senator Conroy. I am sorry to say. You are specifically excluded from that, Senator Conroy.

Senator Sherry—Name them!

Senator KEMP—The Leader of the Opposition in the Senate, Labor Party Senator Chris Evans, had consultations with me recently on an arts project in Western Australia. So I thought Mr Peter Garrett was very unfair to some of his colleagues. However, he was dead right about state Labor premiers. He mentioned that he was appalled at the announcements of the Prime Minister and state Labor premiers that they would see if they could get some support for a potential soccer World Cup. I thought it was most unfortunate and unfair to attack the Prime Minister in that way, but certainly some Labor premiers, particularly in New South Wales, have been laggardly in the arts. I think Peter Garrett is quite correct in that.

In relation to Mr Garrett’s position, the Labor Party at present is unique in the sense that Mr Beazley has decided not to appoint the arts spokesman to the shadow ministry. That is extraordinary. I can understand Mr Peter Garrett’s acute frustration that he is not a member of the shadow ministry.

Senator Conroy—Mr President, I take a point of order. I ask you to rule on whether Senator Kemp is relevant to his own Dorothy dixer, because he does seem to be wandering far and wide.

The President—No, there is no point of order. Senator Kemp, you have 24 seconds to complete your answer.

Senator KEMP—Senator Conroy is upset. In relation to you, Senator Conroy, Peter Garrett was absolutely correct. There is a problem in the Labor Party with the arts. In the last 10 years or so there has not been one memorable Labor Party policy on the arts and, the way the current shadow spokesman is going, we will wait in vain for such a policy. (Time expired)

Telstra

Senator SHERRY (2.48 pm)—My question is to Senator Minchin, the Minister for Finance and Administration. Is the minister aware of the statement on page 51 of the T3 prospectus that ‘Telstra employees who are members of the Commonwealth Superannuation Scheme, CSS, will cease to be eligible employees for the purpose of the Superannuation Act 1976 and will no longer be entitled to contribute to the CSS’? Does the minister recall assuring Telstra staff during question time on 7 September 2005, in answer to a question from Labor on this matter, that superannuation conditions would continue once Telstra was sold by the government? Why has the minister failed to honour his commitment to protect the defined benefit entitlements of 1,800 Telstra employees as part of the privatisation process?

Senator MINCHIN—I share Senator Sherry’s concern that the employees of Telstra are appropriately looked after, in the way that all employees of privatised government businesses are looked after. It is a fact that
after the sale has occurred the government will no longer be the majority shareholder and so those Telstra employees who are members of the CSS will cease contributory membership. That was provided for in legislation passed last year which authorised the further sale of Telstra and is consistent with longstanding government policy. The contributory membership of the CSS ceases when the government has ceased to control a business. It is exactly the same policy that Labor applied when it sold Qantas in 1993 and CSL in 1994. When a company is no longer in government hands, its employees cannot contribute to the government’s super scheme any longer.

I am advised that currently only 1,788 Telstra employees are still members of the CSS, out of a total workforce of 49,443—so less than four per cent. Those employees will have the option of either joining over 80,000 current and former Telstra employees in the Telstra super scheme or joining another eligible super fund. Most significantly and importantly, the existing benefits of Telstra employees who are still in the CSS will be protected in full. There is no question about the protection of those benefits. I want to assure those employees that, once this sale has occurred, their benefits will be protected. The accrued benefits are guaranteed under legislation and will be paid in full by the government. The future super arrangements that will apply to Telstra employees who will exit the CSS after the sale will be a matter for Telstra.

Like all employers, Telstra has an obligation to make super contributions in respect of those employees. I am advised that Telstra management recently wrote to all employees explaining the arrangement. So I am not quite sure what Senator Sherry is getting at. We have properly and appropriately advised Telstra employees of the situation. The situation with Telstra employees will be exactly the same situation that applies whenever a government exits a business and therefore those employees can no longer be described as being in government employment. That was the case, as I said, in relation to government businesses that the Labor Party sold. We want to make sure that the employees are appropriately protected. We believe they are.

Senator SHERRY—Mr President, I ask a supplementary question. I will give an example to the minister of a supervisor linesman who has contacted me. He has been employed by Telstra since the age of 16 and, as a consequence of privatisation, his pension at age 55 will be cut by $11,000 per year. Is that what the minister means by ‘appropriately looked after’? Why has the minister broken his promise to Telstra employees? Why did the minister not ensure, as a matter of policy, that such employees would be protected—in other words, that the pension promise made will be met?

Senator MINCHIN—I have sought to reassure all Telstra employees that their entitlements up to the time of sale and up to the time at which their membership of the CSS ceases will be protected. Nothing I have said or suggested implies anything other than that. That has always been the case with employees of government owned businesses, whether they are sold by the Labor Party or by us. Once the government is no longer the majority owner, obviously, by definition, membership of government employee superannuation schemes ceases to exist, but all the entitlements accrued up to that point are protected in law. That is the point we have consistently emphasised. That is what I was talking about. It is wrong to suggest anything else on my part. Those employee entitlements are protected.

Queensland Dams

Senator BARTLETT (2.53 pm)—My question is to the Minister for the Environ-
ment and Heritage and relates to the
megadams the Queensland government is
proposing to build at Traveston Crossing on
the Mary River and also at Wyaralong, both
of which, as he has acknowledged already,
will trigger the federal Environment Protec-
tion and Biodiversity Conservation Act. Can
the minister confirm that he has the respon-
sibility, under section 87 of that act, to de-
cide which approach is taken to assess the
environmental impact of these dams? Given
that the Queensland government has made it
totally clear that it is determined to build
these dams no matter what, on the com-
pletely false grounds that there is no alterna-
tive that would guarantee a water supply for
south-east Queensland, will the minister en-
sure that the environmental assessments of
these dams under the federal law are under-
taken via a public inquiry, which would be
independent and transparent, rather than rely
on assessments done through the Queensland
government?

Senator IAN CAMPBELL—I am very
happy to give an assurance that the Queen-
sland government have advised that both the
dam proposals will be referred to us. In fact,
when they first announced the decision to
build these dams, I immediately contacted
my Queensland counterpart and suggested
that it would be in the interests of good proc-
есс for the referrals to take place in a timely
manner and I have received that assurance—
although it took some time to receive.

Coincidentally, today I met a delegation
from Gympie with Warren Truss, the Minis-
ter for Trade and also the local member for
that area. I am very aware of widespread
concern, particularly in the Mary River
catchment and along that part of the coast,
but also across Australia. As Senator Bartlett
would know, there are a number of nation-
ally environmentally significant issues in-
volved. There is a very rare species known as
the Australian lungfish, there is the Mary
River cod and the Mary River tortoise, all of
which are nationally threatened species
found in the Mary River. I do not think any-
one could underrate the difficulties of build-
ing a dam at the proposed site without hav-
ing an impact on these species. Trying to
manage that impact will be difficult. This
matter will be referred, under the EPBC Act,
to the Australian government. Senator Bart-
lett has sought an assurance in relation to the
process. I assure him that the process will be
rigorous and transparent.

One of the things the Howard government
has sought to achieve is to ensure that the
EPBC provisions and environment law in
Australia do not become what they were un-
der previous Labor administrations whereby
people making proposals—be they a gov-
ernment wanting to do something or a pri-
vate developer—had to go through local
government approval, state government ap-
proval, federal government approval and
then potentially approval from a range of
other authorities. We are desperately trying, I
think with some success, to move in Austra-
lia to an approvals system that is far more
intuitive, far more science based and less
process driven. One of the ways we do that is
to seek bilateral agreements with state gov-
ernments so that we can have one approvals
process which is accredited under the federal
law. I will this week be introducing reforms
to the EPBC Act to move even further down
that path, to make sure that the approvals
processes are streamlined and that propo-
nents of major proposals—be they state gov-
ernments or major developers—have a very
clear view of the process, at the same time
improving transparency and ensuring that
public engagement in the process is of a very
high quality.

I understand the importance of this issue
to Queenslanders. The Queensland govern-
ment has to balance the needs of their citi-
zens for water with environmental issues.
Due to a range of influences—certainly a change in our climate, a range of very bad past practices and lack of infrastructure investment in water in this country—both governments will have to work very hard to balance these very important environmental issues. I am happy to assure the Senate that the Howard government’s leading environmental legislation processes will ensure that that will happen.

Senator BARTLETT—Mr President, I ask a supplementary question. I note the minister’s indication that the assessment process will be coherent, science based, rigorous and transparent. Can he also indicate, given his understandable desire to have a single, efficient process, that he will ensure that that process can be trusted by the people of south-east Queensland? He acknowledged that, given the state government’s absolute determination—it is on the public record—to build these dams no matter what, they are not best placed to conduct any process that can be seen as independent. Will the minister use his powers under the federal environment act to ensure that the process is public and independent, as he has the power to ensure?

Senator IAN CAMPBELL—I think I have given that assurance, and the decisions I make will of course be very public. I am absolutely certain because of the very strong interest from people like Warren Truss, Alex Somlyay and the local federal members—rarely a day goes by where they and colleagues are not raising these issues—that there is substantial concern about this proposal. On the face of it, it seems that the Queensland government should work a lot harder to find alternative sources of water, but this is their proposal. We will have to make judgements on the environmental impacts, on the nationally Environmentally significant aspects of it, and I remind the Senate that our jurisdiction only extends to those nationally Environmentally significant aspects. As I have said, they relate to the Australian lungfish, the Mary River cod and the Mary River tortoise. The lungfish in particular I know is an incredibly unique species and a very important species—

(Time expired)

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

QUESTIONS WITHOUT NOTICE: TAKE NOTE OF ANSWERS
Telstra

Senator SHERRY (Tasmania) (3.01 pm)—I move:
That the Senate take note of the answers given by the Minister for Finance and Administration (Senator Minchin) to questions without notice asked by Senators McEwen, Polley and Sherry today relating to the sale of Telstra.

In question time today, my colleagues have been touching on a number of aspects of the botched privatisation of Telstra as handled by Senator Minchin and Senator Coonan. But in question time today I raised an important new issue concerning the defined benefit pension promise made to those 1,800 Telstra employees who are members of the Commonwealth Superannuation Scheme, commonly known as CSS.

Last year, in September, Labor was made aware by a number of employees that they could effectively lose part of the pension benefit promised to them, as a consequence of the Telstra privatisation. In response to those inquiries from employees, Labor asked in question time on 7 September 2005 what would happen to the superannuation benefits of those 1,800 employees who are members of the CSS and currently employed by Telstra. I make the point that, on the sale of Telstra, their employer does not change. Those 1,800 employees are still employed by Telstra. We asked Senator Minchin quite deliberately the question: what would happen to
their superannuation on the sale of Telstra? Senator Minchin, to his credit, in September last year, responded by saying:

... the superannuation conditions would continue ...

But now we know that those superannuation conditions will not continue, because—and Senator Minchin himself admits this—as a result of a policy decision by Senator Minchin and the government these employees will be required to cease membership of CSS ongoing. And that has a very important and significant impact on the future pension promise, because those 1,800 Telstra employees who are currently in the CSS will not receive the pension promise made to them as a member of the CSS when they retire. They will not receive the pension promise that was entered into contractually when they joined the CSS.

I have been contacted by a number of the 1,800 employees who will have their pension benefit cut. Their pension benefit will be cut, and I gave an example to Senator Minchin in question time of a supervisor linesman. This is an individual who has contacted me and told me that, as a consequence of the sale of Telstra, he, along with 1,800 other employees, will not receive the pension promised. In the case of this supervisor linesman, who has been an employee of Telstra since he was 16 years of age, when he turns 55 his pension benefit will be cut by $11,000 per year as a consequence of the Telstra privatisation.

This is a consequence that Labor feared, and that is why we raised it with the minister last year. He gave a promise, he gave a commitment, that the superannuation conditions would continue. And now we know that for 1,800 employees this is not the case. There would be outrage in the general community if the hundreds of thousands of employees who are currently in defined benefit funds faced expulsion from those funds, the closure of the funds and a reduction in the pension promise made. There would be outrage if Senator Minchin applied this principle to the general community and to the hundreds of thousands who have defined benefit pension promises.

And the minister is not right in respect of the Commonwealth Bank or Qantas. He is not right, because in those two cases successor provisions were incorporated by the new entities, the privatised entities, in their pension funds to ensure that there would be no reduction in the pension promise made in the case of Commonwealth Bank or Qantas employees. The minister is not right when he makes that claim, because in those privatised entities the employees did not lose a benefit under the defined benefit promise that was made. That promise was incorporated in the new funds or the existing funds that the Commonwealth Bank and Qantas had. That has not happened with Telstra employees, and consequently 1,800 employees face a pension promise cut. (Time expired)

Senator PARRY (Tasmania) (3.06 pm)—I also rise to take note of the answers given by Senator Minchin in question time today. I will respond to Senator Sherry’s remarks of a few moments ago. When the Commonwealth Superannuation Scheme ceased, it ceased for the employees of Qantas in 1993 and for the employees of the Commonwealth Serum Laboratories in 1994. It ceased upon the sale of the Commonwealth Funds Management to the Australian Defence Industries Ltd in 1999. It ceased upon the sale of the Commonwealth Funds Management to the Commonwealth Bank in 1996 and the Australian Defence Industries Ltd in 1999. So this is not an unusual step; this is very consistent with previous government policy—not just this government’s policy but the former Labor government’s policy.

The employees of Telstra will have the option of moving into other superannuation schemes. Once the sale has occurred and the government is no longer the majority share-
holder, those employees will cease to be members of the Commonwealth Superannuation Scheme. This is not a new concept. This concept was introduced when the legislation was passed last year authorising the further sale of Telstra. It is certainly consistent with the longstanding government policy that contributory membership of the Commonwealth Superannuation Scheme should cease when the government ceases to control the business. It makes absolute sense that, when the government has no control over an entity, it should not be running that scheme for those former employees. It is not fair on the taxpayers in that sense that they fund superannuation entitlements to employees who no longer belong to the Commonwealth in respect of their employment.

Senator Sherry mentioned a figure of 1,800, but he did not mention it in context—that there are 1,788 employees who are still members of the Commonwealth Superannuation Scheme out of a total workforce of 49,443. The figure of 1,788 represents less than four per cent of the total Telstra workforce—so four per cent or less are potentially affected by this. Those members will now have the option to either join over 80,000 current and former Telstra employees in the Telstra super scheme or to join another eligible superannuation fund. This is not uncommon in this type of transaction.

The existing benefits of Telstra employees who are still in the Commonwealth Superannuation Scheme will be protected. Their accrued benefits are guaranteed under legislation and will be paid in full by this government. The future superannuation arrangements that will apply to Telstra employees who will exit the Commonwealth Superannuation Scheme after the sale of Telstra will be a matter for Telstra administration, post-sale. Like all employers, Telstra has an obligation to make superannuation contributions in respect of its employees.

I understand that Telstra management recently wrote to employees explaining the arrangements. A predominant issue in Senator Sherry’s question was this: why not just let Telstra employees remain in the Commonwealth Superannuation Scheme? The reason is that it would be inappropriate for taxpayers to fund the superannuation entitlements of employees of entities not controlled by the government. That is a fairness and equity issue that we need to address for all employees and all taxpayers.

It is important to acknowledge the reasons why we are selling Telstra, and this is just one issue. The government has gone to the past four elections promising to sell its Telstra shares, and it is now delivering on a longstanding promise and commitment. This situation is not unusual; it is not something that has not been declared before. The public is fully aware of the government’s commitment to sell Telstra. Legislation was passed last year allowing the process to move forward. The timing is now upon us and the process is now moving forward in a smooth and logical progression. We must bear in mind that this is one of the largest organisations in the country. In the process of selling such an organisation, there will be issues that arise from time to time that spark emotion and debate; however, the government is committed to furthering this cause with minimal fuss and minimal disruption and taking into account the entitlements and benefits of employees.

Senator LUNDY (Australian Capital Territory) (3.12 pm)—I want to tell the story of a portfolio so badly handled and so neglectful of the urgent social and economic needs of Australians in relation to the telecommunications network that real damage is being done to our potential to innovate with broadband and digital services. This is the legacy of the Howard government in these early stages of the 21st century. It is a complete
foul-up—a complete preoccupation with an ideological privatisation agenda that has led to the compromising and undermining of genuine competition and decent service quality and a stifling of higher bandwidth services.

All of these policy failings were perpetrated as the Howard government sought to prop up Telstra’s share price. This was informed by the government’s desire and consistent motivation, election after election, to sell off the rest of Telstra. But they and Telstra were complicit in preventing the innovative bandwidth services. It was about cutting capital expenditure and keeping costs down; it was not about investing for the future. This manifested itself in a number of ways. Many of us remember staged inquiries by this government over the last 10 years, claims that the network was up to scratch and the minister’s claim—I know it is hard to believe these days—that Australians did not want or need broadband and using that as a way to try to stifle demand for the sorts of services that we knew we were missing out on. They even said that pair gains did not exist—broadband-blocking technology, again a cost-cutting measure for Telstra’s investment in their network. All of this conspired against and led to a failing network that was not keeping up with the social and economic demands of this country.

Then what happened? Along came the three amigos, who were not happy even with this level of complicity. They wanted more—more regulatory holidays and less competitive pressure. And they had a lever to pressure the government with. It was, of course, privatisation. They needed all of this because, I suspect, their bonuses depended on it. So we have watched what I would describe as the ‘Chairman Worm’, the ‘Chief Worm’ and his ‘Wormettes’, in the can of worms that is Telstra in the 21st century, wriggle out of the grasp of the government’s control.

The new management have sought to imprint their US style tactics of depleting all but the most profitable services on these ideologically driven dopes on the other side of the chamber, who have predictably responded with even dopier tactics as they flail about appointing mates to the board and fiddling with the wording of the prospectus so as to continue their perpetual spin.

That brings me to the most recent debacle—the way in which the government is proceeding with the T3 sale. I do not think anything said by the Minister for Finance and Administration in the chamber today or elsewhere will absolve this government of their extraordinary intervention in this float. I reiterate the questions asked today and yesterday by my colleagues. What about probity? What about ethics? What about compliance with the law? Why was ASIC involved? What didn’t the government want in the prospectus—because surely it could not have been any worse than what is in there?

I would suggest that the fact that Mr Cousins was the Prime Minister’s adviser for 10 years is cause for concern not only for the reasons described by the worms in the can of Telstra but also because his advice must have been appalling, given Mr Howard’s terrible stunt of ideologically visionless handling of telecommunications in Australia for the last 10 years. What advice was being given, I ask, by the former CEO of Optus Vision? That is a far more damaging legacy than the $4 billion loss he oversaw.

To conclude, I will highlight the level of executive intervention and interference in Telstra by the Howard government. The government initially sought in inappropriate and sneaky ways to work with Telstra to keep their costs down and their profits fat. This was to maximise the share price in the previ-
ous sales. However, more recently, the bullying and desperate ways of the government have demonstrated an arrogance that I think is unsurpassed.

The government think they are above the law. They have demonstrated contempt for legitimate policy tools that have always been available to government to improve the quality of broadband and other services in telecommunications throughout the country. These include: quality service regulation; competition policy, including access regimes; licence conditions; and digital content rules. They have all been there for the using, but the government chose to abuse all of them. Perhaps the gravest indictment is the government’s complete incompetence. Australians no longer believe what they are told by a tired, out-of-touch government that does not have a clue about what this country’s telecommunications needs really are.

Senator MINCHIN (South Australia—Minister for Finance and Administration) (3.17 pm)—I rise on the same subject and wish to respond to the accusation, effectively, made by Senator Sherry against me in particular and to the inference, if not the direct statement, that in some way I misled the Senate on the position of Telstra employees who are at this stage still in the CSS. As I said in my answer, we are talking about some four per cent of the Telstra workforce who are still members of the CSS.

Senator Sherry referred to an answer that I gave in response to a question from Senator Marshall on 7 September 2005. Senator Marshall asked me specifically about a payment which the government had made of $3.125 billion to Telstra Super to absolve the Commonwealth government of its liabilities and to ensure that those liabilities could then be met in full by Telstra Super. That was a very good arrangement for taxpayers and for the company. In fact, it was supported by the Labor Party at the time. Senator Marshall asked me further questions about what that payment might mean in the event of any further selldown of Telstra shares.

In my answer on 7 September, I said that I would be happy to come back to Senator Marshall to confirm the arrangements. What Senator Sherry has quite mischievously ignored in his statements today is the fact that, on 8 September, the very next day, I had incorporated in Hansard a further answer to Senator Marshall’s question on this subject. I wish to refer to that incorporated answer in the Hansard because Senator Sherry has quite mischievously ignored it in accusing me of misleading the Senate. On 8 September 2005, I said:

In March 2004, the Australian Government paid the Telstra Superannuation Scheme $3.125 billion in return for extinguishing the Australian Government’s liabilities to the Scheme. I emphasise that this payment is to the Telstra Superannuation Scheme, not to Telstra itself. Once the Australian Government ceases to hold majority ownership of Telstra, superannuation arrangements for Telstra employees will be a matter for Telstra. Telstra has an obligation, like all employers, to make contributions in respect of its employees. Issues relating to membership of the Telstra Superannuation Scheme are also a matter for Telstra. For those Telstra employees who are members of the Commonwealth Superannuation Scheme, membership will cease once the Australian Government ceases to hold majority ownership of Telstra, but the Government will continue to be responsible for meeting the obligations, going forward, in respect of the past service of those employees.

This is consistent with the agreement between the Government and Telstra referred to by Senator Marshall in his question yesterday. It is also consistent with long standing Government policy, that contributory membership of the Commonwealth Superannuation Scheme ceases in circumstances where the Government has
ceased to have control of a business unit, such as QANTAS.

On 8 September 2005—13 months ago—I made it abundantly clear in this place what the circumstances would be with respect to those Telstra employees in the CSS upon the cessation of the government’s majority ownership of this company. For 13 months, Telstra employees in the CSS have been under no doubt as to exactly what the situation would be should the government diminish its shareholding in this company and no longer be the majority owner.

The statement was set out clearly. I am disappointed that, in his attack on me, Senator Sherry did not inform the Senate of what I said on the very next day, 8 September 2005, on this matter. He is mischievously misinforming Telstra employees in the CSS by suggesting that I said anything other than what was made clear on 8 September—that is, we would honour those obligations up to the point where the existing accrued entitlements of those CSS employees would be honoured in full. However, their membership of the CSS will cease upon the government no longer having a majority shareholding. So I reject absolutely what is at the least a very mischievous remark made by Senator Sherry, and I hope that he will withdraw it this afternoon.

Senator POLLEY (Tasmania) (3.21 pm)—I rise to take note of answers given by Senator Minchin on the subject of Telstra. It seems that this government’s mismanagement of Telstra knows no ends. Let us cast our minds back to last year, when we saw the government use its numbers in this place to force the Telstra sale legislation through the Senate. At about that time last year, the government deliberately withheld from minority shareholders the contents of a report detailing that the company had been borrowing from its reserves to pay dividends and that services in regional Australia were below standard. We saw the government’s contempt for the committee system and its contempt for mum and dad shareholders when it allowed the committee looking into the sale only one day—one day—to examine the legislation.

Now we are seeing it yet again. This out-of-touch government has embarked on a $20 million dollar advertising campaign—utilising taxpayer funds of course—to promote the T3 float. With a quick flick through the channels on television last night, Australians everywhere would have been bombarded by the flashy ad campaign sugar-coating the sale. According to an unnamed media buyer, this massive spend during Australia’s top-rating television shows was to ensure that ‘everyone from the Prime Minister down will be watching’.

More than $45 million of taxpayers’ money has been spent by this government on the three Telstra floats. That is money that could have been much better spent. A novel idea would have been to ensure that Australian families have access to high-speed broadband—or maybe the government could have improved services in regional areas.

Perhaps the reason this government feels so compelled to throw so much money at this float is that it knows just how much hurt the Prime Minister’s mismanagement of Telstra has caused. After the recent negative publicity surrounding Telstra and the government’s own actions, the Prime Minister is keen to entice Australian investors to jump on board again. Or maybe it is just that the government got a nice taste of the advertising world with its foray into propaganda with WorkChoices. More than $250 million in advertising was included in the 2006 budget—that is on top of the $1 billion this government has already managed to spend during its term in office. This arrogant government should implement the Auditor-General’s advertising
guidelines, which were adopted by the Joint Committee of Public Accounts and Audit. Instead, the Prime Minister is using taxpayer funds to convince investors to take a punt on T3, while at the same time undermining the board and management.

The Telstra board’s opposition to the government’s nomination of Mr Geoff Cousins as a director is clearly spelt out in the T3 prospectus. This is the same government that wants to sell off Telstra. Yet it seems that Mr Howard does not wish to relinquish control—as is evident in his attempt to appoint a government spy to the Telstra board.

Yesterday we saw the release of the T3 prospectus delayed because the government was using its bullying tactics on the Telstra board in dealing with the contents of the prospectus. The Prime Minister is continuing to put his own political agendas ahead of the interests of the Australian public and Telstra’s shareholders. They deserve to be told the truth. We all remember when Mr Howard told Australians that Telstra was a great buy at $7.40. Australians do not want any more political spin. They do not want any more of their money thrown away in trying to sell Telstra—which supposedly the Australian government owns on their behalf—back to them.

Australians want only to see that Telstra is being managed and run properly—that communications services throughout the country are being improved, that high-speed broadband for all Australians will become a reality. And they want it sooner rather than later. If all this were already the case, the government would not have to pour such obscene amounts of money into advertising T3. That money could be used, as I said, to reinforce and improve services in regional Australia. Australians would be able to see T3 for the investment it is, without all the political spin that this government has come to rely on in an attempt to undo the damage of its mismanagement of the Telstra sale.

Question agreed to.

**Burrup Peninsula Rock Art**

Senator SIEWERT (Western Australia)

(3.26 pm)—I move:

That the Senate take note of the answer given by the Minister for the Environment and Heritage (Senator Ian Campbell) to a question without notice asked by Senator Siewert today relating to the rock art site on the Burrup Peninsula, Western Australia.

When I asked the Minister for the Environment and Heritage what he was going to do to protect the rock art on the Burrup Peninsula from development, he said that he did not want to see any new impediment to development on the Burrup. This is the minister for heritage. Perhaps he should be the minister for development, not the minister for heritage.

The Burrup Peninsula and the Dampier rock art precinct are of unique world importance. Early this month, the national Heritage Council issued its report on the values of the rock art. It made it clear in no uncertain terms that this rock art deserves to be on the National Heritage List. What is more, the council proposed a very significant boundary, excluding the current development but including everything else that remains on the Burrup. The council was very clear. I would like to quote from its report. The Australian Heritage Council said of the Burrup:

> It is one of the densest concentrations of rock engravings in Australia, with some sites containing thousands or tens of thousands of images.

And it said of the engravings that they:

> ... provide an outstanding visual record of the course of Australia’s cultural history through the Aboriginal responses to the rise of sea levels at the end of the last Ice Age.

Further, the area was described as having an outstanding potential to yield information
that will contribute to an understanding of the nation’s cultural history.

Most people understandably focus on the rock art, but the report also notes a high density of standing stones, stone pits and circular stone arrangements. These range from single monoliths to extensive alignments comprising at least 300 or 400 standing stones.

On the basis of this evidence, we Greens believe that the minister should have moved immediately to list this area on the National Heritage List, where it truly belongs. But what did we see? Just prior to when he should have made an announcement on what he was proposing to do about the Burrup, he made an announcement that he would seek further consultation about this extremely important area. In the meantime, the Western Australian government is proposing to further develop the Burrup.

What I wanted to know today was how the minister intended to protect this nationally significant rock art while he undertook this consultation. You would have thought that this was a legitimate question. Here is the minister for heritage, who I believe has responsibilities for protecting the heritage of Australia, deciding to further consult on an area that the Australian Heritage Council truly believes should be listed on the national list. He chooses to further consult. Wouldn’t you have thought that he would put in place provisions to protect this rock art while he consulted?

He acknowledges it is of national significance but chooses to further consult. It is rather like Nero fiddling while Rome burns. While the minister consults to see how he can best protect this heritage, the rock art of the Burrup is under threat. As I said, one would have thought that he would have moved to have protected that area. When I asked today what he was intending to do with it, he could not answer. He could not answer what he intended to do to protect the Burrup. I believe that he should make perfectly clear what he intends to do. Does he acknowledge that rock art will be destroyed? Site A of the Woodside Pluto development contains significant rock art that will be destroyed if the Woodside proposal goes ahead. The state government is considering this proposal. Therefore, rock art will be destroyed while the minister is consulting. I urge the minister to reconsider his approach to this rock art and to at least offer a level of protection to the rock art while he is deciding the boundary of the area that he is proposing to list. It seems difficult for the minister to comprehend this.

It is not a choice of rock art or development. That development can go elsewhere. There are at least three other sites that this development can go ahead in. So it is not a case of rock art or development; we can have both. We can have both if the minister facilitates discussion between the developers, the state and the Commonwealth. That way we can protect the rock art of the Burrup and have development, the thing the minister says he wants. He could have both. The minister for heritage could have both. (Time expired)

Question agreed to.

Senator Bob Brown—Is that the end of the debate?

The DEPUTY PRESIDENT—Yes. The time for the debate has expired, Senator Brown.

PETITIONS

The Clerk—Petitions have been lodged for presentation as follows:

Information Technology: Internet Content

The internet is a great educational tool. However children can too easily access pictures of violent cruelty and extreme pornography on the internet.
Labor wants a “clean feed” technology that can block access to these kinds of sites.

To the Honourable President and members of the Senate in Parliament assembled:

This petition of certain citizens of Australia draws to the attention of the Senate, the danger of children accessing internet pornography and other internet pages.

Your petitioners therefore ask the Senate to make laws that:

- All internet service providers be required to offer a “clean feed” internet service to all households, schools and public libraries that blocks access to websites containing child pornography, acts of extreme violence and x-rated material.

by The President (from 16 citizens).

Israel

To the Honourable President and members of the Senate in Parliament assembled:

The petition of the undersigned calls for the sale of weapons and other military equipment to Israel to cease.

We note:

- Australia exported almost $10 million worth of defence exports to Israel in 2004;
- Over the past five years exports have included: military explosive divides, military electronic equipment, parts of military vehicles, aircraft and armoured equipment.

The undersigned petitioners request that the Senate act immediately to halt the sale of arms to Israel.

by Senator Nettle (from 717 citizens).

NOTICES

Petitions received.

Senator Mason to move on the next day of sitting:

That the Joint Standing Committee on Electoral Matters be authorised to hold a public meeting during the sitting of the Senate on Thursday, 19 October 2006, from 9.30 am to 10.30 am, to take evidence for the committee’s inquiry into civics and electoral education.

Senator Bob Brown to move on the next day of sitting:

That the Senate—

(a) congratulates the King Island Council on its success in banning plantation forestry from its farmland; and

(b) commends the Minister for Fisheries, Forestry and Conservation (Senator Abetz) for understanding ‘the view of the King Island Council and local farmers in wanting to protect their icon [sic] beef and cheese industries’.

Senator Heffernan to move on the next day of sitting:

That the Rural and Regional Affairs and Transport Committee be authorised to hold public meetings during the sittings of the Senate to take evidence for the committee’s inquiry into water policy initiatives, on the following days:

(a) Thursday, 12 October 2006, from 4.30 pm to 6 pm; and

(b) Wednesday, 18 October 2006, from 4.30 pm to 6.30 pm.

Senator Bartlett to move on Monday, 16 October 2006:

That the Senate—

(a) congratulates:

(i) the Cairns-based WuChopperen Health Services for winning the 2006 Indigenous Governance Award for an organisation established longer than 10 years, and

(ii) the Wagga Wagga-based Gannambarra Enterprises for winning the 2006 Indigenous Governance Award for an organisation established fewer than 10 years; and

(b) acknowledges the work of Reconciliation Australia and BHP Billiton in hosting the Indigenous Governance Awards and recognises the achievements of all the eight
finalists in the awards and pays tribute to the positive contribution they are making for Indigenous Australians and the wider community.

Senator Murray to move on Monday, 16 October 2006:

That clauses 11.1, 11.2 and 11.3 of Determination 2006/18: Members of Parliament—Entitlements, made pursuant to subsections 7(1), 7(2) and 7(4) of the of the Remuneration Tribunal Act 1973, that provide for the aggregation of the charter and communications allowances of a member representing an electorate of 10,000 km² or more, be disapproved.

Senator Siewert to move on the next day of sitting:

That the Senate—
(a) acknowledges and supports the Government’s position to adopt an immediate ban on high seas bottom trawling in all unregulated areas;
(b) acknowledges the Australian position for a ban from 1 August 2007 where governance arrangements (RFMOs) are under negotiation, unless and until conservation and management measures are implemented; and a ban from 1 January 2008 within existing RFMOs, unless and until conservation and management measures are implemented;
(c) supports the commitment to applying the precautionary principle with independent peer review so that bans on high seas bottom trawling cannot be lifted unless it can be shown scientifically that it will not damage fragile marine ecosystems;
(d) acknowledges the commitment to strengthen conservation and management of deep sea biodiversity in general;
(e) welcomes the efforts of the Australian delegation to advance the position on high seas bottom trawling within the United Nations (UN) General Assembly negotiations; and
(f) urges the Government to pursue all diplomatic avenues to ensure that this position prevails when a formal decision is taken in the UN General Assembly in early December 2006.

Senator Stephens to move on the next day of sitting:

That the Senate—
(a) notes that the week beginning 9 October 2006 is National Mental Health Week in Australia, incorporating World Mental Health Day which is celebrated on 10 October;
(b) acknowledges that suicide can be a tragic consequence of a failure to recognise and treat mental illness;
(c) notes that many lives are being saved by early recognition and treatment of people at risk;
(d) recognises the impact of mental illness on carers and families and acknowledges their essential role in supporting those with mental illness;
(e) notes that the Council of Australian Governments has designated mental health as a major health priority; and
(f) supports the call by the national Mental Health Council of Australia for recognition that, left untreated, mental illnesses can be fatal and thus must be addressed as an issue of utmost importance.

Senator Allison to move on the next day of sitting:

That the Senate—
(a) notes the report by Amnesty International, 
Papua New Guinea: Violence against women: Not inevitable, never acceptable, which reports that:
(i) violence against women is endemic in Papua New Guinea, affecting the majority of women and girls in some parts of the country,
(ii) healthcare, counselling services, emergency accommodation and other forms of support for survivors of gender-based violence are insufficiently available outside the capital Port Moresby, as is access to legal advice and formal justice processes, and
(iii) current harmful practices are common throughout society and contribute to high levels of violence against women;

(b) acknowledges that gender-based violence in Papua New Guinea curtails women’s freedom of movement and in turn limits women’s access to education and employment and their ability to participate freely in public life, as well as contributing to the spread of HIV/AIDS in Papua New Guinea; and

(c) calls on the Government to:

(i) urge the Government of Papua New Guinea to resource the Papua New Guinea Ombudsman Commission to enable it to fulfil its role of promoting human rights in Papua New Guinea, and

(ii) encourage the Government of Papua New Guinea to strengthen its support and increase resources for programs that will improve the implementation of Papua New Guinea laws that recognise violence against women as criminal offences.

Senator Ellison to move on the next day of sitting:

That, after the motion for the second reading of the Communications Legislation Amendment (Enforcement Powers) Bill 2006 and the Television Licence Fees Amendment Bill 2006 has been moved, they may be taken together for their remaining stages with the government business order of the day relating to the Broadcasting Services Amendment (Media Ownership) Bill 2006 and the Broadcasting Legislation Amendment (Digital Television) Bill 2006.

Senator WATSON (Tasmania) (3.32 pm)—On behalf of the Standing Committee on Regulations and Ordinances, I give notice that 15 sitting days after today I shall move:

That the Amendment of List of Specimens taken to be suitable for live import [EPBC/s.303EC/SSLI/Amend/012], made under paragraph 303EC(1)(c) of the Environment Protection and Biodiversity Conservation Act 1999, be disallowed.

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

Leave granted.

The document read as follows—

Amendment of List of Specimens Taken to be Suitable for Live Import [EPBC/s.303EC/SSLI/Amend/012]

This Amendment adds two species of monkey to the list of specimens that are suitable for live import and amends the import conditions for another species of monkey.

Section 17 of the Legislative Instruments Act 2003 directs a rule-maker to be satisfied that appropriate consultation, as is reasonably practicable, has been undertaken particularly where a proposed instrument is likely to have an effect on business. Section 18 of the Act provides that in some circumstances consultation may be unnecessary or inappropriate. The definition of ‘explanatory statement’ in section 4 of the Act requires an explanatory statement to describe the nature of any consultation that has been carried out or, if there has been no consultation, to explain why none was undertaken. The Explanatory Statement that accompanies this instrument makes no reference to consultation. The Committee has written to the Minister seeking advice on whether consultation was undertaken and, if so, the nature of that consultation.

Senator Milne to move on the next day of sitting:

That the Senate—

(a) notes that:

(i) the Reva electric car has been approved for use in the European Union, Japan and Malta and is being test marketed in the United States of America, Sri Lanka, Norway, Ireland, Switzerland, Romania and Cyprus,

(ii) electric vehicles can reduce both Australia’s dependence on foreign oil and its greenhouse gas emissions, particularly when recharged with renewable electricity, and
(iii) based on accident and insurance data, the chance of a fatality occurring in a Reva is around 50 per cent less than in an ordinary car; and

(b) calls on the Government to:

(i) remove any impediment that would prevent the import of 20 Revas into Australia for a trial,

(ii) adopt the United Nations Economic Commission for Europe Heavy Quadricycle category 92/61/EC as a vehicle class, and

(iii) extend the import permit to delay the destruction or export of the one Reva vehicle currently in Australia.

Postponement

The following item of business was postponed:

General business notice of motion no. 568 standing in the name of Senator Nettle for today, relating to the death of West Papuan politician Willem Zonggonau, postponed till 12 October 2006.

BUSINESS

Rearrangement

Senator ELLISON (Western Australia—Minister for Justice and Customs) (3.36 pm)—I move:

That, on Tuesday, 10 October 2006:

(a) the hours of meeting shall be 12.30 pm to 6.30 pm and 7.30 pm to adjournment;

(b) the routine of business from 7.30 pm shall be the government business order relating to the Broadcasting Legislation Amendment (Digital Television) Bill 2006 and the Broadcasting Services Amendment (Media Ownership) Bill 2006—second reading speeches only; and

(c) the question for the adjournment shall be proposed at 10.30 pm.

Question agreed to.

Senator Bob Brown—Mr Deputy President, would you record the Greens opposition to that motion.

The DEPUTY PRESIDENT—Yes, that will be recorded.

NUCLEAR NONPROLIFERATION

Senator MILNE (Tasmania) (3.37 pm)—I move:

That the Senate—

(a) condemns North Korea’s nuclear weapons test;

(b) notes:

(i) the increasing threat of nuclear conflict globally,

(ii) that International Atomic Energy Agency statistics reveal that there have been 300 seizures of smuggled radioactive material capable of making a ‘dirty’ bomb since 2002 and that the rate of seizures has doubled since this time,

(iii) the call from Al Qaeda’s chief in Iraq for nuclear scientists and explosives experts to join his Jihad against the West, and his comment that American bases in Iraq are good places to test unconventional weapons, and

(iv) that the Prime Minister (Mr Howard) has undermined the Nuclear Non-Proliferation Treaty by expressing a willingness to consider the sale of uranium to India, which is not a signatory to the Treaty and which, together with Pakistan, staged the last nuclear break-out in 1998; and

(c) calls on the Government to:

(i) dismantle the Prime Minister’s Taskforce conducting the Uranium Mining, Processing and Nuclear Energy Review,

(ii) reject any proposition by the United States of America about Australia becoming a nuclear fuel supply centre under President George W Bush’s Global Nuclear Energy Partnership, and

(iii) abandon its support for the sale of uranium to India.
Question put.
The Senate divided. [3.42 pm]
(The Deputy President—Senator JJ Hogg)

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

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

NOES
Adams, J. Bernardi, C.
Bishop, T.M. Brandis, G.H.
Brown, C.L. Campbell, G. *
Carr, K.J. Colbeck, R.
Crossin, P.M. Eggleston, A.
Ellison, C.M. Ferris, J.M.
Fielding, S. Fierravanti-Wells, C.
Fifield, M.P. Forshaw, M.G.
Heffernan, W. Hogg, J.J.
Hurley, A. Hutchins, S.P.
Johnston, D. Lundy, K.A.
Ludwig, J.W. Mason, B.J.
Macdonald, J.A.L. McDonald, A.
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.B.
Watson, J.O.W. Worley, D.
Wong, P.

* denotes teller

Question negatived.

WORLD DAY AGAINST THE DEATH PENALTY

Senator ALLISON (Victoria—Leader of the Australian Democrats) (3.46 pm)—I move:
That the Senate—

(a) recognises that 10 October 2006 is the fourth annual World Day Against the Death Penalty;
(b) notes that World Day Against the Death Penalty was established in 2003 by the World Coalition Against the Death Penalty;
(c) reiterates its opposition to the death penalty; and
(d) calls on the Government to continue its efforts to encourage nation states to abolish the death penalty and to halt all executions of those sentenced to death.

Question agreed to.

COMMITTEES

Finance and Public Administration Committee

Meeting

Senator FERRIS (South Australia) (3.46 pm)—At the request of Senator Mason, I move:
That the Finance and Public Administration Committee be authorised to hold public meetings during the sittings of the Senate on the following days:

(a) on Wednesday, 11 October 2006, from 4 pm to 6 pm, to take evidence for the committee’s inquiry into the operation of the Senate order for the production of lists of departmental and agency contracts; and
(b) on Thursday, 12 October 2006, from 3.30 pm to 7 pm, to take evidence for the committee’s inquiry into the transparency and accountability of Commonwealth public funding and expenditure.

Question agreed to.

Foreign Affairs, Defence and Trade Committee

Extension of Time

Senator FERRIS (South Australia) (3.46 pm)—At the request of Senator Johnston, I move:
That the time for the presentation of the report of the Foreign Affairs, Defence and Trade Com-
mittee on the provisions of the Defence Legislation Amendment Bill 2006 be extended to 12 October 2006.

Question agreed to.

**AGRICULTURAL MANAGED INVESTMENT SCHEMES**

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (3.47 pm)—by leave—I move the motion as amended:

That the government conduct further consultation with industry on the application of current taxation arrangements for agricultural Managed Investment Schemes.

Question agreed to.

**DEPARTMENT OF TRANSPORT AND REGIONAL SERVICES:**

**INFRASTRUCTURE BORROWINGS TAX OFFSET SCHEME**

Senator ALLISON (Victoria—Leader of the Australian Democrats) (3.48 pm)—I move:

That there be laid on the table by the Minister representing the Minister for Transport and Regional Services, no later than 4.30 pm on Monday, 16 October 2006, a copy of the file L98/278 folios 99, 101 and 102 held by the Department of Transport and Regional Services which contain the submissions made to the department by the Transurban Group, owners and operators of Melbourne City Link and other roads, in support of its claim for taxation deductions under the Infrastructure Borrowings Tax Offset Scheme.

Question put.

The Senate divided. [3.52 pm] (The President—Senator the Hon. Paul Calvert)

Ayes............. 34
Noes............. 34
Majority......... 0

**AYES**

Allison, L.F.    Bartlett, A.J.J.
Bishop, T.M.    Brown, B.J.

Campbell, G. *    Conroy, S.M.
Carr, K.J.      Evans, C.V.
Crossin, P.M.   Forshaw, M.G.
Fielding, S.    Hurley, A.
Hogg, J.J.      Kirk, L.
Hutchins, S.P.  Landy, K.A.
Ludwig, J.W.    McLucas, J.E.
McEwen, A.      Moore, C.
Milne, C.       Nettle, K.
Murray, A.J.M.  Polley, H.
O’Brien, K.W.K. Sherry, N.J.
Ray, R.F.       Stephens, U.
Siewert, R.     Webber, R.
Sterle, G.      Wortley, D.
Wong, P.        

**NOES**

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

**PAIRS**

Faulkner, J.P.  Fierravanti-Wells, C.
Marshall, G.   Troeth, J.M.
Stott Despoja, N. Joyce, B.

* denotes teller

Question negatived.

**COMMUNITY PARTNERS PROGRAM**

Senator SIEWERT (Western Australia) (3.55 pm)—I move:

That there be laid on the table by the Minister representing the Attorney-General, no later than 3.30 pm on 12 October 2006, the review of the Community Partners Program, as commissioned by the Office of the Employment Advocate and conducted by Deloitte Touche Tomatsu.
Question negatived.

RESTORATION OF BILL TO NOTICE PAPER

Senator BARTLETT (Queensland) (3.56 pm)—I, and also on behalf of Senate McLu-
cas, move:

(1) That so much of standing orders be sus-
pended as would prevent this resolution
having effect.

(2) That the Great Barrier Reef Marine Park
(Protecting the Great Barrier Reef from
Oil Drilling and Exploration) Amendment
Bill 2003 be restored to the Notice Paper
and that consideration of the bill be re-
sumed at the stage reached in the 40th
Parliament.

Question agreed to.

MATTERS OF PUBLIC IMPORTANCE

Telstra

The DEPUTY PRESIDENT—I inform
the Senate that, at 8.30 am today, two sena-
tors each submitted letters in accordance
with standing order 75. Senator Milne pro-
posed a matter of urgency and Senator Con-
roy proposed a matter of public importance
for discussion. The question of which pro-
posal would be submitted to the Senate was
determined by lot. As a result, I inform the
Senate that the following letter has been re-
ceived from Senator Conroy:

Dear Mr President

Pursuant to standing order 75, I propose that the
following matter of public importance be sub-
titted to the Senate for discussion:

The Australian Government’s continued misman-
agement of the sale of Telstra is hurting the pros-
pects of the company as evidenced by the follow-
ing claims in the recently released T3 prospectus:

(a) the Government’s intention to force the
appointment of Mr Geoff Cousins as a
Telstra director despite the opposition of
Telstra directors could affect the stabil-
ity of the board;

(b) the Government’s decision to dump a
large holding of Telstra shares into the
future fund to be sold in the future, will
depress the Telstra share price; and

(c) Government imposed regulation threat-
ens the company’s earning prospects.

Yours sincerely,
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 re-
quired by the standing orders having risen in
their places—

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

Senator CONROY (Victoria) (3.59
pm)—The prospectus for the impending sale
of Telstra, released yesterday, is a damning
indictment of the government’s mismanage-
ment of the sale process; it is a black mark
on the economic credibility of this govern-
ment. While there has been an army of
highly paid investment bankers tricking up
the incentives in T3 to ensure that the float is
oversubscribed, these efforts have been un-
dermined continually by the government’s
incompetence. What the T3 prospectus has
revealed is that, in the eyes of the Telstra
board, the government’s behaviour in recent
months, and the way it has structured T3,
undermine the medium- to long-term pros-
spects of the company. Whether forcing a
mate of the Prime Minister onto the Telstra
board, creating an overhang of shares in the
Future Fund or putting Telstra’s dividend
under threat through regulatory uncertainty,
the Howard government has undermined T3
every step of the way.
On top of this, the childish and unedifying public warfare the government is pursuing against the Telstra board and management will serve only to undermine investor confidence in the company. How can the government look Australian investors in the eye and ask them to participate in T3 when, every other day, it is attacking the company’s leadership and direction? How can the government ask Australian investors to have confidence in the future of Telstra when it clearly has absolutely no confidence in the leadership of the company?

The fact that the government is, on the one hand, trying to talk up the sale of Telstra whilst, on the other hand, trying to undermine current management shows economic incompetence on a spectacular level. Is it the government’s position that the current board and management of Telstra are loose cannons who cannot be trusted? If so, why hasn’t the government sacked them in this row? If not, why is the government constantly attacking their leadership and direction? Is it the case that Howard government ministers and backbenchers are simply so arrogant or ill-disciplined that they cannot resist pursuing a personal grudge even when it is against the interests of the Australian public?

As I said earlier, this entire farce is a black mark against the government’s economic credibility—that is, what little economic credibility the government has in the area of telecommunications after John Howard’s recent claim, when T2 was up for sale, that T2 was ‘an extremely good deal’. It was so good a deal that those who listened to the Prime Minister’s shonky economic advice lost almost half their money. The T3 prospectus makes it clear that those who were burnt in T2 by Prime Minister Howard’s irresponsible actions should be very cautious that the same thing does not happen in T3.

The first cause for concern in this regard identified by the T3 prospectus is the government’s intention to force Mr Geoff Cousins onto the Telstra board. Let us review Mr Cousins resume—all of his resume. Senator Ronaldson stood up yesterday to defend Mr Cousins. He said that he is a big company director who has run big companies and has heaps of experience in telco. Then he proceeded to talk about everything except his experience in telco. Why is that? Let us deal with Mr Cousins’s resume. He has been a consultant to the Liberal Party and a personal confidant of the Prime Minister for almost 20 years. His only experience in the Australian telecommunications sector was a stint as the CEO of Optus Vision. You will not hear the name ‘Optus Vision’ pass the lips of any government senator or member. Why is that? It is because Optus Vision, while Mr Cousins was its CEO, cost investors more than $4 billion in losses. During that time, Mr Cousins developed an industry-wide reputation for combativeness and rudeness. It is difficult to know which of these qualifications Telstra shareholders should be more concerned about.

At Friday’s investor day held by Telstra, the Telstra CEO, Sol Trujillo, stated—

Senator Boswell—Your new mate.

Senator CONROY—I have only once shaken his hand. Sol Trujillo stated that a harmonious Telstra board was imperative for implementing the ambitious transformation plan the company is pursuing. Telstra shareholders have the right to be concerned about what impact a combative and abrasive director like Mr Cousins would have during the implementation of the transformation plan. Let us be clear: Mr Cousins’s only experience in telecommunications companies—not TV companies or ad agencies—is to lose $4 billion of investors’ money on their behalf.
**Senator McGauran**—What years were they? They were the start-up years.

**Senator CONROY**—He has been on the government’s payroll for the last 10 years, Senator McGauran. Even worse, the T3 prospectus clearly advises prospective investors that Telstra’s promised 2007 dividend of 28c per share is subject to the successful implementation of Telstra’s transformation plan. It was not that long ago that the Minister for Finance and Administration, Senator Minchin, was distributing a briefing document to coalition MPs—perhaps Senator McGauran might like to share it with us—instructing them to talk up the juicy Telstra dividends. Now the government is irresponsibly putting these dividends at risk through the arrogant and petulant nomination for the Telstra board of a Howard government stooge who lost $4 billion the last time he had anything to do with a telco.

But Telstra’s biggest fear with respect to the nomination of Mr Cousins to the Telstra board is not his combative nature but his divided loyalties. This is a man whom the Prime Minister’s chief of staff identifies as one of the Prime Minister’s few personal sounding boards—someone he picks up the phone to call when he needs advice.

**Senator McGauran**—Who said that?

**Senator CONROY**—Mr Arthur Sinodinos. This confidant of the Prime Minister will be sitting in on Telstra’s board meetings discussing the impact on the company’s prospects of government actions and the best way to protect shareholders from the impacts of the Howard government’s interferences.

The T3 prospectus makes the Telstra board’s view of the appropriateness of the nomination of Mr Cousins perfectly clear. It states:

Telstra believes that if there is a risk Mr Cousins cannot be considered an independent director that this could prove disruptive to the smooth and effective functioning of the Board.

And that:

The Board is concerned that there is a risk that Mr Cousins’ previous consulting role with the Government could interfere with his capacity to be considered an independent director.

What they are saying is that Mr Cousins will act as a government spy or, even worse, a government stooge on the Telstra board. Does anyone seriously believe that a personal confidant of the Prime Minister for over 20 years will not report back to the Prime Minister on the goings-on on the Telstra board? Does anyone seriously believe this will not have a destabilising influence on the company?

It was not that long ago that the Chairman of Telstra, Mr Bob Mansfield, was forced to resign from the Telstra board as a result of some conflicts between directors. You may not remember, Senator McGauran, but Mr Mansfield was forced off the board because he went and consulted the Prime Minister about a merger proposal, a purchasing proposal, to buy Fairfax. Remember that? The Chairman of Telstra, another close personal mate of the Prime Minister, decided that the first place he should go and discuss Telstra buying Fairfax was with the Prime Minister, not with the other board members. So do not try and pretend that:

Oh, well, the Prime Minister would never seek to exert influence. The Prime Minister’s mates do not go and talk to him behind closed doors. They booted, they punted Mansfield, on the basis that he was consulting with the Prime Minister—

**Senator McGauran**—You’d say anything.

**Senator CONROY**—It’s all on the public record.

**Senator Ian Macdonald**—What happened to Mansfield?
Senator CONROY—They punted Mansfield because he was leaking to the Prime Minister. They punted him—that is what happened! It made the smooth management of the company impossible and forced Mr Mansfield’s resignation. Mr Mansfield’s own words—just so that you do not get collective amnesia over on the other side—were that ‘the bond of trust has been broken’. Yes: he broke it because he went off leaking to the Prime Minister.

The irresponsible nomination of Mr Cousins by the Howard government revives the prospect that these days will return to Telstra. Compounding the shambles that the T3 has become, the nomination of Mr Cousins also completely contradicts one of the government’s key rationales for the Telstra sale. The government has consistently told the Australian people that it was unsustainable for it to continue to own Telstra by virtue of the conflict that arose as a result of the government being both the owner and regulator of the company. The government told the voters that T3 would end this intolerable conflict. The nomination of Mr Cousins gives the lie to that argument. Instead of ending this so-called conflict, the government—and here is the real rort—just weeks before it flogs off its majority control, appoints Mr Cousins for a three-year term. Just when Telstra thought it was running free of government interference, on its own statements by the government, the cold dead hand of Prime Minister Howard appeared in the form of Mr Cousins and grabbed the company’s ankle.

No wonder the Telstra board recommended its shareholders vote against his nomination in their notice of annual general meeting. The nomination of Mr Cousins is the kind of behaviour characteristic of an arrogant government that has been in power for far too long—a government thinking only about its own political interests and not of the interests of those affected by its fits of pique.

The nomination of Mr Geoff Cousins shows that Prime Minister Howard has changed. There was a time when Prime Minister Howard would have been smart enough not to put his own political interests ahead of those of the Australian public. But not today. He is willing to ride roughshod over them simply to pursue a personal grudge.

This willingness to sacrifice current and prospective Telstra shareholders for the government’s political interests can be seen in the decision to dump billions of dollars worth of Telstra shares into the Future Fund. The Howard government made the political decision that it wanted to proceed with the sale of Telstra at any cost. It didn’t care whether to do this required holding a fire sale, or offering a whole suite of tricked-up incentives, or making the whole exercise a smoke and mirrors trick. It made an ideological decision to sell, and it wanted to get rid of the shares any way it could. That is where the Future Fund came in.

The government decided that, because there was insufficient demand in the market to allow it to sell its entire shareholding, it would dump the bulk of the shares into the Future Fund and claim that was the end of it. Of course transferring the ownership of the Commonwealth’s Telstra shares from the Commonwealth to the Future Fund—an investment fund wholly owned by the government—was always ridiculous.

However, the real economic incompetence comes from the fact that David Murray, the Chair of the Future Fund, has refused to allow the Future Fund to be overweight in Telstra shares. As such, the Future Fund has made it clear that it will sell down its interest in Telstra over the coming years—subject to the two-year escrow period. From the moment this shonky plan was concocted, the
Labor Party was warning that it would be Telstra’s long-suffering shareholders that would pay the price for this decision. *(Time expired)*

Senator IAN MACDONALD (Queensland) (4.14 pm)—What rank hypocrisy from the Labor Party in general and from Senator Conroy in particular. I regret to say about Senator Conroy that his lack of understanding of business management and of running any sort of an entity that has to make a profit is understandable. Senator Conroy comes from a very distinguished background in the unions, and union thuggery, and running an operation that has never had to pay its own way—an organisation that has turned thuggery and bullying into an art form. It is no wonder, Senator Conroy, that Senator Ray referred to you, quite correctly I have to say, as a dalek.

Senator Ray would know you better than we do, Senator Conroy. We all like you under here. In fact, we are delighted you are a shadow minister because for as long as you are a shadow minister we do not have a lot to worry about. But still, we all like you and we are delighted that you hold that position. When it comes to looking after business and having a sensible view on business, I am sorry, Senator Conroy, your years since university as an officer of some union really do not qualify you to compete with people like Mr Cousins for the operations of perhaps one of the major companies in Australia, a multinational company.

In his proposal of a matter of public importance Senator Conroy complains of three things; firstly, that Mr Cousins has been appointed as a director of Telstra; secondly, that the government is going to dump a large holding of Telstra shares from the Future Fund onto the market in future; and, thirdly, that the government has overregulated Telstra. I will address those complaints briefly because I know that my colleagues Senator Brandis and Senator McGauran will be taking up the fight when I resume my seat.

Mr Cousins is a particularly distinguished Australian with a significant record in business. To suggest that Mr Cousins would abrogate his duties as a director of a major public company is an insult and is quite defamatory. Senator Conroy should be very careful about making such allegations. He certainly would not make them outside this chamber. In all fairness, Senator Conroy should apologise personally to Mr Cousins for the suggestion that Mr Cousins might in any way have a conflict or that there would be a dereliction of the quite high standard required of him as a director of a major public company.

It is hard to understand the Labor Party’s approach to this issue. They are blaming the government for appointing a director—I am not quite sure what the real reason is—but in the same breadth they are saying: ‘If we were in government we would not be selling any part of Telstra. In fact, we would be buying it back’—I think that is one of the policies Labor had floating around a little while ago—‘so that the government actually owned all of Telstra and would appoint every single one of the directors,’ as they would have to do if they were the sole shareholder of the company. Would it be okay for a Labor government to appoint all of the directors of Telstra but not okay for a Liberal government, which is still, through the agency, the major shareholder in that public company—for a little while at least—to appoint just one of those directors in a new capacity?

It is very difficult for me, and I am sure any other Australian, to understand the basis of the Labor Party’s opposition to this appointment. Is it an objection to Mr Cousins as a person or is it an objection to the fact that the major shareholder is appointing one director when the Labor Party, or so it ap-
pears, would want to appoint all of the directors? As I said at the beginning, it is rank hypocrisy for the Labor Party to conduct the sort of campaign they have conducted to try and down-sell and destroy the sale of Telstra. It makes it very difficult to understand their motivation, except to score a couple of fairly cheap political points—and they are not even going to do that.

I am one of those who have for a long time believed that the government should get out of Telstra. It should never have been involved in recent times when Telstra has been a major multinational company competing with the best in the world. I have always held the view—coming from regional Australia, as I do, and living in a small country area—that it should not be a private company that provides facilities for remote parts of Australia. It should be the government that does that, but by way of subsidy, not by ownership of a major multinational company where you are cross-subsidising other shareholders’ prospects with the obligations that all governments have of looking after those Australians who are seen to be disadvantaged, and that includes many living in remote and rural Australia.

The sooner we get rid of Telstra the better it will be for Telstra and for all Australians—and certainly those living in country Australia. It is up to governments to subsidise, not private companies. I believe we should get out of Telstra. We should have done it before now, but at last we are doing it. It is appropriate that we make this third tranche of the privatisation work. We want to get a return for all Australians who are the investors in the 51 per cent. We want to get a reasonable price for the shares. We do not want to get more than the company is worth and we do not want to get less than it is worth. But the Labor Party are out to destroy this sale by lessening the price for the T3 float in the hope that they will get some sort of perverse satisfaction out of seeing the sale fail or, if not fail, getting a very small return. I just cannot understand the anti-Australian approach that the Labor Party have adopted in this instance.

This matter of public importance put forward by the Labor Party goes on to suggest that the government is dumping a large holding of Telstra shares in the Future Fund, to be sold in the future and to depress the Telstra share price. That is not the intention of the Future Fund. The chairman of the Future Fund, Mr David Murray, a very distinguished and very capable businessman, will want to get the best value for those shares when at some time in the future the Future Fund sells them down. If you had to ask me whether you would respect Mr David Murray’s view on when to sell and what price to sell at or whether you would respect Senator Conroy’s view, I do not think there is a debate from any side of this chamber on whose business advice you would take.

The third element of Senator Conroy’s motion seems to be criticising the government for imposing regulation that threatens the company’s earning prospects. If you think about that and take it through to its end, you would say: what would the Labor Party approach be? Would it be to take back all of those regulations so that the company’s earning prospects are better? Does this mean that the Labor Party would get rid of the universal service obligation? Does it mean the Labor Party would get rid of price controls on core costs? Does it mean the Labor Party would get rid of untimed local calls, the customer service guarantee, or access regulation on the ULL? Senator Conroy really needs to explain the Labor Party approach to this. Are they trying to do the bush in? Are they trying to ensure that Australians do not get those enhancements, those benefits, those safeguards which the government has put in place? It seems from this motion that Senator
Conroy is saying that the government should get rid of all those regulations so that Telstra can make a bigger profit. That is not needed to be done. As I said before, they can fit together. We need Telstra being well operated as a private company and we need the government to ensure that all Australians have fair access to telecommunications in this country. (Time expired)

Senator ALLISON (Victoria—Leader of the Australian Democrats) (4.24 pm)—The Democrats support the basic contention of this motion—that is, that the government’s continued mismanagement of the sale of Telstra is hurting not only the prospects of the company but all Australians, the people who currently own just over 50 per cent of Telstra. Like the majority of Australians, the Democrats continue to oppose the sale of this important asset. We do so on the grounds of public and national interest. We argue that telecommunications are absolutely vital to the national security and economic and social development of this country, as essential as good roads, ports and the like. It should be treated as a critical part of our nation’s infrastructure and therefore should remain in public hands.

In this country we are increasingly reliant on e-commerce, e-health and e-banking. High-speed broadband is essential for successful engagement with the modern economy and society, especially by small business and people in rural and remote areas, in overcoming isolation and lack of services. Yet Australia is still behind the OECD average in broadband penetration—ranked only 17 out of 30 OECD countries.

The decision by the government to press ahead with the sale of Telstra in 2006 despite share prices being at a nine-year low, the withdrawal of Telstra from negotiations with the ACCC on a fibre-to-the-node network and ongoing denigration of the federal regulator regime by senior executives of Telstra, even as recently as the release of the Telstra prospectus no less, suggest the federal government has bungled the management of this sale and the sale of the first two tranches of Telstra shares. The first tranche was undervalued, the second tranche was overvalued and this tranche is likely to be undervalued from what we can gather.

Importantly, the government has mismanaged Telstra and communications insofar as competition is concerned. The telecommunications market has improved in Australia since the introduction of competition, mostly in mobile phones, but Telstra, with its ownership of the copper network and hybrid fibre coax cable delivering pay TV and broadband, is still the dominant player. Telstra has both the ability, through its ownership of the essential elements of the infrastructure, and the incentive, because of its vertical integration, to favour its own interests, and it does that. Telstra has been quite explicit about its intentions to prevent competition, yet the government has done nothing about it and is proceeding with the sale, giving up its stake and influence as though nothing is wrong.

Sol Trujillo in February this year made it clear that he did not think Australia needed competition, that a monopolistic, internationally competitive company is what will drive the best outcome for consumers. I thought that was at odds with government policy, but just a moment ago Senator Ian Macdonald suggested that this is quite okay.

Telstra’s rollout of 3G may bring more sophisticated technology to some consumers, but will ultimately reduce consumer choice, especially in regional areas because competitors who currently resell on the Telstra CDMA service will be shut out. Telstra pulled out of fibre-to-the-node negotiations with the regulator because they could not agree on an access regime for competitors.
Telstra also warned the Senate inquiry examining the legislation into the final sale last year that they would not invest in new infrastructure if they were forced to allow competitors to access their network.

The government’s light touch self-regulation has failed, operational separation has failed, and putting the ‘hard word’ on Sol Trujillo and his team has failed. The Prime Minister is now bucking due process by putting an insider on the board in the hope that he will do his bidding. It is our view that this strategy is also doomed to fail. The government has well and truly bungled the management of Telstra and the telecommunications industry. It has said it was on track about competition but has failed to deliver. It has shown itself to be ideologically driven on privatisation, despite the absurdity of proceeding in the current climate. It is the current Telstra shareholders, tax payers and ultimately consumers, all Australians, who will be the losers.

Senator WORTLEY (South Australia) (4.29 pm)—I rise to speak on this matter of public importance: the Howard government’s continued mismanagement of the sale of Telstra. It is not the first time I have spoken on this issue and I am sure it will not be the last. We already know that the Howard government disregarded the views of more than 70 per cent of Australians when it voted to go ahead with the privatisation of Telstra and that the government is out of touch with the majority of the Australian population that do not want Telstra sold, let alone sold at any cost. It has been a debacle from day one.

And, just when you thought it could not get any worse, new heights of arrogance have been reached. The public offer prospectus for the T3 float is the latest confirmation of the economic incompetence of the Howard government. The Howard government’s mismanagement of the sale of Telstra has turned T3 into a shambles. This shambles is hurting the prospects of Telstra and the interests of Telstra’s shareholders.

There are three areas where the Telstra prospectus identifies the government’s actions as hurting Telstra. First of all, there is the government’s childish obsession with forcing the nomination of government nominee Mr Geoff Cousins as a director of Telstra despite the opposition of the Telstra board. The second is the government’s economically incompetent decision to dump billions of dollars worth of Telstra shares into the Future Fund for sale at a later date, depressing the Telstra share price for years into the future. The third is the regulatory uncertainty that undermines Telstra’s investment plans.

The presence in the T3 prospectus of these three risks to Telstra’s future is extraordinary. Their presence is extraordinary because each is a risk to Telstra’s profitability, undermining investor confidence in the float that has been created by the Howard government. These risks are not the usual risks associated with business; they are additional investment risks that are purely the creation of the Howard government. The fact that, on the one hand, the government could be talking up the Telstra float while, on the other, creating risks that undermine the prospects of the float is an extraordinary demonstration of the government’s incompetence. Even worse, these risks are purely the result of personal animosity and ideological obsession—not a compromise for policy reasons but pure personal vindictiveness and ideological obsession.

The government have done what they have become accustomed to doing when they want to stamp their ideological position. They have turned to their internal line-up of Howard foot soldiers in an attempt to absorb heat over their ongoing mess, this time rolling out Mr Cousins and nominating him, confident that he will be elected as a director
at the annual general meeting, even though concerns have been raised about the consequences should he be successful in winning the position.

The appointment of Mr Geoff Cousins is the basest of personal square ups. The Telstra board has outraged the Howard government simply by disagreeing with its view of the world. So, as payback, the government is now forcing a close personal friend and adviser of the Prime Minister onto the Telstra board to act as a government spy. The Prime Minister said yesterday:

... the government will be voting for Mr Cousins at the annual meeting and I feel reasonably confident that he will be elected ...

This, and the Prime Minister knows that Donald McGauchie has already written to shareholders asking them not to vote for Mr Cousins. The handling of Telstra by the Howard government is reaching the point where they are completely on the run and have few places left to turn, so much so that the government’s embarrassing performance during question time yesterday confirmed that they are out of answers and completely exposed.

Under the heading ‘Investment and other risks’ in the T3 prospectus, printed and launched yesterday as the ink was still drying, the first paragraph attempts to shed some light on the nomination of Prime Minister Howard’s nine-year part-time adviser and—as media reports say—‘friend’ as a director to Telstra. It says:

There are significant differences between the Commonwealth and the Telstra Board with respect to the nomination for election as a director of Mr Geoffrey Cousins.

‘Significant differences’, read another way, could mean a genuine risk in the view of Telstra. Telstra used the prospectus to warn investors that the election of Mr Cousins could upset the board. The prospectus says:

Telstra believes that there is a risk if Mr Cousins cannot be considered an independent director that this could prove disruptive to the smooth and effective functioning of the Board. Were this to occur, this could also affect Telstra’s ability to attract and retain qualified directors.

It goes on to say:

The Telstra Board did not seek Mr Cousins’ nomination and did not have the opportunity to adequately assess Mr Cousins’ candidacy in accordance with its governance processes, which include assessing a proposed director having regard to the independence requirements of the Board’s Charter and the ASX Principles of Good Corporate Governance.

But it does not end there. It goes on to say:

... the Board is concerned that there is a risk that Mr Cousins’ previous consulting role with the Government could interfere with his capacity to be considered an independent director. In the Notice of Meeting for the AGM, the Board did not recommend that shareholders vote in favour of Mr Cousins.

Now I will consider the government’s opposing view. The government says that it has sought the nomination of Mr Cousins and lists his experience, highlighting a number of positions he has held. The government also states that Mr Cousins will act independently. It should be noted that Mr Cousins only resigned as a part-time consultant to the Prime Minister upon his nomination. So, after years of his being a consultant to the Liberal Party, we are now expected to believe that the government will be held at a distance, that he will act independently and that his appointment is justified by his experience. In the T3 prospectus, the Commonwealth has written:

Mr Cousins has more than 26 years experience as a company director ...

My understanding is that Mr Cousins does have experience in Australian telecommunications—that he was the chief executive officer of Optus Vision, a company that lost
$4 billion and was wound up. The T3 prospectus tells us:
Mr Cousins was previously the Chairman of George Patterson Australia ...
Further down, it says that he has held a number of positions at George Patterson, including Chief Executive of George Patterson Australia.

A recently released government contracts document shows that Mr Cousins’ former advertising agency, now called George Patterson Y&R, has been contracted by the government for $1.87 million for advertising agency services for the Telstra T3 sale, and today in our newspapers we read this about the government’s $20 million Telstra share offer advertising campaign:
Media buyers said the government would pay higher than normal prices because of the need to book prime time television advertising spots.
So here we have the government appointing a mate to the board, contracting the company in which he held significant senior positions and then spending a further $20 million—paying higher than normal prices—on the advertising of their sugar-coated sale of Telstra. Whichever way you look at it, the government’s actions regarding T3 have undermined its medium- to long-term prospects.

The government is attempting to get the public’s confidence by embarking on an expensive advertising campaign—$20 million worth of advertising—while continuing to attack Telstra’s direction and its leadership and not giving genuine consideration to concerns Telstra has raised about the government’s nomination for a position on the board. But Australians should not be surprised about this latest extravagant advertising campaign—it is straight off the back of the government’s $55 million Work Choices advertising campaign.

Telstra’s prospectus, released yesterday, is a damning indictment of the government’s role in the Telstra sale process. The government’s handling of Telstra has been a shambles. It is time John Howard stopped putting his own political interests ahead of those of the Australian public and Telstra shareholders. They deserve better than this. (Time expired)

Senator BRANDIS (Queensland) (4.39 pm)—I am sorry to say that we have heard in the performance of Senator Conroy, and now Senator Wortley, an example of just how shabby the Labor Party’s approach to this issue has become. And it really is an extraordinary height of hypocrisy that Senator Conroy, on behalf of the opposition, should table an MPI discussion today attacking the government for ‘hurting the prospects of the company’—that is, Telstra—when, throughout question time today and yesterday, and in the public statements he has made since the T3 float was announced, talking down the share price of Telstra has been Senator Conroy’s only game. That is all he has been doing—talking down the share price. So has Mr Beazley. So has Mr Tanner. So, to their shame, has the Labor shadow ministry. And yet these are the people who would run communications policy were the Australian public so unwise as to elect them to government next year.

I want to come back to that, but first of all let me say a word in defence of Mr Cousins. I do not know Mr Cousins; I have never met him. I know only so much about him as I have read in the newspapers. But we do know that he is an experienced company director with extensive experience in this industry and that he is a candidate proposed by the government for the board—the government which at the moment has 51 per cent of the shares in Telstra and, even after the T3 float, will continue to be the largest single shareholder in Telstra. There is absolutely nothing unusual about the majority shareholder, or the shareholder which will
continue to be the largest single shareholder in Telstra, having its nominee elected to the board. In fact, there are other directors of Telstra who are there at the moment because the government recommended them. Not only is there nothing unusual about that but it would be extremely surprising and entirely at variance with Australian commercial practice were that not the case. But we hear Senator Conroy—who has never been able to master detail and therefore is reduced to boilerplate political rhetoric and his trademark character assassination—attack Mr Cousins and use wild claims such as he would be the government spy and that he would not bring an independent mind to bear.

Mr Cousins is a reputable businessman and he knows much better than Senator Conroy seems to know that as a director of a public company he will be subject to fiduciary obligations, both statutory and at law. On the basis of this man’s quarter-century experience as a company director, there is absolutely no reason to believe that he will not in good faith discharge those statutory and fiduciary obligations. We have not heard one suggestion against Mr Cousins that in his entire history as a company director and as a businessman he has behaved inappropriately or unlawfully or in any other untoward fashion.

There has been no substance to these wild character attacks on this man to suggest that he cannot be trusted to discharge the fiduciary and statutory duties with which, after 25 years experience as a company director, he is well familiar. So that is why I say this attack is shabby. If you have something to say against Mr Cousins as to why he is not a fit and proper person to be the director of a public company, then come out and say it. But if you have nothing to say—as you obviously do not—then accept that this man will fulfil his duties which he has obviously done in a quarter-century career as a businessman. The only objection to Mr Cousins is that he is the nominee of the Australian government—the 51 per cent shareholder, the shareholder which after the sale of T3 will still be the largest shareholder of the company. As I said before, there is nothing wrong with that.

Senator Conroy and Senator Wortley gave themselves away when they both said in their speeches that this legislation is in pursuit of an ideological agenda. All of a sudden ideology, the implementation of policy in accordance with a set of political beliefs and values, has become a pejorative. Why is the privatisation of Telstra any more ideological than the privatisation of Qantas, the privatisation of CSL or the privatisation of the Commonwealth Bank? All three of them, particularly the Commonwealth Bank and Qantas, I suppose, are iconic Australian companies, every bit as much as Telstra is, and the privatisation of all was implemented by the previous Labor government.

They were good decisions, not ideological in the rather pejorative sense that has been wound around the privatisation of Telstra by Senator Conroy and Senator Wortley. They were sound public policy decisions borne of the shared belief—the memory of the Labor Party has obviously lapsed on this point at the moment—of both sides of politics in this country for the last 20 or 30 years, and of my side of politics for its entire history, that trading corporations are best governed by the market, and their capital is best traded on stock exchanges and privately held. In this day and age, trading corporations should not ordinarily be owned and regulated by governments. Australia remains the only country in the OECD and one of the only countries in the world in which the principal telecommunications company is a government owned enterprise. That is what we are trying to set to rights. We are trying to bring Australian telecommunications policy into conformity with policy everywhere else in the world,
superintended by non-labour governments and, in Britain, by the Labour government. There is nothing untoward about it.

Opposition senators say its ideological, but I say to them that there is nothing wrong with implementing good public policy in accordance with a set of principles. Rather than argue the public policy, we have this shabby, ad hominem, disgusting attack on the integrity of an individual.

Senator NETTLE (New South Wales) (4.47 pm)—We now see in the dying days of government control of the telecommunications company Telstra the government seeking to impose its man on the Telstra board. Perhaps we should not consider this to be too surprising when we look at the interaction between the government and a number of public institutions. We have seen the government argue on the one hand for the privatisation, the liberalisation or the commercialisation of public institutions and the cutting of any ties between them and government. Yet, on the other hand, we have seen the government argue on the one hand for the privatisation, the liberalisation or the commercialisation of public institutions and the cutting of any ties between them and government. Yet, on the other hand, we have seen the government seek through legislation or any other means at its disposal to twist the arms of organisations and bully them into implementing the government’s view of the world.

Whether it be the schools and a national curriculum, whether it be the ties to universities, which the government wants to defund and yet regulate more than we have ever seen before in this country, whether it be the health funds or whether it be the airlines, this government wants to take no responsibility in terms of funding and supporting such important public institutions and their infrastructure, but it wants to have a tremendous amount of control over what happens in those institutions and how they operate. It is a pattern that we have seen regularly from this government in its interaction with a number of services, including an essential service like telecommunications.

The Greens think it is entirely appropriate for the government to take a keen interest in the provision of public services, including telecommunications, and that is why we oppose the sale of Telstra. We have done that all the way down the line, from T1 to T2 and now T3. We have done so because we see the benefit, the public interest, provided to the whole of the community by ensuring that governments are involved in the ownership and regulation of such institutions.

We have opposed the privatisation of Telstra because we can see the impact that the sale of Telstra is already having on people who have difficulty accessing telecommunications services, and there will be even further impacts. People who are living in regional parts of the country or people who have special needs require those needs to be met by public institutions such as telecommunications providers or by the institutions that I have mentioned.

Investors have not done well out of the privatisation of Telstra. The public have also not done well out of the privatisation of Telstra so far because of the forgone government revenue. This is why it is not surprising that so many people in Australia are opposed to these ongoing privatisations, whether done by the Howard government, by the Labor government before them or by Labor governments at the state level.

That is why in this debate on Telstra we have seen so many people who live in regional Australia speaking out about the importance of ensuring that Telstra not be privatised. But people in the National Party who purport to speak in this chamber on behalf of regional Australia chose to line up with the government, with the Liberal Party, and to privatise Telstra. We have seen them do that on a number of issues. Members of
the National Party have said that the concerns of their constituents, the issues that they have raised and spoken about, are not of such concern that they should oppose the new cross-media ownership laws that the government is introducing into the Senate today.

We have seen a very disappointing representation in the parliament by the party that purports to speak for people in regional Australia. It is not surprising that more and more people in regional Australia are finding that they do not have a voice through the National Party. When I and my Greens colleagues work in regional parts of Australia, we find that people want to talk about what is being done about their voice being heard on climate change, the need to have important services like telecommunications available for them and the need to ensure that there is diversity in media ownership in regional parts of Australia.

When the government has majority control of the Senate with the Liberal Party and the National Party working together, the voices of people in regional parts of Australia are silenced in the parliament. It is very important that at the next federal election people in regional Australia help us in the campaign to rescue this Senate from the control of the government, otherwise their voices will not be heard. Their concerns will not be represented in the parliament and the government will continue to steamroll through with a whole range of proposals that have tremendously detrimental effects on people in regional parts of this country, such as taking away their telecommunications, reducing their access to diversity in the media or not dealing with climate change. (Time expired)

Senator McGauran (Victoria) (4.52 pm)—I rise to support the government's point of view on this matter of public importance and to support my colleagues Senator Ian Macdonald and Senator Brandis, who both gave fiery addresses.

This matter relates to the sale of Telstra. That is the essence of the debate here today. The sale of Telstra has been the most debated issue in this chamber for the past 10 years. No issue has absorbed the time and ire of the opposition more than the sale of Telstra. We have had three separate, full-on Senate inquiries. We have had weeks and weeks of debates with the three different sale allotments. And we have had four elections, with the policy of the opposition at each election being not to sell Telstra and with the government having a clear and definite policy to sell Telstra. The differences are stark. We have debated the issue ad infinitum in this chamber. The government is upholding its mandate to sell Telstra.

Here we are again today debating the sale of Telstra. We are debating the most muddled, confused and contradictory MPI on Telstra yet. That is some achievement, and it is led by none other than Senator Conroy. The MPI is full of policy backflips, and it is being led by the very man who is not against the sale of Telstra. He is leading an opposition policy that he does not himself believe in. Why do I say that? Because I have him on record. I can quote Senator Conroy on record from a television interview some time back. He said:

It makes no difference to the majority of Australians one way or the other about the ownership structure. What they care about is what’s the best way to get cheaper prices and better services.

It is quite well known publicly and privately that the instigator of this matter of public importance today is in favour of the privatisation of Telstra. At the very least, he is not against the privatisation of Telstra. But it gets more contradictory and more muddled than that. Let me look at point (c) of the matter of
public importance. Talk about policy backflips. It reads:

... government imposed regulation threatens the company’s earning prospects.

That is straight out of the handbook of Sol Trujillo and their part of the board. That is exactly the complaint they have been railing against the government over in the last 12 months or more. Yet Sol Trujillo was the target of Senator Conroy’s own personal attacks. As the previous government speaker, Senator Brandis, rightly put it, Senator Conroy’s hallmark is exaggerated statements and personal attacks. They are a substitute for policy, study and substance.

Senator Conroy is on record as railing personally against the Telstra CEO, Sol Trujillo. One of the characteristics about Sol Trujillo that Senator Conroy was railing against was the fact that Sol Trujillo believed that there was too much regulation over Telstra and that that stifled it in the market. Now we have the Labor Party supporting that point of view. It now supports less regulation over Telstra. I am not sure if those opposite really believe that, but for the purposes of this MPI it is in there and we have to accept it as policy.

What will those on the other side abolish in regard to regulation? Is it the universal service obligation, which this government supports and backs and which this government has strengthened in its time in government? Is it the customer service guarantee? Is that too much regulation? I can tell senators opposite that Sol Trujillo and the other three amigos think it is. They think it is too tough. They would like to see it lifted. Is that what the Labor Party also supports? Is it the operational separation between the wholesale sector and the retail division? That is another regulation that the Telstra board was reluctant to adhere to.

The government introduced those regulations for a purpose. It was not to put yet another layer of red tape across this market. We would not want to do that with this or any other market. It was in fact to enhance competition. Let us not forget that Telstra—or Telecom, the previous incarnation—was a government monopoly. To give the other carriers a chance in the market, we had to introduce a certain amount of regulation so that the other carriers had access to the infrastructure of Telstra. There is a reason it is there, and it is for better and smoother competition. There is another reason we introduced elements such as the customer guarantee and the universal service obligation. That is to support the rural and regional areas of Australia so that they can have an equivalent standard of telecommunications to that of metropolitan areas.

I would have thought that the Labor Party would have supported that—and I actually thought they did support it. Thinking back over previous debates, I would have thought that you supported government regulation and intervention so as to equalise the rural and regional areas that, without regulation, would not receive a communication standard equivalent to that in metropolitan areas. It seems to me that you no longer do that. For the sake of political opportunism, you have done a backflip. You have become so inconsistent and so muddled on this issue that you now send a signal to the Australian people that they simply cannot trust you on policy. If this is the No. 1 policy you wish to debate in this chamber, it does not bode well for the rest of your policies.

The ACTING DEPUTY PRESIDENT (Senator Watson)—Order! The time for the discussion has concluded.
Senator SCULLION (Northern Territory) (5.00 pm)—On behalf of the Chair of the Community Affairs Committee, Senator Humphries, I present additional information received by the committee on its inquiry into the Transparent Advertising and Notification of Pregnancy Counselling Services Bill 2005.

HEALTH INSURANCE AMENDMENT (MEDICAL SPECIALISTS) BILL 2006
NATIONAL HEALTH AMENDMENT (IMMUNISATION) BILL 2006
INTELLECTUAL PROPERTY LAWS AMENDMENT BILL 2006
PROTECTION OF THE SEA (HARMFUL ANTI-FOULING SYSTEMS) BILL 2006
SOCIAL SECURITY AND FAMILY ASSISTANCE LEGISLATION AMENDMENT (MISCELLANEOUS MEASURES) BILL 2006
MARITIME TRANSPORT AND OFFSHORE FACILITIES SECURITY AMENDMENT (SECURITY PLANS AND OTHER MEASURES) BILL 2006

Assent

Message from Her Excellency the Administrator of the Commonwealth of Australia was reported informing the Senate that she had assented to the bills.

HIGHER EDUCATION LEGISLATION AMENDMENT (2006 BUDGET AND OTHER MEASURES) BILL 2006

First Reading

Bill received from the House of Representatives.

Senator SANDY MACDONALD (New South Wales—Parliamentary Secretary to the Minister for Defence) (5.01 pm)—I move:

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

Question agreed to.

Bill read a first time.

Second Reading

Senator SANDY MACDONALD (New South Wales—Parliamentary Secretary to the Minister for Defence) (5.01 pm)—I move:

That this bill be now read a second time.

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

Leave granted.

The speech read as follows—

HIGHER EDUCATION LEGISLATION AMENDMENT (2006 BUDGET AND OTHER MEASURES) BILL 2006

The measures contained in this bill implement the Coalition Government’s recent decision to boost training in vital health courses. The Government will fund 605 new commencing medical places, 1,036 new commencing nursing places and a significant increase in the contribution to support clinical training for nursing students, as part of the Australian Government’s contribution to the Council of Australian Governments’ Health Workforce package. In return, the States and Territories are required to provide sufficient high quality clinical training for these students through their hospital networks, community health, and in other appropriate settings.

Some of the new medical places will be bonded to areas of workforce shortages to promote the improved distribution of medical graduates in rural and regional areas.

This bill also includes $25.5 million in capital funding to support new medical places at James Cook University, the University of New England and the University of Queensland.

In addition, this bill provides funding for 431 new mental health nursing places and 210 new clinical psychology places as part of the Australian Government’s contribution to the Council of Australian Governments’ Mental Health package. These places will help to expand the mental health
workforce and ensure Australians have access to high quality mental health services.

The Government will also provide funding for 40 new places for a centre of excellence in Islamic studies to commence in 2007.

All of these new places will build on the new places the Australian Government is already funding as part of the $11 billion in additional funding through the Our Universities: Backing Australia’s Future package of higher education reforms and other initiatives. Through these alone, around 39,000 new places will be created by 2009.

This bill will also increase the general FEE-HELP limit to $80,000 and the limit for students enrolled in a medicine, dentistry or veterinary science course to $100,000. The current FEE-HELP limit is $50,950 (2006 indexed figure). The increases will apply from 1 January 2007 to all eligible students, regardless of when they commenced their studies.

The new FEE-HELP limits will encourage greater participation in higher education.

One of the most significant Budget measures reflected in this bill is a commitment of an extra $95.5 million over four years for the Capital Development Pool programme. In May, the Coalition Government announced a 50% increase in base capital funding under this programme, enabling universities to undertake more projects that support quality learning and teaching. This additional funding, commencing in 2007, will assist universities to provide courses in areas that have high infrastructure needs.

In separate measures, the bill will give higher education providers increased flexibility to set student contributions and tuition fees. Student contributions will remain subject to the maximum amounts and tuition fees will remain subject to the minimum amounts specified in the Higher Education Support Act 2003. This flexibility will enable fees and contributions to be set to reflect the differing costs involved in providing the same course to different types of students, for example, those at different campuses or undertaking study via different modes of delivery.

The bill will also extend the summer school provisions of the Higher Education Support Act 2003 to winter schools. This will also increase higher education providers’ flexibility in the delivery of courses and further improve study options available for students.

This bill will make very minor technical amendments to permit the Australian Government to develop guidelines to regulate higher education in Australia’s external territories and set fees for such applications in the guidelines.

The bill contains other technical amendments to facilitate the administration of the Higher Education Loan Programme (HELP). The bill will repeal the HECS account; round amounts used in the calculation of accumulated HELP debts and clarify the arrangements for electronic communications between providers and students.

The bill provides $1.5 million over four years in funding for the Federation of Australian Scientific and Technological Societies (FASTS) and the Council for the Humanities, Arts and Social Sciences (CHASS). This funding will support the activities of Federation of Australian Scientific and Technological Societies, including the Federation’s role in policy formulation; raising public awareness and promoting the importance of science and technology in addressing important national issues. The funding for the Council for the Humanities, Arts and Social Sciences will help the Council build the contribution of the arts, humanities and social sciences to the national innovation system.

The bill will provide funding for around 250 new postgraduate research scholarships under a new scheme called the Commercialisation Training Scheme announced as part of the Backing Australia’s Ability—Building our Future through Science and Innovation package. The creation of these new postgraduate research scholarships will help students to develop skills in research commercialisation and intellectual property management. These scholarships will ensure the next generation of Australian researchers are equipped with the skills necessary to bring research–based ideas, inventions and innovations to market.
This bill will amend the maximum funding amounts under the Higher Education Support Act 2003 and maximum amounts for transition funding under the Higher Education Funding Act 1988, to reflect indexation increases, and add a new funding year—2010.

This bill will also update annual funding caps in the Australian Research Council Act 2001 to reflect revised forward estimates.

This bill now before the Senate is a clear expression of the Australian Government’s strong commitment to higher education and will enhance the quality of our higher education system and the choices available to students. It reflects the Government’s commitment to ensuring that Australia’s higher education sector continues to play a vital role in our economic, cultural and social development.

Full details of the measures in the bill are contained in the Explanatory Memorandum circulated to honourable Senators.

I commend the bill to the Senate.

Debate (on motion by Senator Sandy Macdonald) adjourned.

**CHILD SUPPORT LEGISLATION AMENDMENT (REFORM OF THE CHILD SUPPORT SCHEME—NEW FORMULA AND OTHER MEASURES) BILL 2006**

Report of Community Affairs Committee

Senator SCULLION (Northern Territory) (5.02 pm)—On behalf of the Chair of the Senate Standing Committee on Community Affairs, Senator Humphries, I present the report of the committee on the provisions of the Child Support Legislation Amendment (Reform of the Child Support Scheme—New Formula and Other Measures) Bill 2006 together with the *Hansard* record of proceedings and documents presented to the committee.

Ordered that the report be printed.
Foreign investment offers the potential to offer new players into the market and to increase media diversity. In contrast, Labor opposes the provisions of the bill which weaken the current cross-media ownership laws, and I will move to those reasons shortly.

The digital television policies that the government has pursued to date have manifestly failed to rapidly move Australia to the point where analog broadcasts can end. According to industry data, only around 20 per cent of households have purchased the necessary equipment to receive digital free-to-air broadcasts. There are a range of factors that explain the poor level of take-up. Undoubtedly, a significant problem has been the fact that the regulatory regime has simply failed to provide consumers with significant incentives in terms of additional content.

The digital television bill contains a number of measures which relax the regulatory regime and will increase the appeal of digital television to consumers. Labor welcomes these initiatives. Nonetheless, the introduction of these bills has been a debacle from the start. These measures have almost no support from the general public, consumer groups or staff associations. It is no surprise that almost all the support for these changes came from media proprietors only. This is just another example of the Howard government’s extreme agenda, which it is determined to inflict onto the Australian people.

But perhaps we should feel sorry for Senator Coonan’s plight. After all, as Matthew Ricketson wrote in last Saturday’s Age newspaper:

Media policy usually looks like a patchwork quilt lying on top of a dead cat.

Yet Senator Coonan has shown she is prepared to anger media companies over legislation with no public support. Since the government flagged these changes, we have seen a communications minister who appears to have no understanding of the purpose of cross-media laws or the fundamental role those laws play in protecting media diversity.

The Senate inquiry into media ownership has been nothing short of farcical. The government has used its numbers to restrict the amount of time available for senators to question witnesses, and many groups missed out completely on the opportunity to give evidence on what are the biggest changes to media law in 25 years. During the hearings, the tension between some senators exploded to the surface as some coalition senators expressed doubts about the Howard government’s media reform agenda. We even witnessed one coalition senator storm out of the committee room in disgust.

Media diversity and media independence are an integral part of our democracy, and blind Freddy could see that democracy will suffer if ownership is concentrated in the hands of a few media moguls. Never has this been more important than in this age, when the government uses its executive power to reduce the scrutiny and accountability it must face. Senator Coonan’s so-called diversity test, requiring at least five voices in major cities and four voices for regional areas, will not and cannot maintain diversity. In some major cities we will see the number of separate players go from 10 down to five. In my state of New South Wales, rural and regional areas will be particularly hard hit by the changes. Dubbo, for example, will see the number of separate players reduced from six down to four. Newcastle will experience a reduction from the current seven separate players down to four and in Orange the current six separate players will be reduced to four.

Australia’s few remaining independently owned regional media networks are at grave risk. If one company were to own television,
radio and print press, they would be a formi-
dable organisation. Who does this benefit? C
certainly, it does not benefit the consumer.
Variety of new services, editorial independ-
ence and competition between advertisers is
healthy for local democracy and local issues.
The reality is, if these measures pass the
Senate, there will be a concentration of me-
dia. If these independent regional media out-
lets are not allowed to grow but rather are
merged into large conglomerates, it is highly
likely that there will be significant job cuts in
regional Australia.

The dominant sources of news and opin-
ion for Australians remain those which are
produced by television, radio and newspaper
companies. Local content requirements on
regional radio will not protect media diver-
sity if the news just comes from the local
newspaper owned by the same company.
Independent Regional Radio Broadcasters, a
body representing 73 commercial radio ser-
vices in regional Australia, predicts that the
government’s proposal could result in a sin-
gle dominant media company emerging in 47
areas of rural and regional Australia. Re-
gional media organisations will be forced to
focus increasingly on the cost side of the
business, and local input such as news ser-
vices would be wound back or cut com-
pletely. Not only will regional Australia suf-
f er with job losses but a lifeline of informa-
tion and entertainment will be severed. This
parliament should be seeking to maintain a
genuinely regional media that is run by and
for regional interests instead of seeking to
concentrate all media in this country in only
a few hands.

The government has placed blind faith in
the ability of the ACCC to stop media market
concentration, but the capacity of the ACCC
to stop cross-media mergers has been dis-
puted by leading law firm Phillips Fox. In its
November 2005 publication Merger monitor:
focus on media mergers, Phillips Fox chal-
lenged the view of the ACCC Chairman that
the Trade Practices Act prohibition on anti-
competitive mergers could be applied to stop
cross-media mergers. As well, the Productiv-
ity Commission in its review of broadcasting
regulation stated that:

It is clear that the Trade Practices Act as it stands
would be unable to prevent many cross media
mergers or acquisitions which may reduce diver-
sity. It is also clear that the adoption by the ACCC
of a broader definition of the media market would
not adequately address the social dimensions of
the policy problem, and would be open to legal
challenge.

The reality is that the ACCC will have little
control of media mergers. It is clear the
Trade Practices Act is not strong enough in
its present form and it needs changes that
will give it teeth to protect consumers from
anticompetitive abuses of market power. I
note that this issue consumed quite a large
proportion of the committee’s report, and an
extended discussion of the issues around the
ACCC is documented in that report.

Senator Coonan is out of touch with real-
ity if she believes that the internet is having
an impact on media diversity. Very few Aus-
tralians turn to the internet for news and in-
formation as opposed to entertainment.
When Australians do turn to the internet for
news, they overwhelmingly go to the web-
sites owned by the traditional media players.
Studies undertaken by Roy Morgan Research
show that, despite the rise of new media over
the past decade, only a very small proportion
of Australians rely on the internet for news
and current affairs. Other findings of that
research were that on average only 14 per
cent of the time that Australians spend on
consuming media is devoted to the internet,
compared to 44 per cent on television and 32
per cent on radio. Television, newspaper and
radio are the main sources of domestic news
and current affairs for over 95 per cent of the
population. By comparison, only three per
That 75 per cent of the population never or rarely use the internet to obtain domestic and international news, and of the roughly 25 per cent of the population that access the internet on a reasonably regular basis for domestic news and current affairs approximately 90 per cent rely on a small collection of websites that have a close association with traditional media providers. It is estimated that as little as one per cent of Australians rely on an alternative media provider as their main source of news and current affairs. The Roy Morgan Research report is quite extensive and it provides a real insight into the use of the internet for news and current affairs sources.

But, to the extent to which internet based news and current affairs is a source of news and comment, it is more than the old media repackaged. The reality is, despite Senator Coonan’s assertions to the contrary, that new media adds virtually nothing to the diversity of news and current affairs in Australia. That is a furphy of an argument. It just does not hold up. Senator Coonan’s view that the cross-media laws are stifling growth and investment opportunities for traditional media companies is also wrong. Our media companies already invest in online businesses and pay television and have distribution deals for their content on mobile phones. During the Senate hearings, the Chairman of the ACCC said:

…the internet is simply a distribution channel. It has not shown any significant signs at this point in time of providing a greater diversity of credible information and news and commentary.

The laws at present stop one person from owning a newspaper, a radio station and a television in the same market. For the sake of the health of our democracy, it should remain that way. Even the minister’s own department has admitted one proprietor could control a local television station, a newspaper and a radio station in a regional area.

The government believes its legislation will guarantee at least five media operators in capital cities and four in rural and regional centres, but the Department of Communications, Information Technology and the Arts admitted that the guarantee was not ironclad. Officers from the department confirmed that, if there were four players in a regional market and one player owned television, radio and newspapers and the other three players were to go out of business, there could then quite feasibly be only one remaining proprietor who would own the television, radio and newspapers. If such a scenario were to eventuate, the impact on local democracy and media diversity would be immeasurable.

The free exchange of ideas and opinions cannot be assured in a modern society if the primary forms of media are controlled by a small number of people. When media ownership is concentrated in the hands of a few proprietors, it undermines the capacity of citizens and institutions to share information and opinions and it places media proprietors in a position to exert undue influence on public opinion, on politicians and on democratic processes.

The Broadcasting Services Act 1992 is intended to guard against the risks associated with the monopolisation of media markets. This objective is achieved by placing restrictions on the concentration of ownership of the main types of media—radio, television and newspaper—in particular geographic areas, through a system of licensing. The relevant provisions of the Broadcasting Services Act can be divided into two categories—concentration of control and cross-media. The concentration of control provisions prevent a person from gaining control
of a specific type of media in a market. The cross-media provisions restrict the capacity of a person to control two or more different types of media in a market. The aim of these provisions is to prevent undue concentration in media ownership so as to ensure diversity of content and opinions in the public sphere.

Despite the operation of the Broadcasting Services Act, by OECD standards the Australian media industry is already heavily concentrated. News Ltd and John Fairfax dominate capital city newspapers, controlling more than 80 per cent of the market. In capital city radio markets, four companies dominate, while three corporations control the majority of capital city and regional television audiences. Relaxation of the cross-media ownership laws will result in a further concentration of media ownership, which would have repercussions for the integrity of Australia’s democracy.

The tendency for people to rely on traditional media for news and current affairs is also more pronounced in regional areas. Thirty per cent of people in regional areas have never accessed the internet, compared with 21 per cent in capital cities. Moreover, 22 per cent of people in regional areas are heavy commercial television users compared to 18 per cent in capital cities. Similarly, there is also an 11 percentage point difference in heavy internet usage between capital cities and regional areas. These figures suggest that the diversity of information and opinions will be more negatively affected in regional areas than in capital cities if there is an increase in the concentration of media ownership as a result of changes in the regulatory framework.

These concerns are widely held in the Australian community. A Newspoll survey conducted in 1995—10 years ago—asked respondents whether they thought it important that ‘there should be a lot of different proprietors of Australia’s media’. Seventy eight per cent of respondents thought at the time that it was important, with support for this position being consistent across age groups and socioeconomic status.

Writing in the Sydney Morning Herald on 29 September 2005, former Prime Minister Paul Keating—the architect of the existing laws—said:

... policy changes of this kind are always sold on phoney arguments and an almighty sleight of hand.

It would seem—from what we have seen in this report, in the process of the Senate inquiry and from the debacle that has been represented over the last few days as the government tries to negotiate around amendments and proposals—that Paul Keating was certainly correct.

Senator MURRAY (Western Australia) (5.19 pm)—The two bills we are debating cognately are the Broadcasting Services Amendment (Media Ownership) Bill 2006 and the Broadcasting Legislation Amendment (Digital Television) Bill 2006. I note that the minister has circulated the substantive set of amendments and two supplementary explanatory memoranda. I have not had time to complete my understanding of those so my remarks will refer to the bills as they are before us.

I want to start by condemning the poor process the Senate inquiry had to put up with. Although the committee benefited from a hardworking, capable secretariat and from balanced, judicious and considerate chairing from Senator Eggleston, under constrained circumstances, the inquiry process has been poor. The inquiry has been characterised by too short a time for advertising, for the writing of submissions, for senators to read all the submissions, for the hearings themselves, for questions on notice to be answered and for the writing of reports.
The short time for submissions may be less of a problem for the megamedia groups that have been lobbying the coalition and have ready material to hand. It may be less of a problem for witnesses with deep pockets and extensive resources, such as the business sector. So the big end of town was probably catered for. But this process effectively restricted the evidence that could be encouraged and adduced from academics, other interested parties and members of the public. The disagreement between Senators Joyce and Brandis during the hearing was a direct consequence of the ridiculous state of affairs whereby the six coalition members present shared 10 or so minutes per witness.

Firstly, the Broadcasting Services Amendment (Media Ownership) Bill 2006 proposes new media diversity rules which would allow cross-media transactions to occur provided a minimum number of separately controlled commercial media groups were maintained in the relevant licence area. Secondly, it proposes the removal of all restrictions on foreign ownership and control of commercial television and subscription television. It will permit cross-media mergers that are currently prohibited. This is the bill that is the most contentious of the four bills that comprise the package.

The digital television bill provides for three major policy changes. The first change relates to the requirement that commercial television broadcast licensees provide a high-definition television simulcast version of their analog and standard television services. The second policy issue addressed by the bill is the moratorium on the grant of new commercial free-to-air television broadcast licences. The third issue relates to the non-broadcasting services band licences.

The Australian Democrats do not oppose media industry reform. We strongly support the modernisation and improvement of statute and regulation with respect to the media industry, predicated on the introduction of greater competition, not less competition, and meaningful diversity. Much of the technology for media delivery in the future—and that future is not far distant—will be on telecommunications platforms. That being the case, it is essential that, for telecommunications and media, we establish guaranteed, affordable services available to all but the remotest Australians and enforced through legislated customer service obligations. For the rest, the market needs to be as free and open as possible. We need to distinguish in these matters between consumer needs and political or societal needs. Consumer needs are satisfied by free rein being allowed for new technology and a maximum variety of product types. That is best guaranteed through few barriers to entry and through encouraging real competition.

The minister for communications and other government figures have tried to answer the charge that the coalition’s proposed new weak cross-media rules will result in the excessive and dangerous concentration of media power in a few hands by pointing to the Australian Competition and Consumer Commission as the safeguard. Under the existing provisions of the Trade Practices Act, preserving or enhancing a democratic institution of the fourth estate, the media, is not a matter that the ACCC will concern itself with. During the hearing I asked this question:

Just so that we have it on the record, when you consider a merger proposition in the media industry in future you will not consider the issue of whether it will contribute to the health of our Australian democracy, will you?

Mr Graeme Samuel, Chairman of the ACCC, answered: ‘No, we will not.’

For any members of the public foolish enough to think that corporate self-interest and manipulated information and opinion
might be uncommon in the Australian media, Mr Christopher Warren, Federal Secretary of the Media, Entertainment and Arts Alliance, told the inquiry that about half of the journalists they had surveyed said that ‘they had been required to report in a way that favoured the corporate line of their employer’ and that one in five ‘had been required to report in a way that favoured the political line of their employer’. I would give odds that the pressure on editors and management to toe the line is much higher.

It seems very hard to find ways to combat all this. So, from the vital democratic ‘fourth estate’ perspective, the only way to protect a diversity of opinion, news gathering, information and influence is to ensure a diversity of meaningful or real voices, a diversity of media types, a diversity of journalists and owners, and by maximising competition and restricting, even reducing, cross-media ownership.

We Democrats recognise that the technological and market changes, which have occurred in the media industry over the past 10 years and in technology at increasing speed over the last five years, make it imperative that media law and regulation keep pace with the market and technology and create a sensible and effective forward-looking regulatory environment for the future. If we are to have media markets freed from oligopoly, this government must pursue policies to increase diversity of views and voices. If we are to have a fair and open society, this government must pursue policies to increase diversity of views and voices. It must improve the use of and access to new technology, such as digital and broadband; it must ensure open access to media content; it must ensure that there is an adequate level of local and Australian content; and it must protect the independence and freedom of journalists and the media. It must also contribute to the quality of the product that is put before the Australian consumer. Failure to protect diversity of viewpoints is a failure to protect the necessary public debate that makes our democracy function.

The government have no evidence to support their assertion that these reforms will not lead to a concentration of the media market. They exaggerate the beneficial market impact that the internet and new media have and will, on credible information, supply in contrast to traditional media or ‘old’ media. In November 2005 a Roy Morgan poll found that 48 per cent of Australians get their main source of information from television, 22 per cent from newspapers, 19 per cent from radio and only eight per cent from the internet. The internet market share data from ACNielsen shows that Australian content on the internet is now more concentrated than in the ‘old’ media of newspapers, magazines, radio and TV. Clearly, an informed, professional and independent ‘traditional’ diverse media is still necessary. Again, this is what Mr Graeme Samuel, Chairman of the ACCC, told the inquiry:

We think the internet is simply a distribution channel. It has not shown any significant signs at this point in time of providing a greater diversity of credible information and news and commentary .... the primary sources of news, information and the like still are your mainstream sources: the ABC, News.com and Fairfax. They tend to be the primary sources of credible, timely news and information and discussion.

The government has tried to focus on how this package affects consumers, but more important is how it affects our democracy. Likewise, the submissions before the Senate committee from media owners overwhelmingly concentrated on their economic needs, not Australia’s need for an energetic, independent and diverse fourth estate. One witness’ body language was something to behold in his barely suppressed rage that the senators at the hearing were more concerned
with fourth estate issues than media business issues and those issues that affected his self-interest.

The lesson is that media owners’ and investors’ self-interest must be tempered by the legislators—that is, us—in the national and the public interest. The freedom of the press to report whatever and however they need has long been recognised as absolutely vital to democracy, and this freedom is most effective and relevant when there are a variety of diverse views of substance. Modern concentrated media power is such that, if that power is not to be abused, it needs to be dispersed and multiplied, not concentrated further. Evidence to the inquiry showed that Australia already has one of the most concentrated media sectors in the democratic world. Mr Eric Beecher, one of the owners of Crikey.com.au, a former editor of the Sydney Morning Herald and a former editor-in-chief of the Herald and Weekly Times group, said this to the committee:

Currently in Australia most journalism of significance is in the hands of five families plus the Fairfax organisation. Let us be specific about that: in the regional areas, it is the O’Reilly family and the John B Fairfax family, and in the metropolitan areas it is the Murdoch, Packer and Stokes families and the Fairfax organisation, which used to be family owned and is now institutionally owned. So you have six unelected groups-five of them families—and they are the gatekeepers of news and opinion in this country.

He went on:

The consolidation of the media industry in this country has been going on for years. In the 1980s there were 13 daily newspapers in the five capital cities and they had nine different owners. Today there are seven daily newspapers—almost half—and they have four owners.

... ... ...

It is the most concentrated media ownership in the Western world. We all know that, we talk about it, and yet we are sitting here talking about concentrating it even further. Add to that a pertinent comment from Senator Joyce, who remarked that he had not been getting any constituent calls asking him to go back to Canberra to make sure that he got more media concentration. Has anyone? What is this all about, then? What is this bill about, which will result in more media concentration?

My clear impression of many media owners is that they fear too many competitors—witness their opposition to a fourth free-to-air TV channel. Many in the community fear too few media owners. From the perspective of consumers and from our democracy, the central issue is that we need more competition, less concentration and more diversity in all media markets. Media diversity and independence are critical to the public debate that makes our democracy function well. Any concentration of the market in a few manipulative hands will reduce diversity in views and voices. It may also reduce quality and Australian content. If those were the outcomes, that would not be good for consumers or our democracy. Therefore, the starting point for revising these proposals has to be the regulators—the ACCC, whose role is to decide on mergers and acquisitions; ACMA, whose role is to apply and enforce media standards; and the Foreign Investment Review Board, whose role is to determine foreign ownership levels.

The very first requirement in any matter of industry regulation is to ensure competition is protected. It is not credible for the minister to assert that the ACCC and the minister will control any proposed media mergers adequately, because there are insufficient safeguards in our present laws. The Dawson bill—the Trade Practices Legislation Amendment Bill (No. 1) 2005, held up in the House of Representatives—will actually reduce safeguards because it allows for forum shopping and the application of different principles between the ACCC and the
Australian Competition Tribunal. Without very significant strengthening of the Trade Practices Act, including section 46, and including divestiture provisions, plus the addition of a media-specific public interest test, any media market deregulation through this legislation seems bound to result in reductions in real competition and a greater concentration of media power.

I have outlined elsewhere at length the weakness of the Trade Practices Act 1974 with respect to mergers and acquisitions, such as in these remarks I made in an adjournment speech three years ago:

Balanced divestiture laws are the corollary of balanced merger laws. We do not have effective divestiture laws. It is a strange and illogical policy that can prevent mergers to maintain effective competition but cannot require divestiture also to maintain effective competition.

The non-government members of the March 2004 Senate Economics References Committee report into the effectiveness of the Trade Practices Act 1974 in protecting small business accepted the proposition that divestiture powers were essential. Even the government, which over 10 years has failed to strengthen competition laws, has accepted that the Trade Practices Act needs strengthening, although it has done nothing to translate its in-principle acceptance into legislation. The government accepted five recommendations—and three in part—of the Senate Economics References Committee, all made well over two years ago, but these are not yet law. The government seems divorced from reality. It does not even recognise that it is simply bad policy to introduce much looser media concentration rules without simultaneously introducing legislation to bolster general competition law.

The new ACMA only partly attends to the minimum competition requirements. It must be understood that ACMA’s role comes into play once you hit the ceiling of the number of voices that are determined through this legislation. When mergers are considered above that ceiling, ACMA has no part to play at all; it is the part of the ACCC to consider those matters. Nevertheless, having said that, I still agree with the Liberals’ view that ACMA’s competition role does need to be strengthened to take account of the situation when the new level of voices is to be considered.

Excessive concentration, a loss of diversity and increased abuse of media power are matters which concern society. These are values matters and political matters, requiring public interest judgements. You might think that the public are unaware mostly of what is going on right now, but later on when they find out what has happened there will be a reaction. All is not lost, provided the government does come to its senses. Mr Samuel made it clear that the ACCC would be able to deal with public interest issues if there were a law change to allow them to do so.

The Productivity Commission’s broadcasting report of March 2000 looked into a range of conflicting policy issues including convergence, media markets, protecting diversity and cultural identity. A key recommendation from the Productivity Commission was that the cross-media ownership rules should not be repealed or changed until the following had been achieved: the removal of regulatory barriers to entry, including making spectrum available for new broadcasters; the repeal of restrictions on foreign investment, ownership and control; and amending the Trade Practices Act to provide for a media-specific public interest test to apply to mergers and acquisitions.

The Productivity Commission said that the Trade Practices Act is unable to deal effectively with cross-media mergers and mergers between ‘old’ and ‘new’ media.
which could affect concentration and diversity in the ‘market for ideas’. They said that a media-specific public interest test should be added to the act. The Productivity Commission believed cross-media rules should be removed once a more competitive media environment is established—that is, when the media-specific public interest test is in place; foreign investment is permitted under normal guidelines; the ban on entry of new television stations is removed; and a significant amount of spectrum is available for new entry. Of those conditions, the government have picked up one in full and one partly. They have not picked up the media-specific public interest test, they have picked up that foreign investment be permitted under normal guidelines, they have not lifted the ban on entry of new television stations, and they have partly allowed for a significant amount of spectrum to be available for new entry.

In the media ownership bill, the government proposes the removal of media-specific foreign ownership and control restrictions in the Broadcasting Services Act 1992 and the discontinuation of newspaper-specific foreign ownership limits under Australia’s foreign investment policy. The media would be retained as a ‘sensitive sector’ under the foreign investment policy. In principle the Australian Democrats could agree with the lifting of foreign ownership restrictions to enable more competition in the market, subject to some important caveats. We do agree that it be retained as a ‘sensitive sector’ under the foreign investment policy. The fourth estate is a vital institution in democratic processes. For that reason, and that reason alone, it must be a sensitive sector.

In the foreign investment policy as it is normally applied, the last stop is the Treasurer. The Treasurer can decide whether a matter is to be approved or not. But with respect to media, the one thing that should not be allowed to continue is the Treasurer’s role. No politician should be able to secretly approve a new entrant to the media market—which is what the process allows for. It must be done independently or by the parliament. You cannot ask a politician—and I am not referring to the present Treasurer or to past treasurers; I am looking to the future—to make a decision which could influence the prospects of their party or indeed their own candidacy.

There are many issues to consider here. Firstly, if other countries close their media or parts of their media to competition from Australia, why should Australia allow those countries to buy Australian media outlets? If noncitizens in one country are prohibited from owning or operating TV stations or are subject to ownership caps or other barriers to entry, as is reported, why should non-resident foreigners from those countries be allowed to run Australian television stations or other media? The next question is one that cannot be avoided. Nationalism is an issue in Australia. Australians do not seem to concern themselves much with foreign media ownership that already exists from relatively similar countries like Canada, the USA and Great Britain. Based on what I read, see and hear, I expect they may be less comfortable with some types of ownership from other countries, but Australia cannot discriminate by race or country. If foreign ownership is to be allowed, it has to be open to all. This is well understood by some witnesses. I will quote the question I put to Mr Nicholas Falloon, Executive Chairman of Network Ten, at a committee hearing. I asked:

And your position is, isn’t it, that with respect to those issues that you might describe as nationalism they should be catered for by local content rules and rules about the coverage of news and information with respect to Australia? Is that correct?

Mr Falloon—Again, correct.
Senator MURRAY—And in principle, of course, opening the market to foreign owners means that it does not matter whether it is an owner from France, the United States, Great Britain, Canada, China, India or, indeed, Iran?

Mr Falloon—Again, correct.

(Time expired)

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (5.39 pm)—The Greens oppose the Broadcasting Services Amendment (Media Ownership) Bill 2006 and the Broadcasting Legislation Amendment (Digital Television) Bill 2006 because they will increase cross-media ownership and reduce diversity. This legislation is going to increase the foreign ownership of the organs which give us information and therefore are fundamental to democracy and it is going to leave Australia in a more isolated position than ever amongst like countries in having a smaller diversity of outlets and a greater concentration of proprietorial authority over what Australians get to know about and how Australians form their opinions. It is ultimately a matter of how we view democracy. As you will know, Mr Acting Deputy President Murray, information is the currency of democracy.

I have just spoken with the ambassador for North Korea. One of the things that we all know about authoritarian states like that is that there is no media diversity—people are not free to express different points of view; people are not free to hear a diversity of opinions, and so you do not have democracy. While that is not what this legislation is about to invoke, it is going, through market mechanisms, to move us further away from the ideal of a multiplicity of news-gathering and opinion-giving outlets in this rich and wonderful democracy of Australia.

On the cross-media ownership provisions the government argues that the current ownership laws are anachronistic. It wants to remove the restrictions, arguing that the emergence of new media players—such as on the internet and on pay TV, for example—will ensure the free exchange of ideas in a further deregulated media sector. However 75 per cent of Australians still rely on radio, newspapers or free-to-air TV as their source of news and current affairs, and the internet news sources that people do access for news are dominated and controlled by the traditional media. For example, ninemsn.com.au is owned by PBL, news.com.au is owned by News Ltd, smh.com.au and theage.com.au are owned by Fairfax, and the ABC obviously operates abc.net.au. These sites are the main internet sites people access for the news; and the vast majority of content is exactly the same as their print publications, or broadcast stories in the case of the ABC and PBL. So not only does new media have nowhere near the penetration of free-to-air TV and radio but it is also dominated by traditional media owners.

I put out podcasts, but I can assure you, Mr Acting Deputy President, that they are no match for the reach, access and dominance of the traditional media owners. I suppose some of them would say that that is a good thing. There is a myth that somehow new media means a whole range of alternatives beyond the reach of the dominant players, but the dominant players are right there in the box seat to keep taking the dominant role in what the majority of Australians see as genuine opinion and in what the majority of Australians receive as the important news of the day—with what is deemed by somebody other than themselves as unimportant news not reaching them.

So the basic argument which underpins these reforms—that new media players are challenging the traditional media and will ensure diversity of opinion—simply does not stack up. If diversity is what the government is seeking with this legislation, it has mani-
festly failed. Diversity of ownership is crucial to ensuring diversity of opinion, and any reform of cross-media laws should achieve a greater diversity of ownership in Australia, not less. That is not what this legislation will achieve. The government’s proposed changes will inevitably result in an even further concentration of media ownership and a loss of diversity of opinion for all Australians.

The proposal that we are facing here is for a five-four rule to apply to cross-media transactions, so there can be no less than five media voices in cities and no less than four in regional areas. The ACCC will separately assess the competitive impacts of transactions. But the problem with this model is that we have no clear definition of what a voice constitutes, so we have to ask: does a small community radio station count as a voice? I know that it does not actually count, but where is the line drawn? What is specified if the government says that is not the case? I know that is worrying all the people who have yet to make up their minds about some of the particular provisions. I should interpose my outrage at the process that is involved here where major amendments to this historic legislation are brought into this place this afternoon and we are debating them straight away. That has sideswiped the time-honoured role of the Senate, as a house of review, to be able to go to the populace of Australia and be informed by people’s feedback before it deals with such matters. That is the result of the government having control of the Senate and of the executive of the Howard government dictating when the Senate shall or shall not deal with such matters.

While the ACCC can ensure competition, it cannot ensure diversity of opinion. Australians living in rural and regional areas will be the biggest losers under the new laws. The Greens are very concerned about the potential for the diversity of opinion in the big cities, where 70 to 80 per cent of Australians live, to be halved under this legislation, to go from what is almost world’s worst in democracies to much worse again. In Hobart, in my home state, there are currently seven separately owned media outlets. That number could drop to four under this legislation. In Launceston there are six separately owned media outlets. That could drop to four. In Burnie the number could drop from six to four.

Mr Acting Deputy President, you will have seen the figures which show that in places like Broken Hill, Darwin, Kalgoorlie, Mildura, Mount Gambier and Mount Isa—major regional centres—the reduction in possible media ownership under these laws is two-thirds. In Melbourne it can be 60 per cent, likewise in Hobart, and it is almost that figure in Brisbane, Adelaide, Perth and Sydney: theirs can be at 55 per cent. The Communications Law Centre produced a report on this. It is a long while since I have had very close contact with this organisation; I have to go right back to 1991. I have to thank an expert from the Communications Law Centre for helping me to devise the freedom of information legislation introduced in the Tasmanian parliament and passed under a Green-Labor accord. It was at the time the strongest freedom of information legislation in the nation.

This august centre produced a report on the effect of the cross-media changes on rural and regional Australia called Content, Consolidation and Clout. This report concluded:

The ‘minimum number of players’ test proposed by the government will not work effectively as a safety-net to provide an adequate level of diversity and prevent further consolidation.

It also found:

The alternative to a ‘minimum number’ approach must be a test that recognises the difference between media outlets. In the markets we have examined, it is clear that some mergers
would result in a profound disruption to the news culture of those communities. Examples of mergers that would damage the public sphere are:

- In Wollongong, the *Illawarra Mercury* and WIN Television
- In Toowoomba, *The Chronicle* and WIN or 4GR
- In Launceston, *The Examiner* and 7LA or WIN or Southern Cross
- In Townsville, the *Bulletin* and 4TO.

I quote from the conclusions of the report:

This is not to say that other mergers would not produce adverse results; but equally, it could be the case that other combinations of media assets would have minimal impact on the community. Our conclusion is based on a recognition that there is little competition and, contrary to claims by proprietors that consolidation would raise the standard, we fear that partnerships between the only real sources of local news will have the opposite result—that standards will decline. Our conclusion is that a test for diversity should identify the mergers that matter.

It added:

Before deciding on a new method of regulating media ownership, there should be public disclosure of the ACCC’s proposed new approach to media mergers. Consideration should be given now to the intersection of competition regulation and the ‘minimum number’ test proposed by the Minister, based on five companies in metropolitan markets and four companies in regional markets.

Where are the ACCC’s new powers? How are the ACCC’s current powers going to be effective here? They will not be.

A Crikey survey of Media, Entertainment and Arts Alliance members, conducted by a Roy Morgan poll, found that journalists do not support the media reforms. We all have a variety of opinions about journalists. Journalism is a much maligned profession—like politics. Good and fearless journalism is fundamental to not just democracy but the way that we work, the way that we are informed about what is going on in the community and vice versa. It is absolutely pivotal to our democracy. Thank God for the journalists who work for our community by putting us to the test as often as they do. We all feel frustrated at the diversity of results from journalistic inquiry in Australia at the moment, but, for goodness sake, here we are heading for even less!

Looking at this Crikey survey, we see that more than 80 per cent of journalists believe that the changes will have a negative impact on the integrity of the reporting, and 85 per cent say the reforms will reduce diversity. Eighty-seven per cent of the experts in the field—this is the profession that is central to these media changes—are against the cross-media restrictions, 74 per cent are against the provision for foreign ownership and 70 per cent are against the limit of three free-to-air commercial TV networks. Journalists were also surveyed on how the political and commercial interests of their owners influence their work. Fifty-three per cent said they were unable to be critical of the media organisation they worked for, while 38 per cent said they had been instructed to comply with the commercial position of the company for which they work. Thirty-two per cent said they felt obliged to take into account the political views of their proprietor when writing stories.

The best way of countering this feeling amongst journalists, which does clearly impact on what they write and how they write it, is to diversify the ownership of media, to give journalists the freedom to go where they feel they are best placed. I suppose there is an analogy here with the position I have often put in this place—and I am sure you have, Mr Acting Deputy President Murray—that more parties is better than fewer parties in the political arena. Potential candidates—people wanting to represent their community in parliament—have a greater range of choices so that they can dovetail in with a
party if they want to and of course go independent if they do not. It is a similar situation we are dealing with here. Effectively, what is happening here is that it is as if we are legislating to reduce the number of political parties. It is bad for democracy. Reduce the number of sources of information and opinion in the community and you are similarly truncating the ability for a full and open discussion of everything and, therefore, for the health of the democracy to prosper into the future.

The online survey of 374 journalists was conducted over the last week by the Roy Morgan centre for Crikey and the MEAA, the union representing Australian journalists. Journalists from SBS, the ABC, Fairfax, News Ltd, Rural Press and all the major TV and radio networks were represented among the respondents to the survey. The results show that most journalists are highly sceptical of plans to relax cross-media and foreign ownership restrictions and replace them with a new minimum of five significant media voices in metropolitan areas and four voices in rural areas. More than 63 per cent of journalists surveyed said they believed Australian media companies have too much influence in deciding how Australians vote, and 71.4 per cent said media owners had too much influence in determining the political agenda. This is the people at the coalface. According to that poll, if journalists were fairly represented in this chamber today, this legislation would be thrown out. It would not be proceeding. That is the profession we need to be listening to.

Alliance federal secretary Christopher Warren said the survey reveals that the people who work in the media know the truth about the government’s proposed media changes. He said:
The changes will undermine diversity, affect the integrity of journalism in Australia and further empower media owners who already have an unwelcome influence on their employees to report the news in a way that suits the owners’ political or commercial agendas ...

Senator Ronaldson—An independent source!

Senator BOB BROWN—There we have the vassal of the government interjecting that it is an independent source. I am making quite clear who the source is. It is the Federal Secretary of the MEAA, and it is a view that ought to be listened to.

Senator Ronaldson—An independent source!

Senator BOB BROWN—It is a professional source. That is what is important about it. It is a professional source. It is backed up—

Senator Ronaldson interjecting—

Senator BOB BROWN—I agree with you that it is an independent source. It is a source of expertise that we should be listening to.

The ACTING DEPUTY PRESIDENT (Senator Murray)—Order! Address your remarks through the chair, please.

Senator BOB BROWN—Mr Warren said:
The health of Australia’s democracy is at stake and these media law changes will clearly result in fewer voices and fewer choices for the Australian people.

Globally, we are in an age of the big fish eating up the small fish. We are in an age of global media conglomerates. Australia is a small country. We have given rise to a couple of the big media players in global terms. We have lost out through the diversity of outlets and ownership of outlets that Australia has had in my lifetime. This is a matter of defending the health of democracy based on the right of all citizens to have a diversity of information, news and news analysis available to them.
The Greens will oppose this legislation. We recognise the government may have the numbers, but we will be supporting amendments to at least blunt some of the worst teeth biting into the public’s right to diversity which are built into this legislation. When it comes to the third reading, we will still be opposing this legislation but, if there are amendments—and I note those from Senator Murray—which help to improve the trajectory of this legislation away from its negative impact on Australian society, we will be supporting them as we go.

Senator HUMPHRIES (Australian Capital Territory) (5.59 pm)—The Broadcasting Services Amendment (Media Ownership) Bill 2006 and the Broadcasting Legislation Amendment (Digital Television) Bill 2006 are extremely important in bringing Australian media law into the 21st century and discarding models for the operation of our media which are extremely outmoded and which are seriously hampering the capacity of Australian media to meet the expectations and needs of the Australian community. Arguably this area of our economy is changing so rapidly that even a framework that was created five years ago would be out of date already. But in fact Australia’s media laws were crafted nearly 20 years ago and they are certainly in need of being updated, because the Australian media is changing at a rapid pace, technology is providing opportunities which were not dreamed of only a short time ago, and the sources and means of delivery of news, of information and of entertainment are multiplying rapidly. Media policy needs to keep pace, and, frankly, it has not.

The government has had a clear policy for the better part of the last 10 years to change and update that media framework, and these bills wisely put those changes into place. I think it is important to bear in mind in the course of this debate that, although there are many points of view about who benefits from these changes, there can be no question that it is primarily the consumer of media services who will benefit from the changes this government engineers. What sorts of benefits will they gain? There will be new digital services, including free-to-air in-home digital-only channels and even television content delivered over mobile devices much like mobile phones. There could be up to 30 new channels on mobile TV and potentially eight new in-home channels. The ABC and SBS will be able to show a range of new and exciting content on their digital multichannels, ABC2 and SBS2. Free-to-air broadcasters will be permitted to provide new digital multichannels from next year and can increase the number of multichannels shown in 2009. This could mean up to eight or more multichannels from 2009 and even more multichannels once we completely switch to digital.

Some may argue that those changes are going to happen anyway. I would say no. I would say that it is very important to bear in mind that we need to change the basis on which industry delivers these sorts of services in order to achieve those benefits. The package is not divisible in that sense. You cannot pick and choose benefits without also understanding that we need to create more flexibility and greater capacity to reorganise within the Australian media industry.

The media industry itself has changed very substantially since those last media reforms nearly 20 years ago. We have pay television, we have digital TV, and the internet is creating new players and more choices for consumers and it is undercutting the revenues of traditional media. Computers were once only seen as an office tool; today they are used for watching movies, listening to the radio and reading newspapers. We need to take account of those changes in the way that the law is framed. Current media laws have become, arguably, obsolete and risk
preventing necessary mergers, the creation of economies of scale and the entry of new players. In other words, there is a risk that the current laws stifle the ability of the market to work its magic, as it does in other industries.

Of course, the government has provided safeguards in this package to protect the public interest. Indeed, those safeguards have been strengthened only today. Although the government favours a less regulated market, it is not arguing for an unregulated market. It is not advocating open slather. The test of five voices in metropolitan markets and four in regional markets, as well as looking at local content rules, is about making sure that Australians are guaranteed a minimum amount of diversity and choice.

Let me touch on some of the issues that have been raised in the course of debate and comment on how they will likely impact in this community. This community—the Australian Capital Territory—for example, is classed under these changes as a regional market and will therefore be able to have a minimum of four so-called voices as part of that market. Fears have been expressed that the number of media owners here and in other regional markets could shrink under the changes that have been announced. But I think those comments fail to understand that the focus on ownership of media is too narrow a focus. There is an issue here also of quality in the marketplace. The separation of media interests—that is, for example, not allowing the television station owner to operate a newspaper or a radio station—can perpetuate some problems in the quality of our media. A former editor of the Canberra Times, Crispin Hull, put that very well recently when he wrote about these reforms:

The pitiful fodder which passes as broadcast news in some regional markets could be improved with the support of newspaper newsrooms, as they did before the present rules came in 20 years ago.

Indeed, a newsroom providing vision, sound and the written word makes a lot of sense in a world of converging digital technology and an increasingly powerful internet.

That makes the very important point that this assumption that the consolidation means less diversity underestimates the capacity of media outlets in Australia to deliver higher quality services where they are able to rationalise the basis on which they operate. In a media release, my Senate colleague Senator Lundy expressed great misgivings about the possibility that the number of media owners in the ACT could decrease from six to four. Whether that happens or not is a matter we can speculate about, but there are a couple of important points that she and others in this debate have overlooked.

First of all, we need to understand what we mean when we talk about four or five voices. There are some people who are assuming that those voices refer to all the possible sources of information or news available to individuals in a particular community. But those four or five voices do not count a range of other sources of information and news to the community. In any given marketplace, for example, it does not count the ABC in all of its forms—that is, ABC television, ABC radio in all its variety of forms and ABC online. It does not count SBS, with its equivalent number of outlets. It does not count community television—let Senator Bob Brown be clear about that. It does not count community radio. It does not count national newspapers, such as the Australian and the Financial Review. It does not count newspapers that are published less than four times a week in a particular marketplace or electorate. It does not count out-of-zone or out-of-region newspapers like, for example, the Sydney Morning Herald in Canberra. It does not count pay television, and of course it does not count the internet.
Even if you were to abolish the voices we are talking about, if you were not to have any of those four voices in this regional marketplace—you abolished them altogether and you only had the other voices—you have already got so many voices that you would almost call it a cacophony of points of view, of sources of information available in this marketplace, and of course in others all over Australia, from which citizens can obtain points of view, information, access to news and so on. It is on top of that platform, that variety of voices, that we are adding this requirement for a regulated four or five voices as a minimum. Those who enter this debate and talk about those voices as if they are all that people are going to be able to access must understand that.

The other point is that the four voices in the case of this particular regional marketplace is a minimum. Senator Murray described it as a ceiling, but I think it is better to describe it as a floor. It is a minimum. Of course many marketplaces will have more than that. There is no requirement that people have to get rid of the number of voices in a marketplace in excess of that minimum number. And, if for some reason a particular marketplace does have four voices or moves to four voices, it is perfectly possible for new voices to enter that marketplace in certain circumstances and enlarge that number at any point in the future. For example, there is no regulation on who can start a newspaper in this country. If there is a marketplace with four or five voices and someone wishes to start a new newspaper, they can go ahead and you will have an enlargement of that number of voices in that particular community.

It is important to bear in mind just what will change in marketplaces around Australia. Let us assume that every consolidation that this four- or five-voices test allows does actually occur, that there is a race to the bottom and that this floor is reached very quickly. What would it mean in marketplaces across Australia? First of all, under the four-voices test no mergers could take place in 63 per cent of regional markets across Australia—that is, in the overwhelming majority of regions, almost two out of three marketplaces in Australia, no mergers can take place because the mandated minimum for voices is already what that community or marketplace enjoys. You have no change in that respect. In fact, you could only get an enlargement of that number rather than a reduction in the number of voices in that particular marketplace.

In a further 18 per cent of regional markets, we have an existing five voices and, therefore, only one merger could possibly occur—hardly a doomsday scenario. So we have a total of 81 per cent of regional markets in this country where either no mergers could occur or, at most, only one could occur. There are 19 regional markets which presently have six or seven voices and where, theoretically, you could have two or three mergers occurring in order to reach that minimum. But again, even if that is possible in a particular marketplace, it does not mean it is going to happen. Apart from the question of whether existing media interests wish to sell out to other existing media interests in that marketplace, there is the question of whether or not such mergers would be permitted by either ACMA or the ACCC. Having seen the work of the ACCC over a number of years, I have a little more faith than some others do in its capacity—and that of the Communications and Media Authority—to be able to see a bad move for a particular community when it recognises one.

The other point to make is that the existing restrictions preclude one player owning more than one television station in a marketplace or one player owning more than two radio stations in a marketplace. That will not change either. So, again, there are further
... those that dismiss the impact of blogs and online communities as a source of diversity miss the point. Their illegitimacy is their strength. The mass market for media is changing and the cost of not adapting will mean a generation lost to the internet.

There are a number of major advantages the internet currently provides over traditional media. It is a truly global medium. Someone living in Canberra can access a newspaper article in Paris or a blog in the United States and so on. It is easily able to access niche audiences—that is, through things like narrowcasting. The cost of setting up entry to the internet, such as through a website, is vastly cheaper than producing a newspaper or running a television station, and thousands upon thousands of Australians already use the internet in that way. Internet consumers are able to access news and entertainment on demand and the information is up to date. They can now make the media revolve around their schedules rather than the other way around.

So the model that we are used to at this point, of the typical citizen of our country walking out to their front lawn to pick up the rolled up newspaper and going inside to read it, is less likely to be the model of access to news that we will see in the next generation of Australians and certainly in the one after that. They will be logging on first thing in the morning and checking out news or information on the internet because it is up to date, it is global and it contains much greater access to in-depth analysis or sources of knowledge that simply cannot be provided by a newspaper or even, for that matter, television or radio.

I welcome the lifting of restrictions on multichannelling which these changes entail. They will significantly drive a number of things, including take-up of digital television, and will have major significance to the way in which Australians view those sources
of media. I also welcome the changes to the foreign ownership laws. People in this debate have again decried the lack of diverse sources of media ownership, but they overlook the fact that by relaxing foreign ownership rules we have the capacity for people from outside Australia to enter the marketplace and to provide a new range of points of view to the extent that those ownerships reflect themselves in the views of media outlets. I think that has also been exaggerated very considerably.

I want to make reference as well to the changes to the antisiphoning regime. That is extremely important, giving Australians access to a range of sporting events which simply have been outside their capacity to enjoy because there are so many important sporting events which fall into the crack between those available on free-to-air television and those available on pay television. We simply have to change that system, and I welcome the minister’s commitment to the reform of that area.

I will close by making reference to the fact that there has been a great deal of exaggeration in this debate about elements of this government’s package. There have been a great many assumptions made by opponents which simply are not true: the assumption that some consolidation of media ownership will be an entirely bad thing—of course it will not; the assumption that the four or five voices referred to in the legislation are the only voices in this debate in any marketplace—of course they are not; the assumption that all possible consolidations in a marketplace will occur as permitted by the legislation—that is not true; the assumption that there will be a massive change even if it did occur in the landscape of the Australian media—that is also not true; and the assumption that somehow the use by Australians of the internet is a static phenomenon and will not continue to change—of course it will.

I commend the minister for her perseverance, her negotiating skills and her courage in driving this package to the point where it is being debated and, I am confident, will be passed by this Senate. They are important developments that put Australian media laws into the 21st century and provide us with the chance to have very exciting change and development in the way Australians view news, information and entertainment.

Debate (on motion by Senator Colbeck) adjourned.
Webber—if she is watching, I send her my very best—the opportunity to speak after dinner. I am sure there is some good reason why she could not get down here.

There were a number of us on the Senate committee that met on Thursday and Friday a week ago. We heard exhaustive evidence from a large number of participants. If my memory serves me—and you were there, Mr Acting Deputy President Brandis—we started at about 8.30 on Thursday morning, went through to about nine or 10 o’clock that evening and started early the next morning. While there was a level of self-interest, as there always is with these things, I thought nevertheless there was constructive input from a large range of people into that Senate inquiry. What was quite clear from the evidence given to the committee was that the Australian Labor Party’s view of life in relation to this is not shared by anyone else except possibly the Greens, who in this debate, as in other debates, are totally irrelevant.

I would have thought that the Australian Labor Party, which pretends to be the alternative government, could have had some constructive input into this matter. However, without breaching the confidence of committee discussions, it was very clear that from day one, from the moment we started this process, that the Australian Labor Party would vote against these bills.

Cross-media and foreign ownership, as the majority committee report says, was not an issue for this committee. Several matters were raised. One was raised by your good self, Mr Acting Deputy President Brandis, and will be the subject, I understand, of an amendment in relation to the powers of ACMA. However, there has been some confusion, particularly from the Australian Labor Party, because it is simply not interested in a sensible debate in relation to this matter, despite the fact that a succession, a plethora of spokespeople have dabbled at the edges of this. Stephen Smith has been one of them; Lindsay Tanner has been another. The shadow shadow shadow minister, Senator Conroy, who might actually now be the shadow shadow shadow minister—whichever it is—has also dabbled with this.

If the Australian Labor Party bothered to read this bill and its amendments, they would know that ACMA has responsibility for diversity. What concerns me is that, despite two days of committee hearings, despite these bills and despite the amendments, I do not think the Australian Labor Party even now understands this matter. Your good self, Mr Acting Deputy President Brandis, quite rightly alerted the other committee members to this fact. It was duly noted by the Minister for Communications, Information Technology and the Arts, Senator Coonan, who I think has done an absolutely magnificent job with these bills. She has had the guts to do what the Australian Labor Party has never had the guts to do. With this government, she has been prepared to accept that, as we know it at the moment, the media in this country in 2006 is not very relevant, in 2007 it most certainly will not be very relevant, in 2010 it will be less relevant and in 2015 it will be totally irrelevant. She has got this policy right. You are a policy-free zone over there. You are destructive, not constructive. (Quorum formed)

The shadow minister was so appalled at the calling of a quorum that he came in to support the government—and quite rightly. Senator Conroy, you are quite rightly appalled that the opposition would pull a stunt like this and I thank you most sincerely for finally doing something constructive in relation to this debate. It is very generous of you.

As I was saying before I was so rudely interrupted, an attempt was made to collapse this debate and then, again to waste time,
there was a ridiculous call by Senator Sterle for a quorum to be formed. I will go back to what I said before. This government has addressed an issue that needed addressing. This government knows, as I said this morning somewhere else, that this nation is on the cusp of a digital revolution. One political party is prepared to make the changes that will take this nation from where we are towards that digital revolution and another political party is not prepared in any way to assist this nation in its drive forwards towards that digital revolution.

Sitting suspended from 6.30 pm to 7.30 pm

Senator RONALDSON—I was making some comments before dinner. It is terrific to see Senator Webber down here. I know that I speak on behalf of all my colleagues when I say how appalled we were at the treatment of Senator Webber over the weekend by the Western Australian division of the Labor Party. Senator Webber is a contributor in this place, and for her to be treated like that is absolutely appalling.

I was speaking before about the government’s intentions in relation to these bills. I thought it would be useful to talk about some of the proposed amendments that came out of the Senate committee inquiry in relation to these bills. I will go through these in some depth in the time that is left available to me.

In relation to the Broadcasting Services Amendment (Media Ownership) Bill 2006 there was a recommendation by the majority of the committee—Senator Eggleston, Senator Brandis, Senator Ian Macdonald and me—about the two out of three rule. That has been taken up by the government and I am very pleased about that. This is an additional safeguard against undue media concentration, and the government will amend the bill to include a two out of three rule for media mergers in metropolitan and regional areas. This means that media mergers will still be permitted subject to the floor of four voices in regional areas and five in metropolitan areas, but mergers will only be permitted between two of the three regulated platforms in a licence area—that is, commercial TV, commercial radio and associated newspapers. In other words, this rule will prevent three-way mergers between commercial TV, commercial radio and an associated newspaper in a licence area.

The Senate committee report recommended that this rule be introduced in regional areas. However, the government decided that it was appropriate to extend this additional safeguard to all licence areas. This means, firstly, that industry will still benefit from the increased flexibility that the relaxation of the cross-media ownership laws will bring and, secondly—but equally importantly—consumers can be confident that diversity will continue to be protected through the range of safeguards the government is including in the bill.

I want to turn now to the local content licence conditions for regional radio. In recognition of concerns expressed about the provision of live, locally produced and locally relevant content, the government will amend the bill to require ACMA to have in place for all regional radio licensees, from a specified date, a requirement for at least 4.5 hours of local content each day. This will be similar to the proposed new section 43A in the bill, which requires ACMA to have local content licence conditions in place for regional television.

Prior to the requirement coming into effect, ACMA will be directed by the minister, under section 171 of the Broadcasting Services Act 1992, to investigate the current levels of local content in regional radio, the impact of the proposed minimum level on licensees and how different types of regional
broadcasters—such as licensees in smaller licence areas—would be affected by the requirement. Once the outcome of the review is known, the minister will have the power to adjust the level or apply the requirement differently across different classes of licence if appropriate. The adjustment would be a disallowable instrument that would need to be tabled in parliament. If there is no adjustment the level specified in the act would remain.

There are other protections as well. They revolve around local news and weather requirements. As a further protection for local content in regional areas, regional radio licensees will be required to meet a number of additional content requirements in relation to local news and weather. A minimum of 12.5 minutes per day of local news is to be broadcast on at least five days a week. Repeats of news bulletins will not count towards the minimum number. A minimum of five weather bulletins per week will be required and regional commercial radio licensees that have a local content plan in force will be required to report annually to ACMA on compliance with their LCP—their local content plan.

Regional communities have a legitimate expectation that their local media will cover events and provide content of relevance to their communities. These requirements will establish realistic minimum levels of local content that licensees will be required to provide.

I want to turn now to the Broadcasting Legislation Amendment (Digital Television) Bill and, particularly, access arrangements for channel B. As honourable senators will know, the government majority Senate report discussed the matter of access arrangements for channel B. I know I speak for my colleagues when I say that we are very pleased that our requests to the government in that regard have been taken up. In that report we recommended that the government consider whether access arrangements for channel B would be appropriate in order to maximise the opportunities for a diverse range of players to provide content on this service. The government considered this recommendation and has decided that access arrangements would be appropriate.

The ACCC will be required to develop criteria relating to access undertakings by licence holders of the channel B licence for access by content service providers. The criteria would be a legislative instrument. A person wishing to bid for the channel B licence will be required to submit an access undertaking to the ACCC which the ACCC will consider against the criteria. They will be eligible to bid if the ACCC accepts the undertaking.

Adherence to the terms of an undertaking will be a condition of the channel B licence. The undertaking will remain in force for the duration of the licence and is transferred if the licence is transferred. However, undertakings may be varied, with the agreement of the ACCC. This arrangement will strike a balance between permitting the holder of the channel B to offer some exclusive services to its customers if it wishes to do so and if it fits their business model, but will also ensure that other content providers will have the ability to seek access to the service on clear terms.

Madam Acting Deputy President, I am sure you are aware, as other honourable senators would be, that some of my colleagues who were participating members of that committee—my National Party colleagues—were very concerned about these local content areas. I am very pleased that Senator Joyce on Steve Price tonight seemed to indicate that the government’s moves and amendments in relation to local content are
satisfying his requirements and Senator Nash’s. I have no doubt that Mr Neville, from the other place, is very pleased that the two out of three rule has been put in place as well. This is just another example of a government that listens and acts, which of course is totally different to those opposite, who quite simply do not have a policy in relation to this matter.

It has always been something that caucus has driven and it has always been the Left that has stymied any real reform in relation to this area. Some have tried, but they have failed. The shining light in all this, of course, has been Lindsay Tanner.

Senator Carr—I thought you said Left.

Senator RONALDSON—The Left have a warrior in Lindsay, but even the Left put the Left out of action in relation to this particular matter. The Left did the Left and Lindsay has moved on. He has been replaced by a number of people ever since. Let us have a look at what was said to Jason Koutsoukis in the Age on Wednesday, 9 June 2004: ‘Labor drafts media shake-up’. I want to quote Lindsay Tanner. Senator Carr was laughing, regrettably, at his colleague in the Left, who at least tried. Unfortunately, Mr Tanner has been done by Senator Carr and others in the Left, who are determined to stymie any media reform in this country at all. But I will give Mr Tanner his dues. As he said to Jason Koutsoukis:

I am in favour of less regulation and greater liberalisation in the sector and one thing I am very happy to be put to the test on is that when our final position comes out it will be aiming for a net substantial liberalisation.

He held radio up as the prime example of the benefits liberalisation can achieve:

I think the Australian radio sector is a very good illustration of what competition can do. The statistics on radio are quite impressive. We have 60 per cent more commercial radio stations today than we had in the early ’90s; our population has grown by 11 or 12 per cent, yet revenue in the sector has grown by 80 per cent and profits have more than doubled. I don’t think there is any doubt the sector, commercial, community and public, is substantially better than it was.

He went on to say in relation to foreign ownership:

… it is still my view that foreign ownership restrictions … should be lifted.

In the Australian Financial Review on 9 June, in an article titled ‘Markets need bigger doses of competition’ by Lindsay Tanner, he even went on and attacked the government for ‘dithering about prospective liberalisation of television broadcasting’. He attacked the government, and what did we have in 2005? What have we got in 2006? In 2004 we had Lindsay Tanner, who was prepared to address these matters, and in 2006 we have the Australian Labor Party, which again is back to the early nineties. Why would that be?

Senator Carr—Because we want some diversity!

Senator RONALDSON—I think what it might be is the fact that in the other place the person who dragged their feet the most in the early nineties was none other than Mr Beazley, and Mr Beazley is clearly again driving the inactivity, the policy-free zone, of the Australian Labor Party—I am sure aided and abetted by Senator Carr, who does not share the views of his colleague Lindsay Tanner and who, quite frankly, does not want to change media in this country at all. As Tom Burton in the Sydney Morning Herald wrote on 29 June 1991 about Mr Beazley:

As the rest of the world prepares for a deluge of services, Australia remains saddled with legislation whose philosophical and technological underpinnings remain fairly anchored in the 1950s. Much of the blame for the impasse has to lie at the feet of the communication minister, Mr Beazley.

(Time expired)
The ACTING DEPUTY PRESIDENT (Senator Crossin)—I did not expect my time in the chair this evening to be so entertaining, actually.

Senator WEBBER (Western Australia) (7.43 pm)—Like previous speakers, I rise today to speak on the Broadcasting Services Amendment (Media Ownership) Bill 2006 and the Broadcasting Legislation Amendment (Digital Television) Bill 2006. Before commencing my remarks, I must pause to thank Senator Ronaldson for his kind remarks earlier but also to correct the record a bit—I gather he alluded to my lack of presence in the chamber earlier this evening—to say that the Labor Party, unlike the minister and the National Party, was ready to debate this legislation yesterday, as indeed was I. I had presumed when organising my week that I would have made this contribution already, so I beg your indulgence for having to rearrange the speakers list. But, as we stand, we are finally here. We finally actually have the debate that the committee had to have a hurried hearing into, report in record time and then wait until some internal negotiations took place. So finally being here must mean that the Liberal Party has browbeaten the National Party into a deal that will do little for media diversity, particularly media diversity in the bush.

The contempt in which the coalition holds this Senate has rarely amazed me, so the events of the last couple of days are just another pitiful low for the Howard government, a government which claims professionalism while really being the parliamentary equivalent of ‘Dodgy Dave’s Builders’, a government which will ram any piece of shoddy legislative workmanship it can through this place and never mind the consequences for the country. Dodgy workmanship never lasts long, however, and I am sure that those of us on this side, the Labor Party, will be along soon enough to clean up the disasters that the government is leaving behind.

As I understand it, we are finally here debating this legislation because the National Party have caved in yet again. In caving in, The Nationals have sold out the bush, yet again. Their lack of respect for media diversity is directly correlated with their lack of respect for their own constituents. Significant concerns with the original format of these bills have been raised by a number of my constituents living in rural and regional Western Australia. I sincerely doubt that this new version will appease any of them. We do not need this legislation, because most of us want a diverse and varied Australian media.

As you may know, Madam Acting Deputy President Crossin, there already exists a dearth of media voices in Western Australia, especially in the north-west. I have often taken a stand for the people of the north-west of WA in this chamber and, as such, I will concentrate my remarks on how this legislation will affect them. The simple fact is that the vast majority of WA’s regional centres already have fewer than four media players. Clearly, then, there is a need to expand diversity in these areas, not create a ceiling which currently does not exist for them. Obviously this situation applies to many parts of rural and regional Australia, not just Western Australia.

The Western Australian newspaper market is dominated by West Australian Newspapers; Rural Press, which is owned by Fairfax; and Community News, which is half owned by News Ltd. Most commercial radio stations in country WA are affiliated with the Macquarie Regional Radioworks and owned by Redwave Media. Redwave Media is in turn owned by the West Australian Newspapers group. So, as you can see, massive concentration already exists in the Western Australian media market. Diversity is lacking
and many stations rely on eastern states content. There is therefore an evident need to ensure that local content that is relevant to the area is provided and that regional news services have access to programs airing in the state’s capital, Perth.

While some of these concerns may have been addressed in the deal that has been conjured up between the minister and the National Party, as a member of the opposition I am not privy to the detail of that yet and have not had time to read the extensive package of amendments that the minister has tabled, nor the amended explanatory memorandum, so most of my comments will be addressed to the original bill—the original bill that the Senate inquired into and that was actually, as I say, timetabled for debate yesterday rather than today.

As I say, people need access to regional news services that have access to programs airing in our state’s capital, Perth, especially as, particularly in the north-west, the only state-wide daily newspaper arrives around lunchtime at the earliest. Strengthening provisions for local content will probably be welcomed but will be hard to police if implemented in this legislation. Certain stations in Western Australia play the John Laws program, for example. Whilst I have nothing against the John Laws program, and people should feel free to listen to it if that is what they wish, people who live in Newman, Port Hedland or Kununurra, for example, have a choice between their local ABC station and John Laws in the morning—hardly diverse, hardly relevant local content, and hardly giving them the information that they need to work out what is happening in the area around them. I would contend that listeners in those areas may prefer to listen to a locally or a state based program.

The local content conditions in this legislation, in my view, pay little more than lip-service to the notion that local content is an important principle. The original explanatory memorandum states:

These conditions will establish minimum standards for local news and weather bulletins, local community service announcements, emergency warnings and minimum service standards for other types of local content, if specified by the Minister by legislative instrument.

Further, it says:

• bulletins must be broadcast on different days during the week;
• bulletins must be broadcast during prime-time hours (between 6am and 10am, unless different times are prescribed by regulation); and
• bulletins must adequately reflect matters of local significance.

The number of required bulletins is either the local news target, or if the broadcaster provides a greater number of bulletins than the local news target on average, the greater number. The local news target is five bulletins, unless the Minister determines a higher number by legislative instrument ...

And the original explanatory memorandum goes on:

A “local news and weather bulletin” may be a bulletin that incorporates news other than local news. In addition, new section 61CC provides for the ACMA to define the term “local” by legislative instrument.

And further:

New subsection 61CE(3) provides that the “minimum service standards for local community service announcements” are met during a particular week if, during that week, the licensee broadcasts at least the community service target number.

The community service target number is one, unless a greater number is determined by the Minister by legislative instrument (new subsection 61CE(4)).

So that is five bulletins between 6 am and 10 am on different days of the week, and then the news could be from Timbuktu for all this
government cares about people in regional Western Australia.

So, unless there is some kind of emergency, this government could not care less whether people know what is going on in regional WA. There is no requirement for local talkback or even that the news needs to be produced by locals for locals, as far as I can see. We are talking about merely minutes a day of local content here, not hours or days a week, because of the lack of diversity in Western Australia—mere minutes.

No wonder people in regional WA are frightened by this bill. A target of one community service announcement does nothing to strengthen those communities. That this announcement and the news could be produced in a state capital or even another state’s capital as long as they address issues in the broadcast licence area shows the depth of this government’s commitment to local content.

This bill in its original form squanders a valuable opportunity for this parliament to show its commitment to local voices in our media. Even with the changes announced after the Nationals caved in on this legislation a mere few hours ago, we now only get 4½ hours of live and local content. I imagine that ACMA’s view of what constitutes ‘local’ and a regional listener’s view of what constitutes ‘local’ may at times be quite different. So I pose these questions. Can ACMA be trusted to ensure that local content is truly local, given the circumstances I have already outlined that occur in regional Western Australia? Will ACMA police the local content provisions in this legislation vigorously, or will they back commercial cost-cutting given the circumstances I have already described that are not part of the package that has been put together with the National Party? Will ACMA seek to weaken the definition of ‘local’ down the track to help commercial stations cut costs? If this legislation passes, only time will tell.

In time the Nationals may come to wish they had not caved on this bill. I feel that Australians, particularly regional Australians, deserve better. It would appear, then, as a licence holder in regional Australia, that outside the hours of 6 am and 10 am my content could come from absolutely anywhere. We already have the situation in the Pilbara and Kimberley that listeners get John Laws speaking about issues that affect his east coast listeners, and I cannot see how this legislation will address the current lack of local content. I appreciate the commercial imperative for station owners to reduce their costs, but the sad fact for listeners in rural and regional markets is that this imperative will continue to lead to managers broadcasting programs from the eastern states, which have the cheapest rights. I also feel that eventually it will lead to regional newsrooms being downgraded or closed.

This legislation does nothing to prevent these things from occurring. I believe that, if we are serious about this issue, encouraging regional radio stations to play programs from their state’s capital is worth looking at. This would overcome the problem I have outlined already whereby Western Australia’s daily newspaper can take half a day to arrive in some centres. This legislation states that local content bulletins must be broadcast between 6 am and 10 am but it does not necessarily include the news from Perth. This is of high importance to regional listeners in Western Australia, including Western Australia’s large number of fly-in fly-out workers.

Commercial radio and country Western Australia present this bill with a conundrum. Most commercial radio stations in Western Australia are part of the Spirit or Hot FM groups. These groups are owned by Redwave Media which, in turn, is owned by the West
Australian Newspapers group. It is typical for one company to run the only two commercial licences operating out of a regional centre— one on the AM band and one on the FM band. In turn, most of the commercial stations operating out of regional centres are also affiliated with Macquarie Regional Radioworks. As such, they take some programs straight from the east coast for rebroadcasting. Further, it is my understanding that the bulk of the programming for many radio stations in country Western Australia is actually produced in Perth so, if we are serious about providing local voices on country radio, we do need to mandate a minimum content that is produced by staff working in the licence area. Otherwise we will continue to see a concentration of country media being produced in state capitals.

Clearly there is already a huge concentration of commercial radio in country Western Australia. We need a bill to encourage diversity not further stifle it. This bill offers people in regional Australia absolutely nothing. In country Western Australia people already suffer from a dearth of media voices. The market is already heavily concentrated. It is no wonder that Prime Minister Howard will not explain to Western Australians why he wants to entrench this even further. Nothing in the scant detail that I have received on The Nationals’ deal with Minister Coonan changes any of this. Those of us who truly believe in media diversity for country Western Australians will be voting against this bill.

There is a proposal now for a two out of three rule from the Nationals, but consider this proposal in detail and it still delivers an unhealthy degree of influence to media owners. In many Western Australian towns we already have media owners with controlling interests in two out of three mediums or worse. In Karratha, for example, a three out of four situation exists. Western Australian Newspapers, by extension, runs the local paper, delivers the state daily and runs two commercial radio stations. While this bill would require new players to enter the market before all further mergers could occur in regional Western Australia I am sure that the market dominance currently enjoyed by media owners in Western Australia would make life very difficult for a fledgling media company.

Away from the commercial sphere, national broadcasters have a large role to play in alleviating this lack of media diversity. ABC Radio is highly valued in country Western Australia and must continue to be supported to alleviate the effects of the changes to media ownership proposed in this bill.

The provisions in these bills covering future television broadcasting are also of concern. While it seems clear that increasing the diversity of content on the multicast channels of the national broadcasters will play a large role in the take-up of digital television in regional Australia, it must be kept in mind that the cost of infrastructure to deliver HDTV in particular may require government subsidies to ensure that some country areas are not left in the dark when the proposed analog switch-off occurs in 2011-12.

The widest spread problem of equitable access to this new technology is as relevant to country people, if not more so, as it is to those in our metropolitan areas. The idea that people in Australia’s most remote areas are ready, willing and able to rush off and buy set-top boxes and wide-screen television is laughable at best. If we are serious about switching off the analog signal in 2011, we need to start thinking creatively about how we face these problems; otherwise, HDTV in regional areas is probably dead in the water already.
Given the public’s proven unwillingness to rapidly embrace the technology, and this has been evidenced across the globe, I imagine the likely response of regional broadcasters to the lifting of HDTV quotas will be to abolish transmission of HDTV altogether. A country person’s only access to HDTV in the future might come from internet downloads, legal or otherwise. But, given the Howard government’s commitment to broadband infrastructure, I would not be holding my breath there either.

Some people have run the argument that the internet might make cross-media laws obsolete. I think those people are missing a few essential points. The first is that the most popular websites in Australia, as mentioned previously in this debate, are already owned by the largest media companies. The second is that, in order to access a greater diversity of content than will be available under these new laws, Australians may increasingly find themselves breaking the law to download content which is unavailable on Australian television or radio.

The internet will continue to present great challenges and opportunities for media companies, but we cannot lose sight of the fact that traditional forms of media will continue to be those that most Australians access, particularly in Western Australia. When most of the northern suburbs of Perth are still black spot areas for broadband access—never mind outside the metropolitan area—and one has only to travel 200 kilometres north-east to be out of mobile phone range, access to modern technology is a challenge that this government has not yet met.

These bills talk a lot about the national interest, but they clearly fail the national interest. Even with the scant detail of the shoddy deals that the Nationals have done on this legislation, the Senate should reject this legislation. It is not in Australia’s, particularly regional Western Australia’s, best interests.

**Senator IAN MACDONALD** (Queensland) (8.01 pm)—I am pleased to have heard the contribution by Senator Webber on the Broadcasting Legislation Amendment (Digital Television) Bill 2006 and the Broadcasting Services Amendment (Media Ownership) Bill 2006, because it demonstrates the difference between the parties in this place. One party believes in socialism and regulation and that ‘big brother knows best’, while the other party, the Liberal Party, believes that the market is the best place to determine what is right.

I do not have a disregard for country people. I think country people are clever enough to know what they want from commercial radio, and they will express that by either turning on or off the particular local commercial radio station. If the radio station is not providing the content that the listeners want, the listeners will turn off. If the listeners turn off, the advertisers will turn off. If the advertisers turn off, the radio station will go into liquidation, and it will no longer be. That is why I passionately believe that the Liberal way is the best way; it allows the market to determine—that is, it allows the country listeners to determine—what they want from their radio station. Senator Webber’s address clearly highlights the difference between a socialist, regulated approach and an approach—that is, the Liberal free enterprise approach—that has served this country so well. It gives country people credit for knowing what they want.

I want to start my address by congratulating Senator Coonan, the Minister for Communications, Information Technology and the Arts, on getting as far as she has with this legislation. For Senator Coonan and the government it has been a long-term goal. Senator Coonan and her department have worked
exceedingly hard over many years to get this package to where it is now. By and large, most people in Australia will accept that the package is heading in the right direction and that it is a good package.

The Senate Standing Committee on Environment, Communications, Information Technology and the Arts looked at the legislation in a two-day hearing last Thursday and Friday. I have to express my disappointment at the very rushed nature of that inquiry. I attended the inquiry as a full member, on the basis that I would try to understand what the issues were all about, I would listen intently to the very significant number of witnesses who gave evidence and I would try to question them to examine whether we had got this legislation absolutely right. I think it is very important for government members to do that in a situation where the government has control of the Senate. It throws an additional onus on government senators to look carefully at proposed legislation and to make sure that it is going to achieve what is best for Australia and what is in line with the government’s intentions and goals.

The committee had a very intense two days. I will digress by congratulating my colleague Senator Eggleston, who, as chairman of the committee, did an exceptionally good job in quite difficult circumstances. Everybody—that is, witnesses and senators—wanted more time to question people, to question each other and to make comments, but we were on a very restricted time frame. The chairman, as a chairman should do, ensured that we kept going and that all senators had an equal and fair opportunity to put their points. The chairman was very courteous but firm to the witnesses. Senator Eggleston did a very good job in very difficult circumstances. Half of Senator Eggleston’s difficulties in chairmanship came from his own colleagues and not from the Labor Party, who were pretty ordinary all the way through the inquiry.

I do not want to go into the detail of the major package, except to say that cross-media ownership, foreign investment and many of the other proposals contained in it will bring Australia’s broadcasting legislation into the 21st century. It is supported by the majority of the committee. At the hearing, we heard evidence from a great number of witnesses—I do not know how many there were; perhaps Senator Eggleston could help me out here—and most of them had no real opposition to the main thrust of the proposals.

As I say, the legislation will allow for the huge increases in technology that have occurred in recent years. And we should take into account that technology in the communications area is moving so rapidly that what we decide on today will probably be different tomorrow. That is why the legislation had to be broad, had to look forward and had to try to set a framework that will be as relevant in five years’ time as in five minutes’ time. By and large the committee has supported the legislation.

However, there were a small number of issues where I had some concern and which I want to address. In addressing these, I do have a little advantage over the Labor Party, because I have some notes on what is proposed. The legislation is still being drafted and it is difficult for me—as it is for all senators—to be precise about what exactly the legislation will look like, but I want to make some comments on my understanding of what is proposed.

First of all, I want to make some comments about the two out of three rule. That is a proposal that many of us in country Australia considered. I again emphasise that the committee consisted of the Labor Party senators, who I think were all from the city; four
Liberal Party senators, three of whom are regionally based; and, in addition to that, some participating senators who also participated in the hearings. We were persuaded—fairly easily, I might say, because, as regional senators, we had come to this conclusion. I acknowledge that Mr Paul Neville, a regional member of the House of Representatives, and an acknowledged expert in these matters, had been talking about this and had raised the issue. As a regionally based senator living in a small country town in North Queensland, and as one who regularly travels to remote parts of North Queensland, western Queensland and Central Queensland, I was easily able to urge the government to accept a two out of three rule for regional Australia. I congratulate the committee on the recommendations it made in that regard.

I have to say that the committee’s focus was on country and regional radio. As senators would probably know, the two out of three rule, as I understand it, is now to apply not only to regional and rural media but to all media in Australia. The two out of three rule means that someone can own a newspaper and a radio station but not a newspaper, radio and television station; someone can own a TV and a radio station, but not the print media as well; or they can own print media and TV but not the radio. The two out of three rule will ensure diversity. I think that it is a good approach. That is all within the framework of a minimum of four voices in country areas. And, as I understand it, the five voices in metropolitan areas will remain. I am delighted that the government has accepted the committee’s recommendation in that regard and I thank the minister for doing that.

I will come back to the local content that Senator Webber was talking about and that I have already briefly mentioned, but before I do that I want to refer to the access arrangements for the B channel of the additional spectrum that is being allocated. Again, I am not absolutely certain of the precise arrangements that are going to apply, because the committee did not have legislation before it. The committee had a paper, as I understand it—a set of proposals—but no legislation.

I have been concerned—I have been persuaded by people who are very interested in this issue—that the B channel should not end up in the hands of one proprietor who could have a monopoly on that and exclude others. There was a concern expressed to me—one which I thought made a bit of sense—that, if an existing free-to-air or pay TV owner were to buy the B channel and have the B channel exclusively, they may not develop it because it may compete with their existing interests in free-to-air or pay TV. The B channel, simply explained, as I understand it, would be principally for mobile TV. As I understand that, it is mobile TV addressed to your mobile phone or some other receptacle. I was a bit persuaded that we had to be very careful about that.

In the end, I was not persuaded enough to exclude the free-to-airs and pay TV from bidding for the B channel, but I was impressed with an argument that you could split the B channel spectrum into several bits and then perhaps auction off individual bits. I confess that I am not technically literate in these areas and I was relying on others. Many of the witnesses said that that was simply not possible. The committee’s recommendation, the Senate might recall, was simply that the government have a look at this whole issue to decide what the appropriate access arrangements would be. As a result of the committee’s urgings, the government is having a look at that and has decided that the ACCC will be required to develop criteria relating to access undertakings by licence holders of the B channel licence for access by content service providers.
These criteria are going to be a legislative instrument, which I assume can be set aside by either house of parliament. A person wishing to bid for the B channel licence will be required to submit an access undertaking to the ACCC which the ACCC will consider against the criteria. They will be eligible to bid if the ACCC accepts the undertaking. Adherence to the terms of the undertaking will be a condition of the B channel licence. The undertaking will remain in force for the duration of the licence.

This arrangement will strike a balance between permitting the holder of the B channel licence to offer some exclusive services to its customers if it wishes to do so and ensuring that the other content providers will have the ability to seek access to the service on clear terms. Reading my notes I see the words ‘and if it fits their business model’; that is, that of the owner of the B channel. It will ensure ‘content providers will have the ability to seek access’. On close reading of that, I am not sure that I am altogether happy with that. It will mean that we will have to very carefully scrutinise in the committee stages of this bill just what exactly turns up in the legislation. The minister’s advisers might give some thought to that and perhaps give me some information that might explain that to me, because I do want to take part in the committee stages of this bill and I want to look at that very carefully. I think it is essential that not one owner can control the B channel.

With my time being limited, I want to return to the point where I started when I accused Senator Webber of talking about the old socialist proposal where Big Brother and governments know better than anyone else, so they are going to regulate that you have got to have 12½ minutes of local news and you have got to have 4½ hours of local production. I am all in favour of localism but it is my understanding that in fact this applies only to radio. I make the point that this sort of precise regulation does not apply to TV—there is already some light-touch regulation of TV—and does not apply to the print media but for some reason we are going to apply it to commercial radio. I am concerned about that.

I wonder what happens if there is a bit of a shortage of news one day and they only give 12¼ minutes of news, rather than 12½ minutes of news. Are they going to lose their licence? Who is actually going to work out that they have only given 12¼ minutes of local news? And what is local news? We will have an army of bureaucrats sitting there determining what I in a country area of Australia can actually listen to—‘It’s got to be precisely this.’ And we are going to have 4½ hours of local content each day. Even though it might be rubbish local content, it is going to be foisted upon those of us in the country because some bureaucrat in Canberra or—heaven forbid, even worse—some politicians have said that you have got to have 4½ hours of local content.

If I am a listener—and I am a listener—of commercial radio in country Australia and I do not like what they are producing and they do not have local news and they do not have the local content that I want, I will not listen to that radio station. If I do not listen to that radio station, the advertisers are going to say, ‘Why am I buying advertising space on this radio station when I know that Ian Macdonald and another 20,000 people like him are not listening so I am not going to be getting value for my advertising dollar?’ I as a listener and every other person in regional Australia—as they are clever enough; in fact I think they are cleverer than city people—will tell the radio station what they want. We have had anecdotal evidence that a lot of country people have rung up and said, ‘Get rid of that useless local stuff in this area as it is not much chop at all. We want to listen to
John Laws. Why you would want to listen to John Laws I am not quite sure, but many people in country Australia do and I accept that; I accept that his is a very popular program. People should be entitled to do that if that is what they want. Having bureaucrats and politicians sitting in Canberra telling me in a country part of Australia what I should listen to I think is appalling.

These are the arguments that have been made. I have to say at the Senate committee hearing I was appalled to find that no-one in commercial radio had been consulted about these issues, and this is not just the big corporate radio stations—the Macquarie News, the Macquarie Radios, the DMGs and all of them—it went right across the spectrum from those big corporate radio stations with big chains right down to the individual family owned radio stations in country Australia. All were totally opposed to this. They were distraught and insulted that they had been singled out, and nearly all of them said they provided this local stuff.

I live up in North Queensland and I do a lot on commercial radio in Rockhampton, Mackay, Townsville, Cairns, Innisfail, Mareeba, Mount Isa, Longreach and Emerald. I know that all of these places have local content and then switch—all of them said they provided this local stuff.

What the minister has proposed to try and address this is to firstly say, ‘Look, we’ll include these very prescriptive areas, these 4½ hours and these 12.5 minutes and all of these new bulletins.’ I want to interpose here that when there is a calamity around—and I know this personally—such as a cyclone in North Queensland, commercial radio stations stay on air 24 hours a day. They feel obliged to do that and they also know that their listeners and advertisers want that, so they do it. But what is being proposed is that this will be included in the bill, as I understand it, and in the meantime the ACMA will have an inquiry into what is appropriate and whether this is fair or not and will make a recommendation to the minister. The minister can then accept or reject the recommendation and will then be able to alter those hours and minutes of various things, and if the minister does alter them it will become a disallowable instrument. But if the minister decides to do nothing, then the 12½ minutes and the 4½ hours will stay as a default provision. I am quite concerned about that, and I want to investigate and explore that much more closely in the committee stage of this bill. I put these issues because I am from the country—(Time expired)

Senator HUTCHINS (New South Wales) (8.21 pm)—I wish to speak on the Broadcasting Services Amendment (Media Ownership) Bill 2006 this evening. As you are aware, we have waited nearly two days to debate this bill. Despite what Senator Ian Macdonald has said, I think that, if you look at the actions of the coalition since they gathered control of the Senate in the last 12 months or so, it is their side that is consumed by ideology. We have seen it in the introduction of the Work Choices legislation; we have seen it in the introduction of Welfare to Work; we have seen the changes to the electoral laws; and we have seen the changes to the committee system. All this has happened in the last 12 months since the government gained control. That is what concerns us on this side about the contents of the bill and, in addition to that, the conduct of where we have got to at this stage.

Senator Ian Macdonald was a competent minister and has continued to be a competent parliamentarian. I listened to his contribution this evening and he highlighted a number of difficulties that he has with the bill that he
has indicated to us that he will be raising in the committee stage when we get to that. I think that not only reflects on Senator Macdonald’s character but also indicates to us at least that there is still some disquiet or some difficulties not just within the National Party but also within the Liberal Party about the progress of this bill.

But one has to compliment Senator Macdonald because he at least has the courage to come into this place and put his position. Senator Macdonald is a known coalitionist. In the end, despite his misgivings about what may be said and the difficulties he has highlighted, he will no doubt continue to support the government line. But, as I said, Senator Macdonald is here this evening and has spoken.

But where is Senator Barnaby Joyce? Where is Senator Fiona Nash? You can get them to make a contribution in the vicinity of the parliament if you go out and get a door-stop from 7.30 to about a quarter to nine every morning. I saw Senator Joyce this evening, all sweaty after a run around the paddock, giving the people of Australia, through the ABC and the other media outlets, the opportunity to hear what he thought. I went and checked just then, and I cannot see Senator Joyce’s name on the speakers list this evening so that Senator Joyce could at least outline to us, as he does in his media grabs, what he has been able to blackmail out of the government in this legislation. Where is he?

Where is Senator Fiona Nash? She is the person who follows him around now. Equally she now seems to be an anticoalitionist. Where is she? What did she blackmail out of the government? At least I have not seen Senator Nash do the 30-second grabs out the front here between 7.30 and a quarter to nine every morning. Maybe it is Senator Nash’s turn tomorrow. Why aren’t Senator Nash and Senator Joyce in here this evening explaining to the Senate what they had difficulties with in relation to this legislation and what they blackmailed out of the government?

At least Senator Ian Macdonald has outlined his concerns, which he will raise in the committee stage. But will we hear from Senator Joyce or Senator Nash in the committee stage? I doubt it very much, because this has all been done secretly, except for the grabs out the front here and the odd television appearance. These two members of the Senate have been able to extract some major concession from a hapless minister about what is going to be involved in this legislation. So what did they get out of it? We know the two to three rule, but I have looked and we now have the list of amendments that we are going to be expected to consider this week. I am not sure when these arrived but they have now been presented.

I am sure Senator Nash and Senator Joyce have had their opportunity to speak to that hapless minister, Senator Coonan. I am not sure if in the end Senator Coonan conceded and decided to meet them collectively rather than individually. Maybe she did. But, in the end, the deal has been done. Listening to the Liberal people making their contributions, these anticoalitionists have now got you by the short and curlies. Despite the misgivings of Senator Ian Macdonald, which he has outlined this evening, they are not in here explaining that to us. I do not know what they explained to their joint party room this morning. Maybe they did that as well. But, in the end, they have screwed a concession out of the government. They have blackmailed a hapless minister into making concessions that we will have the opportunity over the next 24 hours to look at and make our own determinations on. That is what we have seen this afternoon and in the last few days.
I agree with Senator Ian Macdonald in relation to this rushed hearing. With the complexity that is being asked of parliamentarians and the complexity of this legislation, how does two days suffice? In the end, the government have the numbers—well, you would have thought so with Senator Joyce and Senator Nash joining the coalition ranks last year—and so the government should be able to come into this place and be able to execute their legislation. But, of course, they have not had an opportunity because they have been blackmailed by these blackguards, as people might call them. That is what has happened and that is where we are at at this stage.

These reforms are the most significant since the cross-media laws were introduced in 1987. They were put in place to protect the diversity of Australia's media and to give Australians access to a wide range of opinions, news gathering and entertainment. They make sure that the controlling interest of radio and television is also not the controlling interest of a newspaper in the same capital city. This makes sense. It is logical for the Australian people to expect that when they read a newspaper, tune into their radios or switch on the television news the copy is not all written by the same hand or spoken by the same voice.

True enough, the media landscape is a different one to the one when the cross-media laws were introduced nearly two decades ago. The prevalence of the internet as a popular medium for news and entertainment was not on the agenda of policymakers then. Mobile phones were not jangling around in people's pockets and bags back then. However, the foundation argument remains—we are entitled to a diversity of opinion in our media.

Let us have a look at the current face of the media. There are 12 owners of major media in Sydney, 11 in Melbourne, 10 in Brisbane, eight in Perth and seven in Adelaide. In the regional markets we are looking at six or seven major media owners. In places like Bathurst or Gosford, there are five groups. In Lithgow, there are only four. Oh, good, Senator Joyce is going to join the debate. This level of concentration is also one of the highest in the world. This bill seeks to make it easier for the big players in the industry to grow bigger and sounds the death knell for the smaller media organisations. This is particularly important for regionally based media, but its significance to suburban consumers should not be overlooked. When people open their local newspapers, they want to see local news. When people listen to their local radio stations, they do want to hear about topical, local issues. The vibrancy and connectedness of many communities relies greatly on the interaction they have through their local media. The letters pages and the local talkback are all part of the networks communities tap into.

The government's original plan, however, would have seen a reduction of media voices down to minimums of less than half in some cases, as I understand, of the organisations that are now operating. Some of these remarks of mine are predicated on the facts of the original bill. The proposal is for minimums of five voices in metropolitan media and four in regional Australia. With an open slather market it will be a race to acquire the most prized and most influential media organisations. A minimum of five voices in a capital city can mean a major print organisation acquiring a leading radio station and leading television station in one market, marginalising its competition but still being able to fulfil the five voices regulation.

As radio group DMG noted in its submission to the Senate inquiry:
It is unrealistic, for example, to suggest that a mega media conglomerate with one daily newspaper, one free to air television station and two radio stations in one market should be counted as a voice just the same as one small stand alone radio station in that market with an insignificant number of listeners. This belies reality.

DMG makes a very valid point that is lost on the thin rationale behind the five/four voices plan. Fairfax in its submission to the inquiry highlighted the example of the Newcastle market, where there are seven media organisations, but the prevalence of only a handful of outlets already dilutes the diversity and does not bode well for the market post the abolition of the cross-media ownership laws. Fairfax representatives told the inquiry:

If you asked the lord mayor of Newcastle how many media players there were in Newcastle, I think he would be amazed to find there were seven. If he puts out a press release, probably only our newsroom, NBN’s newsroom and maybe one of the local radio stations will contact him. The notion that there are seven independent voices in Newcastle is probably mathematically correct and statistically true, but it is substantively false. I think there are concerns in regional Australia, which are expressed to our regional editors in the markets in which we participate, that further consolidation in those markets will further diminish diversity of content in those markets.

Exposure is the jewel in the crown for a media organisation. Mergers, if they occur, will be designed to garner the most exposure for a media organisation. They will be designed to grab the largest number of readers, listeners and viewers to maximise profits through advertising revenue and to likely minimise the cost of centralising production. Taking away the protection of diversity enshrined in the existing cross-media laws is a strong signal from the government that it values the profiteering of big media rather than the service it delivers to consumers. Advertising is the driving force behind any successful media organisation. The larger an organisation grows, the more advertising it attracts. The two have a very close relationship that is sometimes too close.

In my local area, in Penrith, where I have an office, in my duty electorate of Lindsay, there was this week reported an issue about Work Choices. It related to a local real estate agent, Mr Jim Aitken. Mr Aitken is probably the biggest real estate agent in Penrith area. He is a local Liberal councillor—that would not surprise you—and he is also a former state Liberal candidate. He has been accused this week of creating a new company so that he can terminate his employees and shift them onto new contracts. A faithful Liberal soldier, he has taken the opportunity provided to him by Work Choices and told his staff they can sign it or else. It is an interesting local story and I wait to see the outcome of it, because Councillor Aitken would have to be the biggest advertiser in the local papers—the Penrith Press and the Penrith City Star. I will be interested to see whether this story does get a run in the local papers, because it did get a run on Channel 10 last Saturday night.

But, as I said, while the government’s proposal says it will guarantee a five-four minimum, it does not speak to the influence of these voices or the marginalising effect a significant merger could have on the remaining voices. This may not be an overnight effect, but the exposure to even a watered-down two-way merger, combined with the increased revenue from the ensuing advertising, would make for an incredibly formidable conglomerate that would more than likely encourage its competitors to follow suit.

One of the great attractions of a merger for media organisations is centralising their production units. Production staff and journalists are a high cost for media organisations. Mergers between groups provide the
incentive of homogenising production so that live and local becomes mass produced and impersonal. In a merged media market, the number of locally based journalists would be downsized so that locally produced news is an afterthought. For the money counters, centralised production makes good sense, but the local consumers who want to find out what is happening in their communities will be left scratching their heads. And just as the temptation to delocalise media production would be too great, so too would be the temptation to use all arms of an organisation for cross promotions. We have already seen some poor examples of promotions tarted up as news, and the abolition of cross-media laws will only add to the opportunities for media organisations to use their time and print space to further their own bottom line, regardless of the public interest value.

I would also like to touch on the role of the emerging media. It is completely ignored in this bill, more than likely because the dominance of the existing media players means that the influence of the voices represented by emerging media are following similar patterns to those in the traditional media. The argument goes that new media like the internet is much easier for a non-player to break into than your traditional media market. Theoretically, this would hold true. It is relatively inexpensive to begin your own online news service or entertainment provider. There are literally millions of blogs out there giving unknown authors’ unfettered freedom of expression, and there are web portals with video, audio and text on demand that surpass what is on offer in traditional media.

But popularity in the emerging media has its price. Online video sharing website YouTube is the most popular site of its kind. It began as a way for people to upload video diaries and has exploded to include all kinds of audio-video content. But YouTube does not quite know what to do with its popularity, and has a monthly $2 million bill just to keep up its capacity. The profiteers from the existing media stable are hovering, ready to turn YouTube into an advertising goldmine. Mobile television is the next battleground, where media companies will fight to be in the pockets of millions of Australians. The government has already signalled it will open the bidding to existing media companies, meaning that another emerging media will be lost to diversity and we will see more of the same.

It is characteristic of a government ignorant of the wishes of the Australian people, who are sick of the profit first mentality of the current Howard regime, and that is why this bill worries me. We have seen many examples in the last 12 months where this government has opted for ideology over practicality. We have seen it with the sale of Telstra, the sale of Medibank, which the government has backed off from at this stage, and the other issues that we have been highlighting, including Work Choices. The bill that we have been presented with today is, once again, a triumph of ideology over practicality. This bill worries me, because in the end it will narrow the stream of opinion and it will be a significant threat down the track to our parliamentary democracy.

**Senator EGGLESTON** (Western Australia) (8.41 pm)—The Broadcasting Services Amendment (Media Ownership) Bill 2006 and the Broadcasting Legislation Amendment (Digital Television) Bill 2006 deliver very real and necessary reforms to media ownership and media services in this country. Media and media technology have changed dramatically over the last two decades. The triumvirate framework based on the traditional media of press, radio and television is no longer a real reflection of the nature of the media in Australia. We now
have pay TV, free-to-air digital TV with multichannelling and 3G mobile networks offering music, video and text along with phone calls. We have podcasts, digital radio, websites from around the world and now mobile TV. The existing media players are operating in a restricted market where their expertise and capabilities are constrained by unrealistic regulation.

Australian media is competing with media from all over the world: American newspapers online, podcasts of German radio programs and Asian news video on the internet. We no longer live in a world where the local daily paper, the morning radio news and the evening television news are our only sources of information. Changing the ownership rules will let the media market operate more efficiently, benefiting industry and consumers by allowing greater competition and economies of scale. These benefits will be shared across a large sector of the economy.

Like other microeconomic reforms undertaken by the Howard government, the benefits of reforming the media ownership restrictions are real, both for industry and consumers. The removal of foreign ownership restrictions allows foreign media companies and investors to enter the television and daily newspaper markets, providing greater opportunities for investment, new players and services. Similarly, the removal of cross-media restrictions will allow Australian media companies to enter different media, providing greater competition opportunities for greater efficiency and new and improved services for consumers. Any reform needs to protect diversity of ownership, but this can be done in a way that is less restrictive than the current regime. The diversity of ownership will continue to be protected through the two out of three requirement, and licence and reach limits.

The current media ownership laws regulate commercial radio and television and daily newspapers above other media because of their greater level of influence. While they remain influential, they are no longer the sole source of news and information, as I have already said. A regulatory framework that assumes that radio, television and newspapers are the only sources of information will become outdated and ineffective, ultimately to the detriment of consumers.

As the chair of the Senate committee which conducted the public hearings into these bills, may I say the committee encountered a wide range of views and produced a report, which I felt was very balanced, on the effects of this legislation. I would like to take this opportunity to thank my colleagues from all parties and all those who contributed to the inquiry, especially the committee secretariat staff.

One of the issues I found of most concern was the proposal to regulate local content on regional radio. All the witnesses representing regional radio said that they had not been consulted about the proposed regulation of regional radio services and believed that they were providing the services required by their communities. The proposed regulations would require regional radio stations to satisfy a quota of 12½ minutes of local news every day, have a local content plan in force and report annually to ACMA on their compliance with the local content plan. I feel that any regulation should be as light as possible. The reality is that market forces will strike the balance of local, regional, national and international content. If a radio station is providing too little or too much local content, people will stop listening and advertisers will stop buying time on that station. In fact, in my experience regional and rural listeners want a balance between local, state and national content.
As an example, my Western Australian colleague Senator Adams cited at estimates that residents in Albany in the south-west of Western Australia were displeased when the ABC radio program hosted by Liam Bartlett from Perth was replaced by a local Albany morning program. They in fact preferred the Perth program. I am very pleased that the minister has agreed to the committee’s recommendation that the regulation of local content measures for regional radio be reviewed.

The digital television bill will remove the current genre restrictions on multichannelling by national broadcasters. It will remove, from 1 January 2007, the high-definition digital television broadcast requirement which will enable a broadcaster’s HDTV simulcast service to become a multichannel. I have always believed that the mandating of HDTV broadcasts unnecessarily restricted the Australian television industry. This change means that broadcasters will be able to offer a broader range of digital services to customers. From 1 January 2009 commercial free-to-air television broadcasters may provide a single multichannel in standard definition television in addition to the standard definition TV simulcast of the analog service. This is intended to allow commercial broadcasters to provide additional services during the simulcast period.

The current restrictions on full digital multichannelling by commercial free-to-air broadcasters will be removed at the end of the simulcast period. The usual viewer protections will apply in relation to the regulation of content on multichannels; however, other content obligations, such as Australian content standards, will not apply initially so as to assist with the development of these channels. There will, however, be a review of the regulation of multichannels before analog switchover. The government is committed to encouraging the uptake of digital television. However, it has to be said that the uptake of digital television in Australia has been slow compared to other parts of the world. In my opinion, it is unlikely that the viewing public will invest in digital TV technology on the mere promise of improved picture quality. I believe content will be the major incentive for the uptake of digital TV.

In Europe, digital stations offer multichannelling and interactive services. As shown elsewhere in the world, multichannelling can generate positive outcomes for consumers through this enhanced competitiveness, as, for example, was the case in the UK when Channel 4 removed both the E4 and the Film4 channels from its subscription platforms and made them part of its free-to-air multichannel service. The government intends to remove the restrictions on commercial free-to-air stations with regard to multichannelling at the end of the simulcast period, as I mentioned earlier. The Australian Competition and Consumer Commission noted in a report in 2003:

... benefits flowing from maintaining the status quo may be lessened over time. The restriction on FTA multi-channelling may actually prevent the FTA operators from responding to new sources of competition.

Pay TV is now an increasingly secure and commercially viable part of the Australian media market. As it seems clear that competition will drive content and that content will drive digital TV uptake, accordingly I believe that the government should consider bringing forward the date for lifting multichannelling restrictions on free-to-air services and consider shortening the simulcast period in the interests of encouraging householders to purchase digital televisions. However, given the complexity of the issues involved, I acknowledge that this is a difficult decision for a government to make.

There have been some minor changes in the antisiphoning scheme, the most impor-
tant being to remove present broadcasters from premiering antisiphoning listed events only on digital multichannels. This will ensure that listed events remain available to the widest possible audience. The government has announced that it will introduce a use it or lose it scheme for events on the antisiphoning list; however, this scheme is to be controlled by the minister and, in the view of the committee, does not require legislation.

The legislation will also open up two new channels of currently unallocated spectrum made available for new in-home and other services, such as mobile TV. There was a lot of discussion in the committee’s public hearings and private meetings about access to these two new channels, particularly the channel B spectrum. It is proposed that the channel B spectrum may be used for mobile television services and there was some concern that, by awarding this spectrum to one provider, a monopoly situation would arise. There was some concern from the 3G mobile phone industry about how mobile TV and 3G services may dovetail. There was also some discussion on the committee about splitting the channel B spectrum to encourage diversity. I am confident that the government has listened to these concerns and will put in place measures to ensure that there is a balance between encouraging the development of these new technologies and ensuring competition in the market. SBS and the ABC will be able to provide a broader range of content on their multichannels with the removal of the genre restrictions.

The government has fulfilled its election commitment to transfer the power to allocate commercial television licences from the Australian Communications and Media Authority to the government of the day. It is important that a democratically elected and publicly accountable body exercises this power, and that is achieved by these bills. The Australian Communications and Media Authority has had some concerns that its range of enforcement powers are not sufficient to enable it to fulfil the objects of the Broadcasting Services Act 1992.

The bills before the Senate today will enhance ACMA’s broadcasting regulatory powers under the BSA by providing ACMA with powers in relation to civil penalties, injunctions, enforceable undertakings and infringement notices. The government is introducing these changes to enable ACMA to be more responsive, particularly when it comes to ensuring compliance with broadcasting codes of practice and licensing conditions. The changes build on ACMA’s review of television codes of practice for reality television and the government’s announcement in June this year that content safeguards would be extended to mobile devices and premium internet services. The Howard government is committed to a classification system and coregulatory regime that enables people, especially parents, to make informed decisions about the types of programs that are suitable for them and their children to watch. I must say, of course, that the committee recommended that ACMA also have divestiture powers.

In conclusion, we have heard many opposition speakers today talk about media concentration and control of the media. The changes proposed in this legislation will allow greater flexibility in the media market, reforming the outdated system created prior to the internet, the iPod, pay TV and 3G mobile phones. ACMA will continue to enforce rules regarding content and broadcasting. The ACCC will continue to ensure competition and fair trade practices in the media market, as it does in all Australian markets. The Foreign Investment Review Board will continue to assess and regulate foreign ownership of Australian businesses. The two out of three rule will maintain media diversity. All of this will occur without imposing an
outdated and meaningless straitjacket of regulation on media organisations—regulation based on the state of the media market 20 years ago. I do not believe for a minute that journalists will be any less fearless in researching and disseminating news. I do not believe that journalists will be any less diverse in their views when this legislation is passed into law. These reforms will revolutionise the media in this country and will provide, I believe, a more flexible framework for media organisations and better media products for consumers.

Senator LUNDY (Australian Capital Territory) (8.57 pm)—Labor is, of course, opposing the Broadcasting Services Amendment (Media Ownership) Bill 2006. Like my colleagues, I am gravely concerned about the effects that this bill will have on media independence as well as the diversity and quality of local content in Australia. I note with interest the rhetoric of the government. It talks about providing ‘greater flexibility’ and dealing with ‘outdated and meaningless legislation that is 20 years old’. I challenge the government by saying that these are hollow words. What does ‘greater flexibility’ mean in this context? It only means one thing and that is permission to further consolidate and concentrate media in markets around Australia. With the way that these laws have been drafted, that is the only thing that ‘greater flexibility’ could possibly mean. It has also used the words ‘outdated and meaningless’, as though time itself has rendered this legislation outdated and meaningless. It is actually the substance of the cross-media laws, the current laws, that remain precisely relevant and meaningful in this current debate. To somehow drag up that they are 20 years old as evidence that they are meaningless I think is shallow and spurious.

The bill really constitutes quite a shameful attempt by the Howard government to weaken the laws. It undermines existing cross-media ownership laws that are designed to protect media diversity in Australia and within Australia’s regions. It will cause and, I suspect, hasten and encourage a further concentration of media in Australia. Having fewer media outlets means a reduction in diversity. This, first and foremost, is unhealthy for democracy, because it means that the community can access fewer news and current affairs sources, journalistic commentary and opinions. Later on I will also provide a comment on the Broadcasting Legislation Amendment (Digital Television) Bill 2006.

The current laws relating to media ownership prevent the common ownership of newspapers, free-to-air television and radio licences in the same market, in the same region. Their purpose is to ensure a diversity of ownership across the most influential media by preventing those same organisations from controlling a multiple of platforms. This has the effect of ensuring that a wider range of news, information and opinion can be accessed by the community.

The Minister for Communications, Information Technology and the Arts, Senator Coonan, has tried to convince the Senate on several occasions that changes to cross-media laws are in the interest of consumers. However, the minister has always failed to back up her claims with any evidence. It was with the typical arrogance of a tired old government that the minister resorted to quite insulting and illogical arguments to try to garner support for these bills. The government’s arguments in favour of these changes are insulting because it is obvious to anyone seriously observing this debate that the government is shamelessly trying to placate some of the largest incumbent media interests in their ongoing clamouring to have the current cross-media constraints removed—because those interests see them as con-
strains to making their businesses bigger and more profitable.

It is hard to fathom the front of the minister when she claims that these changes are designed to help consumers, when even the farcically short Senate inquiry could not identify any consumer benefit. All we got were these amorphous claims about flexibility and economies of scale, all of which benefit the big businesses that are already incumbents in these markets. They were not able to point to anything else. The beneficiaries, we know, are those big incumbent businesses in the media.

It is so insulting that these arguments are put forward that it is easy to make the observation that they come from a government that is so arrogant that it does not even bother to try to make a reasonable case. What we are left with is this exercise of negotiation between National Party and Liberal Party senators, as though somehow that makes up for the massive change that they are trying to impose.

These changes will open the floodgates for media mergers and acquisitions because the rules will allow for fewer voices or separate commercial media outlets than currently exist in many markets. You have heard from my colleagues, right through this debate so far, about the extent to which those voices could be reduced in both metropolitan and regional markets. The result will be less variety for consumers, not more. Nowhere will there be more voices.

As we have heard, if for some reason there are four voices and some of those voices go out of business, there is no mechanism to create more voices. So there will be a perpetual ratcheting down of the number of media voices in this country, with no scope for new entrants, because the inevitable consolidation in these markets will make it even harder for new companies to get a foot in the door of a new market. And yet the minister illogically insists on this being good for consumers. Last time I looked, less was bad news for consumers, not good news as the minister purports.

Another insulting argument put forward by the minister is that these changes will make it easier for new providers to enter the market. We heard this put forward at the Senate inquiry. We have heard the minister say that, but how can it be so when all of the activity will be in mergers and acquisitions. Surely the market will dictate that new players will ultimately have fewer opportunities as incumbent players get bigger, consolidate and purchase or take over smaller ones. It does not sound like a good scenario for a small entrepreneurial outfit trying to establish themselves in the media market.

The other big porky the minister is trying to peddle is that the internet has resolved the need for cross-media restrictions. The minister claims that the internet ensures that people can get a wide variety of media from an almost infinite number of sources. This shows how out of touch the minister is with what is going on with the internet. Again, I know several of my colleagues have pointed out that the top four news sites—which account for 84 per cent of hits—for people accessing news on the internet in Australia belong to Fairfax, News Ltd, the ABC and PBL respectively. So what the internet provides—and this was confirmed very strongly by the ACCC during the Senate inquiry—is another platform for the same players. It does not represent diversity at all. When the minister suggests that it does it shows that she is choosing to ignore these facts and figures or she is choosing to mislead the Australian public about the role the internet plays in the provision of news and current affairs and information services to Australians.
Labor has always supported sensible media reform, but what is being proposed here today is not reform. I reject completely the arguments put forward by the government that this is somehow the next natural step in media reform; it is not. It is an effort to placate the needs of some of the largest businesses in this country. The practical implications of these changes will lead to a further concentration of the ownership of the most influential media and this will result in an increase in the power of some of the most powerful companies in the country. This does not enhance democracy. It is likely to diminish it, and Labor believes it is certainly not in the public interest.

I would like to turn to this concept of media diversity. It is quite central to the debate and we think it is worth preserving because it is an essential element of any functioning democracy. An effective democracy requires that issues relating to politics, policies, governance, administration, events, and public and community life be reported in a fair, transparent and quality manner by the media. Deliberately reducing the number of media players performing this role to a few powerful entities in a given community, as this bill intends to do, will diminish the variety of ways that news, information and opinions are presented to the public. Less variety means less competitive pressure to maintain quality content—and so the spiral cycles downwards.

Media diversity is also important to citizens as members of geographic communities. The public interest is served by ensuring they have access to newspapers, television and radio programs that cater to their local needs and interests as well as to their broader thirst for information about national and global affairs. Again, less variety means less competitive pressure to maintain a high proportion of relevant localised content. The alternative is only being able to access what a few big media entities think sells—purely commercial considerations. That is when you get the syndicated news and the ‘rip and read’ approach to news, particularly on radio.

So much of the news and information reported, analysed and distributed is already syndicated, or shared, and this aspect of media business—news reporting—is expensive because it requires skilled human beings to do it. The Senate inquiry heard that news is often the first to go in any merger or takeover of smaller media companies. That is because the motivation is not about communities or their interests; it is about economies of scale—the one thing the minister has said which is accurate but which, for the purposes of this debate, means newsrooms being merged, reporters being sacked and genuine local content reduced.

We have heard government senators purporting that these bills provide safeguards to try to ensure some media diversity will be maintained, but these safeguards are woefully inadequate. I have already mentioned the voices test, and I want to go into that in a bit more detail. This so-called diversity of voices test, or five-four test, provides a minimum number of distinct commercial media entities in a given market: four in regional markets—a definition which includes the ACT, my electorate—and five in metropolitan markets. As I said, a quick count of the number of existing players in regional and metropolitan markets will expose the fact that this test can only result in a reduction of players, because so many markets have more. This renders this measure completely ineffective as a safeguard for diversity. It is a complete con.

Using this test, the numbers of media owners in metropolitan areas like Sydney or Melbourne could halve, and in many parts of regional Australia the number of media owners could fall by a third. So what a fraud this
test is and how arrogant of this government to even serve up the five-four voices test as some sort of safeguard. Not only will the five-four test allow for media ownership to be concentrated; it fails to take media influence and reach into account. Some mergers would have little impact on local media, whereas others—for example, between a sole local paper and the leading television station—would profoundly disrupt the news culture of any given community. However, the five-four test fails to distinguish between the two. Any subsequent two out of three test, such as the one we are hearing about in the form of proposed amendments, is unlikely to mitigate the possible negative effect on diversity of the five-four voices test in the sort of scenario I have described.

In recent times, including at the Senate’s cross-media inquiry, the ACT has provided a useful case study of a regional community that in certain circumstances could have less media diversity as a result of the new laws. The submission from the Communications Law Centre reflected on a hypothetical scenario to demonstrate how ineffective the five-four rule would be in a regional community like Canberra. I quote from the submission:

Hypothetically, Canberra Times merging with Southern Cross TV (Channel Ten) would potentially be one point under item 5; Capital Radio merging with Austereo would potentially be one point; and Prime TV … and WIN … would potentially count for a point each. The Bill does not recognize that by having the local paper potentially share content (due to ownership by the commercial television broadcaster), the quality and diversity of news coverage is potentially diminished in the region. The Bill does not recognize the importance of an independent source of news in a print format.

I also want to discuss the role of the ACCC under the bills we are discussing. When questioned about the very real effects these changes will have on competition and diversity in the media industry, the minister has been quick to identify the ACCC as being the responsible entity to implement competition and therefore diversity policy. The government has claimed that the ACCC’s administration of the Trade Practices Act will be a safeguard against excessive concentration in media markets, but we now know, thanks to the painfully short Senate inquiry, the ACCC is no substitute for the current cross-media laws.

Senator Conroy notified the Senate on 14 September of this year that a number of leading competition lawyers had seriously questioned the ACCC’s capacity to stop significant media mergers. Historically, the ACCC has considered that newspapers, radio and television operate in separate markets and, as such, a merger between these businesses would not technically breach competition laws. Even in the event that the ACCC does find that a merger breaches the Trade Practices Act, the Federal Court may overturn the decision. Labor believes media independence and diversity are too important to leave to the vagaries of such interpretations of the law. The current cross-media laws provide a guarantee of media diversity that the ACCC’s enforcement of the Trade Practices Act simply cannot provide.

The bills also introduce measures imposing obligations on regional broadcasters to comply with local content rules, and it became clear very quickly that this had not been discussed with any of these businesses—so much so that everybody was concerned that that would have a negative effect on the government’s attempt to make a sop to the National Party about provisions for local content. They were operating in a vacuum—and indeed still appear to be in the construction of new proposed amendments.

A constituent recently emailed me—actually, it was during the Senate inquiry;
they were obviously listening to proceedings. I would like to place their observations on the record, as I think they are relevant to the debate. They wrote:

When I was growing up, 2BE Bega broadcast to the people of the Bega Valley: pig and bobby calf sale prices, local river heights, even the prices at the local co-op. This was information of no importance or interest to people beyond the Valley. But to people within the Valley it was information that was directly relevant, that was both important and interesting.

Today 2BE is East Coast Radio, broadcasting from Eden to Bateman’s Bay. Localism has been killed. It has been replaced with regionalism, with aggregated markets. Localism has been lost, with areas homogenised into advertising demographics. That’s the point about localism. You can’t expect the people of Malua Bay to have the same ‘local’ interests as, say, those at Pambula.

So you can see how localism is interpreted according to the perspective of this particular individual, and I think this person had a valid point. The bills fail even at this most basic level to adequately protect or define true local content. No amount of red tape with additional regulations or window-dressing with all of the flowery rhetoric can make this bill a satisfactory replacement for the current cross-media laws.

I will now spend a few minutes making comments on the Broadcasting Legislation Amendment (Digital Television) Bill. Unlike the media ownership bill, there are some positives for consumers in the digital television bill. It will provide for some additional digital channels, theoretically making digital television more attractive to consumers—and we know the Howard government has been quite appalling in its efforts to try and encourage people to switch to digital. I say ‘theoretically making digital more attractive’ because, true to form, the Howard government has also compromised its claimed intent to make digital more attractive. The compromise is that, while this bill appears to make progress in promoting digital broadcast services, it is unlikely to dramatically increase the take-up of digital television.

The decision to lift genre restrictions on the multichannels of the ABC is strongly supported by Labor. It is a policy that the opposition has advocated since before the last election. Our minority report notes several important points about the extra channels and interactive services, including the fact that in the UK they seem to have made an important contribution to generating consumer demand for digital television. (Time expired)

Senator FIERRAVANTI-WELLS (New South Wales) (9.17 pm)—I rise to speak in favour of the Broadcasting Services Amendment (Media Ownership) Bill 2006. The bill implements the Howard government’s longstanding commitment to reform Australia’s outdated media ownership laws. The changes to media ownership were announced as part of the federal government’s media reform package in July 2006.

The current foreign and cross-media ownership restrictions under the Broadcasting Services Act 1992 limit competition in the media sector. They also restrict access to capital, expertise and technology. The proposed changes will encourage greater competition. They will also allow media companies to achieve economies of scale and scope, whilst at the same time protecting the diversity of Australia’s media.

For 20 years, Australia has had a set of media control rules that, in effect, largely restrict how media markets and companies operate. This is based on an outdated philosophy based on the concept of ‘containment’. This philosophy of containment does not recognise that today media companies operate very differently to the way they did when the legislation was first introduced.
Technology has greatly changed and, indeed, so too has the way we consume media and media services today. When those rules were formed, the internet was available only to a small number of people; pay TV was in its infancy in Australia; there was no framework for digital radio; no-one had heard of IPTV; and 3G mobile phones, video iPods or television over a mobile device, otherwise known as DVB-H, were nowhere on the radar.

Today, our traditional media platforms are being pressured from all angles. To enable them to survive and compete, it is vital that some of the regulation currently restraining them be freed up to enable these platforms to adapt to changing times. Without this change, the traditional media industry will continue to watch other platforms encroach on their traditional businesses. They will be fettered from moving themselves. New media will leave them well behind.

Through these proposed amendments of the ownership rules, the media market will operate with greater efficiency. This in turn will ensure that both industry and consumers will benefit by permitting greater competition and economies of scale and scope. The effect of these benefits will be diffuse, dynamic, and shared across a large sector of our economy. As with other microeconomic reforms undertaken by this government, the benefits of reforming the media ownership restrictions are real. For example, the restrictions on foreign ownership restrictions will enable foreign media companies and investors to enter the television and daily newspaper markets, thereby allowing greater opportunities for investment—in short, new players and new services. It is interesting to note that Australia’s radio sector has no foreign ownership restrictions. Notwithstanding that, it is considerably more diverse in its ownership than either television or newspapers, with two major foreign owners in the sector, namely APN and DMG. Similarly, the removal of cross-media restrictions will allow Australian media companies to enter different media areas. In turn, this will afford greater competition, greater opportunities for more efficiency and, most importantly, new and improved services for consumers.

It is important that any reform must protect diversity of ownership; however, this is able to be achieved in ways that are less restrictive than is currently the case. This diversity of ownership will continue to be protected via the five-four voices requirement and licensing reach limits. The current media ownership laws regulate commercial radio and television and daily newspapers above other media by virtue of their greater level of influence. In 1987 television, radio and newspapers were virtually the only news media but, whilst they remain highly influential, they are no longer the only sources of news and information. Further, while traditional news gathering remains dominated by what one can term ‘old media’, the ability and the capacity of independent online sources to deal with news more quickly, to comment on and to provide analysis of that news and in turn to diffuse that information means that online news and information has emerged as a powerful influence in its own right. Indeed, today, when we want information or news our immediate instinct is to go online.

Consequently a regulatory framework that assumes that radio, television and newspapers would be the only sources of information will soon become hopelessly outdated and ineffective. Ultimately this will work to the detriment of services and to the detriment of consumers. The media reform package that the government announced in July outlines major reforms to Australia’s media ownership laws as part of a broader reform package relating to new digital services and other key broadcasting issues. These reforms have been the subject of lengthy and wide-
spread consultation within government, industry, the community and other interested stakeholders.

The media landscape is an ever-changing one, and we need a flexible system which enables media companies to adapt and prosper in new and dynamic environments. Hence the government’s far-sighted approach will on the one hand meet consumer needs and on the other hand provide new technological benefits into the future—the core of the package, of course, being new services and programming for consumers. These reforms will allow existing players to take full advantage of emerging digital media technologies and will afford them flexibility to structure their businesses to be globally competitive media companies. The package will also allow a more competitive environment, which should encourage new entrants into the media market, hence affording greater diversity and choice to consumers.

While the reforms will allow for some cross-media mergers, they also contain significant safeguards to protect diversity and stop undue concentration, particularly in regional areas. As an additional safeguard against undue media concentration, the government will amend the bill to include a two out of three rule for media mergers in metropolitan and regional areas. This means that media mergers will still be permitted, subject to the floor of four voices in regional areas and five voices in metropolitan areas, but mergers will be permitted only between two of the three regulated platforms in a licensed area—commercial television, commercial radio and associated newspapers. In short, this rule will prevent three-way mergers between commercial television, commercial radio and an associated newspaper in a licensed area. As a senator based in the regional area of the Illawarra, I am hopeful that these reforms will result in greater choice and more balanced views which better reflect the changing nature of the Illawarra.

The report of the Senate Standing Committee on the Environment, Communications, Information Technology and the Arts recommended that this rule be introduced in regional areas; however, the government has decided that it is more appropriate to extend this additional safeguard to all licensed areas. Industry will still benefit from the increased flexibility that relaxation of the cross-media ownership laws will bring, whilst consumers can be confident that diversity will continue to be protected through the range of safeguards the government is including in the bill.

The Trade Practices Act 1974 will continue to apply to media transactions, with the Australian Competition and Consumer Commission playing an essential role in assessing competition issues associated with mergers. Separate from the protection of competition, the Australian Communications and Media Authority will oversee the safeguards to ensure diversity and local content. ACMA will make sure that transactions comply with the minimum number of media group requirements and that broadcasters comply with local content obligations. It is important to remember that, in addition to the traditional commercial media, Australians will continue to have access to a variety of other services from the public broadcasters. In relation to the ABC, this includes two digital television channels, up to five radio stations—Radio National, News Radio, Local Radio, Classic FM, and Triple J—and their online services. In relation to SBS, this will include television, radio and online services, subscription television, community radio and television, out of area and national newspapers and other internet services.

The government is committed to ensuring that all Australians, be they in metropolitan
or rural and regional areas, benefit from these reforms. The government is committed to reforming Australia’s media ownership laws while protecting the public interest in a diverse and vibrant media sector. So what do we get from our political opponents? During the election, Labor said their policies would maximise Australian investment and employment in the media sector. They want to retain cross-media ownership laws but at the same time relax foreign ownership restrictions. How do you maximise Australian investment in the media sector by lifting foreign ownership restrictions which only allow new overseas investment in our media sector and prevent Australian media companies from competing? Clearly Labor’s idea of preventing excessive concentration of media ownership in Australia is by allowing only foreign companies to contribute to diversity. This simply does not make sense.

I now turn to the Broadcasting Legislation Amendment (Digital Television) Bill 2006, which I also support. In 2004 and 2005, statutory reviews of the digital television regulatory regime were conducted. Following these reviews, and in the context of broader changes in the media sector, the government issued a discussion paper on a range of media policy reform options in early 2006. The bill also gives effect to the government’s election commitment to transfer the power to allocate commercial television licences from ACMA to the government of the day.

The object of this bill is to give effect to the government’s decision to reform several aspects of the digital television conversion framework and commercial television broadcasting regulatory regime, including the operation of the antisiphoning scheme, following these reviews and the media reform consultation process. I also support the amendments which include measures in relation to the allocation of the two channels of unallocated digital spectrum that exist in each licence area—channels A and B.

Over and above the benefits from media ownership reform, the package will also afford considerable scope and opportunity for new services, including two channels of currently unallocated spectrum made available for new in-home and other services such as mobile TV. ABC and SBS will be able to provide a broader range of content on their multichannels. The FTA broadcasters will be permitted to provide an HD multichannel from next year and an SD multichannel from 2009. Indeed, further and greater opportunities for new services will emerge at the point where switchover is reached and a considerable additional spectrum is freed up.

This bill forms part of an integrated and far-reaching package which will assist Australia’s media sector to move to a new digital environment by encouraging new players and new services for Australian consumers. The government’s media package will afford opportunities for a range of innovative new services for consumers while maintaining the existing services that the community already rely upon and very much enjoy, including quality free-to-air television services. I believe that consumers will be the biggest winners. They can access a new range of services, including several new digital channels, with potentially more to come with full transition to digital television. Whilst this bill introduces some modifications to the antisiphoning scheme, the government is not proposing to abolish the antisiphoning list. Many Australians have a keen interest in continuing to have free access to major sporting events that have traditionally been shown on free-to-air television.

Labor has no credibility and no policies on broadcasting and, indeed, did nothing while in government to prepare for the introduction of digital. The Labor Party clings to
outmoded models for the industry. This will not benefit and grow the industry. It will provide absolutely nothing new or innovative for consumers. The coalition has led the way in continuing to ensure that the regulatory framework allows broadcasters to adapt and adjust to technological and other developments. Unlike the Labor Party, the coalition understands how important it is that both small and large commercial operators are supported and continue to be supported in participating in the broadcasting sector.

In relation to the antisiphoning list, Labor fails to understand its practicalities or the delicate balance which the government strikes to ensure important events remain available for Australians to view on free-to-air television. The opposition’s alarm at the seven-year, $150 million deal struck between the FFA and Fox Sports to deliver a wide range of Socceroos and A-League domestic matches on pay TV is a clear example of this. This deal was seen as securing the long-term financial stability of the game and will mean that a significant package of matches will be available on pay television. None of the events covered by the deal are on the antisiphoning list, and in the past the free-to-air coverage of Socceroos games has been inconsistent.

Australia needs to move its media sector into the new digital age. If we do not undertake these reforms, we will pay a heavy price for policy paralysis if we cannot move the current frameworks. The media landscape has changed so much, and we need to afford a more flexible and innovative environment to meet this new media era.

Senator Polley (Tasmania) (9.34 pm)—I rise to speak on the Broadcasting Services Amendment (Media Ownership) Bill 2006. This legislation effectively abolishes the cross-media laws and relaxes foreign ownership laws currently in place in this country. This is yet another attempt by this arrogant government to use its power in this place to pass legislation that is extreme and dangerous. We know that the deal has been done and that regional and rural Australians have been abandoned once again by The Nationals.

I have to say that I agree with the comments made by my colleague Senator Hutcheson about the sell-out of the bush by Senator Joyce and Senator Nash. This legislation will negatively impact on media diversity as it has the intention of concentrating media ownership on the big players. Just in case the Prime Minister and Senator Coonan have forgotten, Australia is supposed to be a democracy. A democracy cannot exist without freedom of speech, without freedom of thought and without freedom in the media.

In this technological age, we have seen the massive growth of the internet and web-based blogs. News is available 24/7 and is able to be transmitted as it happens into the homes, offices and mobile phones of all Australians. There is no doubt that the media industry is changing as a result of the technologically aware age and generation. Let us be honest, how many of us in this place can truly claim to have read one of these strange things called ‘blogs’, let alone written one!

Labor recognises that amidst all these wonderful but strange new technologies there is a need for media reform. The debate, however, should be about exactly what media reform is needed. Media reform does not mean that we should relax the rules and let the big companies run rampant. But that is exactly what this government is doing. It is saying, ‘Let’s reduce media diversity, stifle competition and reduce consumer choice.’ The majority of Australians are opposed to a further concentration of media ownership for this very reason. In Sydney and in Melbourne, this legislation will see the number
of owners of the most influential media businesses halved. This legislation will allow companies to own several media assets, across a range of formats, as long as there are five operators in mainland capitals.

The legislation in its current form states that there must be only four media operators in rural and regional areas. I note that the Howard government in its continuing arrogance has excluded the capital of Tasmania—Hobart, for members of the coalition who are searching their memories—from the criteria requiring that capitals must have at least five operators. That would mean that Tasmania is classed as a rural or regional area under this legislation. Thus, there would be a requirement for only four media operators to function.

There is no doubt that this legislation is all about stifling diversity. This legislation will see the editorial interests of proprietor businesses influence the content and opinion portrayed to the public. This, by any stretch of the imagination, is definitely not what springs to mind when one thinks of free media.

With this in mind, Labor has supported reforms of the foreign ownership rules since 2002 on the basis that this could increase media diversity in this country. But with this legislation as it stands the changes to the cross-media laws would lead to a massive concentration of ownership in metropolitan and regional Australia, wiping out any advantage that would come from the relaxation of the foreign ownership restrictions.

The government is making much of its so-called voices test, but the simple fact is that it is another smokescreen. It will not do anything to protect diversity. By international standards, Australia already has a highly concentrated media market. The Prime Minister knows that this legislation will negatively impact on our democracy. Through it, he is looking to give even more power to the most powerful people in the country.

Cross-media laws are common in many other countries throughout the world, to protect the public’s right to a fair and diverse media. The United States, the United Kingdom, France, Germany, Korea and the Netherlands all have cross-media laws. The only winner as a result of this legislation will be the big players, who already own a large share of Australia’s media landscape. These so-called reforms will lead to mergers, a loss of jobs and a loss of content.

The legislation was referred to the Senate Standing Committee on Environment, Communications, Information Technology and the Arts for inquiry. As farcical as the inquiry turned out to be, with government senators using their numbers in an attempt to ensure that the bill did not receive the proper scrutiny warranted, the submissions received by the inquiry speak for themselves. Professor Franco Papandrea, the Director of the Communication and Media Policy Institute for the Division of Communication and Education at the University of Canberra, was among those who forwarded a submission. He stated in his submission that his concerns relating to the legislation primarily related to the replacement of cross-media ownership with a minimum number of voices rule. Professor Papandrea states:

My assessment from personal research and detailed assessment of the proposed changes is that they will have a detrimental impact on diversity of opinion in Australia.

He goes on to say:

The case for the repeal of the existing cross-media rules appears to be based only on economic efficiency considerations with insufficient regard to the loss of social benefits that would flow from the change. There is no credible evidence that the current rules impose significant economic costs. On the other hand, there is widespread agreement that a substantial social loss is generated by re-
ductions in viewpoint diversity. Consequently, the proposed changes are unlikely to be in the public interest (in the sense that the economic benefits outweigh the social cost).

During the committee inquiry, the coalition senators had widely differing views on this legislation. It is now obvious that deals have been done on the legislation, and they have been done at the expense of rural Australians. However, the minority report prepared by Labor senators following the inquiry noted that during the course of the media law debate the government failed to put forward a convincing justification for its extreme approach to what it calls ‘reform’. The report says:

The Explanatory Memorandum on the bill concedes that the benefits of cross media reform are ‘unclear’ but suggests that they are likely to be obtained from a reduction in expenditure by media companies.

From the explanatory memorandum, it would seem that the Howard government is recognising that, as a result of this legislation, it is likely that the number of journalists throughout the country will be cut through newsroom mergers and that local content will be reduced.

Safeguarding the Australian public against excessive concentration in media markets under this legislation would be left up to the ACCC under the Trade Practices Act. However, Labor does not believe that the merger provisions in section 50 of the act would be an effective substitute for the current cross-media laws.

The media play an important role in the lives of all Australians, and there is little doubt that as technology improves it will play an even greater role. With this in mind, Labor believes that media diversity is too important to be left to chance. The decisions made now regarding this legislation could well influence the Australia of the future.

The committee’s majority report recommended an amendment to the bill to prevent more than two of the three traditional media being owned by one company in regional markets. Labor does not support this proposal as it would do nothing to address the overall problems contained in the bill itself. Make no mistake: Labor supports genuine media reform. However, the government’s ‘reforms’ in this package, which have been hastily grouped together to try to force all the legislation through, are not reform. Labor believes that media reform should provide the industry with the capacity to grow and deliver the benefits of digital technology to consumers; enhance consumer choice and competition; and protect and promote diversity by preventing a concentration of ownership.

The function of Australia’s media ownership regulation must be to promote the free expression of diverse views. As legislators, we cannot agree to proposals that will see Australians bombarded with media from a limited range of sources. We already know that the modern technology that we have come to take almost for granted—the internet, mobile phones, television—plays a huge role in influencing people’s minds and lifestyles.

There has been a huge debate recently about the direct effect of advertising on children and whether junk food advertising has a direct relationship with childhood obesity. I think the consensus, as a result of this ongoing debate, is that, yes, overexposure to advertising, television programs or the like that endorse junk food does have a very direct influence on the types of food our young people are consuming. So it is a fair enough conclusion to draw that if this is so with children then a lack of media diversity and the deficiency of a wide range of viewpoints being portrayed in the media through these so-called ‘reforms’ of the Howard govern-
ment would have a negative effect on Australians. The fact is that, whether we realise it or not, we are all affected by the media that surround us. Whether it be the portrayal of superskinny models on the covers of magazines, negatively influencing Australian women to have an unrealistic and unhealthy body image, or the issue of young people and hotted up vehicles being portrayed in films and television, influencing what has become known as the ‘hoon culture’, there is no doubt that Australians are influenced by the things they see, hear and read.

The government’s decision to group the Broadcasting Legislation Amendment (Digital Television) Bill 2006 and the Broadcasting Legislation Amendment (Media Ownership) Bill 2006 as a package is aimed at detracting from the implications of both bills. The bills reflect what would be the most significant changes to Australia’s media laws since the introduction of the cross-media ownership laws back in 1987. The fact that the government has treated the committee process which examined this legislation with contempt comes as no surprise. The committee chair’s report that backs the government’s claim that this legislation must be taken as a package is not supported by Labor. Labor sees no reason for improvements to digital television regulations to be tied to the government’s cross-media ownership agenda, and Labor will seek to amend the legislation so that the current cross-media ownership laws are retained. Once again the minister has obviously done deals at the expense of the Australian community, particularly those living in the bush and living in rural and regional Australia. Shame on the National Party, shame on the Tasmanian Liberal senators, who once again have failed to stick up for the rights of the Tasmanian community, and shame on the Howard government!

Senator STERLE (Western Australia) (9.47 pm)—I rise to speak on the Broadcasting Services Amendment (Media Ownership) Bill 2006. The Howard government has no shame. Its arrogance has no bounds. Its willingness to sell the Australian people down the creek is breathtaking. What we are debating here today is the great sell-out by this government to its big media mates. This bill is all about profit—nothing more, nothing less. This bill is not about increased media competition. This bill has nothing to do with protecting and enhancing Australia’s cultural heritage and social diversity.

The Minister for Communications, Information Technology and the Arts tells us that the current cross-media ownership laws limit competition in the media sector and restrict access to capital, expertise and opportunities for growth. At the same time she makes no commitment to enhancing media diversity in this country, no commitment to a higher quality media sector and no commitment to improving the role and responsibilities of Australian public media companies to diversity enrichment and to integrity in news and information reporting—none at all.

The Australian public have a reliance on the public media for information on which they can make judgements about a whole range of matters essential to daily life. As well, media companies are a source of entertainment and general information. By any measure the media companies in this country are highly profitable, but the large players are still not satisfied. They are clearly after much higher profits, even if it means screwing the Australian public in the process. The primary goal of the owners of private media outlets is to leverage as much profit as possible from being a seller of news, information, entertainment and advertising. As has been said by a recent CEO of Fairfax, newspapers are basically advertising platforms. It has been argued by another newspaper executive that ‘a newspaper was basically a media for
We are entitled to ask what is behind these legislative changes. Is it the Australian community at large? I hear no call from the Australian public for these changes to media ownership law. Clearly, the minister has been put up to this by the major media companies in order to increase their profits. That is what these changes are about. It is as simple as that. And how is this to be achieved? By ‘economies of scale’—the magic words so loved by big business. We all know what ‘economies of scale’ really means: company mergers and fewer and larger companies, less competition, the slashing of input and distribution costs, and a reduction in jobs. In other words, cost cutting, job shedding and less diversity.

Even with the current cross-media ownership legislation, Australia stands out amongst the OECD countries as a country having one of the highest concentrations of media company ownership. What possibly can be behind this move by the coalition government to open the gates to an even higher level of concentration of media ownership in Australia? Where is the benefit for the Australian people? This is a heist, and the Australian public are about to be dunned. This bill will inevitably and rapidly lead to much greater media ownership concentration and that nobody will be able to do anything about it. The ACCC has already admitted it does not have a role to play as far as the public interest is concerned.

It gets better. The National senators go on to directly state in their dissenting report that there is clear evidence of manipulation in Australia’s media market that has inhibited true competition. This is nothing less than outright condemnation of the performance of the coalition government in its inability to ensure that Australia has a media sector that is fair and honest and impartial. Why should the Australian public trust a government that its own members do not trust?

Again, in their dissenting report the honourable National senators quote extensively comments made to the Senate inquiry by Mr Beecher of Private Media Partners. It is obvious that at the time they wrote their dissenting report the National senators must have been completely convinced that they were dealing with a dud bill and that they were unwilling to rely on the major public media company spokespersons for advice on the proposed amendments to media ownership laws. The National senators clearly do not trust the major media companies and they obviously do not trust the government’s
commitment to looking after the public interest as far as the media is concerned—a government of which, I might remind senators, the National senators are members.

Mr Beecher is the publisher of Crikey.com.au, a small, independent, internet based news provider that has filled a big gap in the availability of independent and fearless news reporting—something that has become rarer and rarer in Australia. The National senators’ dissenting report makes clear that they do not trust the major media companies, they do not trust their own side, they do not believe that there is effective competition in Australia’s media sector, and not only that but they see clear evidence of market manipulation by the media companies. Furthermore, they believe that the proposed legislation will result in less competition, not more competition as claimed by the minister. They clearly endorse the view that media owners in Australia have a track record of filtering news and information to the Australian public to promote those issues that media owners are interested in in order to influence public perceptions and opinion in ways that fit with media owner interests and views.

The National senators believe that the proposed legislation will result in even greater capacity for the owners and managers of the major media outlets to direct the flow and interpretation of news and information in a way that is kind to their interests and to their close friends and fellow travellers. The National senators obviously do not believe as things stand that the relevant government regulatory bodies have the power, political support or resources to match the major media companies when it comes to promoting and protecting the public interest.

And the National senators are dead right. If there is nothing in this bill for rural communities, there is certainly nothing in this bill for the rest of the Australian public. But what do we get after these great statements of principle? A wishy-washy set of amendments. The National senators clearly do not trust their coalition colleagues on this matter. What makes them think that they will get anything more than lip-service from the government as far as their amendments are concerned?

If the National senators were fair dinkum about this matter then they would vote down the bill in total. But they are not fair dinkum. We all know about ‘Backdown Barnaby’ and ‘Nowhere-to-be-seen Nash’. But I must admit my good friend and colleague Senator Hutchins has flushed them out and they are now on the speakers list. I am glad about that, because I am really looking forward to their comments. But we believe they will slither into the chamber and vote in favour of this bill, just as they voted in favour of the sale of Telstra. And isn’t that going well! I tell you what: I do not think Stroker would have voted for this bill.

Senator Polley—Do you mean Wacka?

Senator STERLE—I apologise. I do not think Wacka would have voted for this bill. When Wacka gets to Canberra, he will not be putting up with this kind of rubbish.

This bill is not going do anything but serve the interests of one or two major media companies. The risks to fairness, objectivity and impartiality in media reporting of Australia’s political and electoral processes if this bill is enacted are immense. What makes the National senators think that a government with the arrogance to put up legislation of this type could be trusted to construct and pass amendments that will have any effect on altering the intent of this bill? If the National senators had any real gumption, any principles at all, they would stand up immediately and demand that the government scrap this pathetic bill and make it clear to the govern-
ment not to bother coming back to the Senate on this matter until it is able to guarantee that media diversity in this country—in both urban and country Australia—will not be diluted and that there will be no further concentration of media ownership.

I have no doubt this extreme bill is being pushed by an increasingly extreme government. The National Party senators, by their own words, know this to be true. But the time has come for something more than words. Let us find out whether the National senators from New South Wales and Queensland are the real thing. Are they having us on? Who are they—Fine Cotton or Bold Personality? None of us really know. I think they will turn out to be another Fine Cotton, whom they tried to dress up as a Bold Personality: all show and no substance. You can be sure the crowd will be shouting ‘Ring-in!’ when this bill goes to the vote. Bold Personality will be nowhere to be seen. All we will see is the gelding that is left standing at the post.

Senator NASH (New South Wales) (9.59 pm)—I rise tonight to talk about the Broadcasting Services Amendment (Media Ownership) Bill 2006 and the Broadcasting Legislation Amendment (Digital Television) Bill 2006 in my role as a Nationals senator. My role as a Nationals senator is to ensure that rural and regional Australia is not disadvantaged and that the divide between our rural and regional communities and our urban cities is closed. I want to ensure that we have equality in services right across the board between the urban and rural areas.

There are a whole lot of issues at the moment that are important for those regional areas—issues like telecommunications, health, infrastructure, roads and, particularly at the moment, drought. When I first started considering the proposals put forward by the minister they were not of a top-of-mind order for me. Media reform was not necessarily something that I had closely looked at in the past as something that was important for regional areas, bearing in mind that there were all those other things that are very important for our regional communities. But I looked at them very closely, because the impact of those media reform bills on the regional communities was very important. In my role as a Nationals senator I had to ensure that the impact on those communities was not going to be negative.

At the outset I would like to commend the minister, Senator Coonan, for the degree of consultation that she provided throughout this process. There is no doubt that these were incredibly complex bills. That complexity led to a great deal of consultation and many hours of members and senators looking through these bills.

Rural and regional communities in this country depend very much on localism. It is that local fabric in those communities that often leads to their success and their sustainability. It does not matter if it is schools, businesses, community groups or indeed media; the importance of that local content and that local flavour is vital for the sustainability of those regional communities. I know this is difficult to understand for people who have not lived and worked in those communities, but I know that senators in this place who do come from a regional area will understand exactly what I mean. Localism is the heart and soul of those communities. That is what makes regional and rural communities different from urban areas. We are different, and that local flavour is so very important in ensuring the sustainability of those communities.

They were a very complex set of bills, but there were a number of issues that I was aware of throughout. Some of those issues were more important to me that others. One
thing I considered important was multichannelling for free-to-airs. As we are looking at the take-up of digital in this nation we need to have drivers in place to do that. I certainly saw that encouraging the greater use of multichanneling for free-to-airs, bringing that forward, was one way of doing that. I looked at it in the context of regional areas and looking at those regional areas where often there are a lot of people who cannot afford pay TV. Indeed, an extra channel through multichannelling would have given them greater diversity. I certainly took into account the minister’s views on that but I did state my case very strongly that multichannelling should be looked at in that context.

When we first looked at these bills, one of the components of the bills was that a proprietor should be able to own all three mediums of media in regional areas over four voices. What that meant was that where there was not a floor of four voices a single proprietor could come in and own the television, newspaper and radio stations in that region. Of course, in the metropolitan areas, that was a floor of five voices. My concern at the time, which still remains, is that there should never be too much concentration of media ownership in regional areas. As I said at the outset, I looked at these bills very much from my position as a Nationals senator and in terms of the impact that this was going to have on our regional communities. I strongly believe that too much concentration of media ownership would certainly have a negative impact on those rural and regional communities.

With that in mind I put forward very strongly, as did many of my Nationals colleagues, that the two out of three rule should apply in all regional areas. Many of our regional communities have five, six or even seven voices. It was particularly in these larger regional towns where any movement to one proprietor owning all three mediums in those towns would really have a negative impact on those communities. I did not want to see regional communities become subject to an environment where a proprietor with a particular view or particular bent may well be able to filter through all those three mediums. The people in our regional communities deserve to have a choice and they deserve to have diversity, which was why I pushed very strongly for the two out of three rule to apply in regional areas. I know my colleague in the other place, Paul Neville, was also very strong on this, as were many of our other colleagues. It was the right thing to do and I commend the minister for the decision she has taken in this regard.

I would also like to talk about news provision in regional communities and how important that is for the people living there. As I said earlier, anybody living in a regional community would know how important local content is. Again, The Nationals were very strongly of the view that there should be a prescribed amount of local news that is run on community radios. We put forward our view that it should be 12½ minutes a day of local news to be broadcast at least five days a week, repeats of news bulletins were not to be counted in that and a minimum of five weather bulletins per week should be included.

I know that was not something the minister initially considered when she put forward her proposal, and again I commend her for the amount of time she spent listening to The Nationals’ concerns. She not only listened to The Nationals’ concerns; she understood
what we were saying—and she recognised the importance of that local news to those local communities. I talk to people in regional communities all the time, and one thing I do hear, in spite of what some people may say, is that they want to have that local news. They do not want to hear news constantly coming through from metropolitan areas and hearing what is happening hundreds of kilometres away. They want to know about the people in their local town, their businesses, their events, what is happening to the people that they know, and it is vitally important to them. I am very pleased to see that this local news and weather requirement is in the amendments and that the minister has seen the benefit of what we were putting forward and has agreed to it.

Local content has obviously been an issue that has been discussed a great deal over recent weeks. I know there are some who believe that market forces should prevail and that any business running in a regional area will put forward what the market wants and, therefore, the right outcome will be achieved. I understand the principle of those views, but I do not agree with it. I live in a regional area, and I find that on some occasions there is a necessity for government to intervene to ensure rural and regional communities get the best service they possibly can, that they get the things they need and to make sure we bridge the divide between city and country.

While I take the point of those who would prefer not to see a prescribed amount of local content, of broadcasting live and local on our regional radio, I believe it was the right thing to do to have a prescribed amount in the legislation. To me, it seems sensible to look at it this way. If regional radio operators are already prescribing more than 4½ hours, which has become the agreed amount, then there should be no burden on them at all to comply, because there have been some who are saying it would be too onerous for radio stations to have to comply with a set amount.

I believe those radio stations that are already broadcasting a certain amount of live and local content will not find this a burden. Indeed, I commend those radio stations that are already operating in this manner. However, there are some stations where there are not enough live and local broadcasts, and that might be for a variety of reasons. We often see that in very small towns; very small operators do not have the capacity. We have said all the way along—and I have certainly said this—we are very open to a review. We do not want this to be onerous for operators; we do not want small operators to go out of business as a result of it. We are certainly very open to a review to ensure that that does not happen.

But where an operator can provide that live and local content through broadcast, and they are not doing it just because they choose not to for whatever reason, then that is where this provision will come in to safeguard our local communities. We have already seen enough of that local content disappear out of our regional communities and, quite frankly, I do not want to see any more disappear. And this requirement to me is a very sensible measure to have in place, to ensure that that local content is there for those regional communities. Again, along with many of my colleagues, including Paul Neville, I pushed very strongly for there to be a requirement in the legislation to do this.

There was quite a deal of opposition that this should not be in there, and I do commend the minister for coming up with a position that I believe will be in the best interests of regional Australians. She could very well have walked away from this and not done anything about it and said, ‘I’m not going to have any local content prescription in this,’ but she did not. She understood the concerns
of The Nationals, she realises it is important to the people out there in the regions to have safeguards such as this. I look forward to the review, to seeing what that brings forward. But the point is The Nationals are making sure that there are safeguards in place to ensure there is no disadvantage to regional areas. There are those sitting on the other side of the chamber saying, with great glee, that we have sold out and a whole range of other things, but really and truly they should focus on the best interests of regional communities and not try to political point-score. What I am doing in my role is trying to ensure there is no disadvantage to regional communities.

We have seen a range of things looked at despite the complexity of these bills. My concerns were, and remain, that the two out of three rule is applied in regional areas, we have local news requirements of 12½ minutes and we have at least 4½ hours of prescribed local content in the legislation. Those three things that I required are all in the legislation. So for anybody to say that I have sold out on what I wanted, they obviously have not followed very closely what I was asking for in the best interests of regional Australia and to what was given.

To my mind, while they are very complex bills, the outcome that we have seen here with the amendments is in the best interests of rural and regional Australians. I will continue to watch very closely how these media reforms affect regional communities. I will certainly be watching very closely the outcome of the review as it applies to local content for our regional radio operators, but, as I say, at the end of the day my role is to make sure that I make the best decisions that I can in the interests of those rural and regional communities that I represent. I believe I have done that, and in my role here in this place I will continue to do so.

Senator ALLISON (Victoria—Leader of the Australian Democrats) (10.15 pm)—As the Australian Democrats have pointed out on numerous occasions, we do not oppose media industry reform. In fact, we strongly support the modernisation and improvement of statute and regulation with respect to media industry if this is coupled with greater competition and genuine diversity. In his speech on the second reading my colleague Senator Murray covered the important issues of concentration of media ownership, its impact on democracy and the need for greater competition and safeguards. I want to focus on the need for greater access to new technologies to provide the necessary diversity to protect our democracy and the failure of this package of bills in achieving this.

As we noted in our minority committee report, we recognise that technological and market changes that have taken place in the media and in technology over the last 10 years—at increasing speed, I might say, over the last five years—make it imperative that media law and regulation keeps pace with the market and technology and creates a sensible and effective forward-looking regulatory environment for the future. It is our view, however, that if we are to modernise media markets the government must pursue policies to increase diversity of views and voices as well as consumer choice. That means improving the use of and access to new technology, particularly digital and broadband, and ensuring open access to media content. As my colleague Senator Murray said:

Failure to protect diversity of viewpoints is a failure to protect the necessary public debate that makes our democracy function ...

Failure to provide access to new technology is a failure to protect diversity.

The government has argued that cross-media ownership reforms can now be re-
laxed because of access to new media forms and the internet, but we say the government has exaggerated the extent of the impact that the internet and so-called new media has and will have in the short term on credible information supply in contrast to traditional media. This is because the government has not supported the development of these technologies. In November 2005, a Roy Morgan poll found that 48 per cent of Australians have television as their main source of information, 22 per cent get their information from newspapers, 19 per cent access it from radio and only eight per cent get it from the internet. The internet market share data from ACNeilsen shows that Australian content on the internet is now more concentrated than in the old media of newspapers, magazines, radio and TV.

Given this data, the Democrats believe there is a good case for arguing that cross-media laws should not be changed until full digitisation has been achieved, more spectrum is available to enable new entrants and the range of new services provided by new technology is more mature and utilised by more consumers. In this respect much more needs to be done. While we acknowledge that there are many aspects of the media package before the parliament that will go a long way towards modernising the media market and providing more consumer choice—such as access to multichannelling, additional digital channels and removing genre restrictions to the national broadcast—more could have been done. This package does not do enough to improve competition and diversity.

For example, there is no fourth television station. The digital reforms are too slow and do not go far enough, and there is nothing in this package to address the role of Telstra. Much of the technology for media delivery in the future—and that future, I think, is not very far away—will be on telecommunications platforms. That being the case, it is essential for telecommunications and media that we establish guaranteed affordable services available to all but the remotest Australians and enforced through legislated consumer service obligations. As we noted in our minority report, this media package fails to acknowledge the pivotal role of the telecommunications industry in the provision of media content and access in the future. This is a big hole that should have been addressed.

There is no mention of Telstra and how its privatisation feeds into this debate. In our view, it is not possible to debate media regulation or access and content in a vacuum that excludes telecommunications. You must also debate telecommunications infrastructure and access along with it. Competition has improved in the telecommunications markets over the years, especially in mobile phones, but Telstra, with its ownership of the copper network and hybrid fibre-coax cable—which, of course, is used for pay TV and broadband delivery—is still the dominant player in most other telecommunications markets. Telstra also owns a significant share in Foxtel, giving Telstra a potentially dominant position in the new media market.

In the 21st century, one of the most important delivery systems of media content is the internet, which is why telecommunications and media are absolutely intertwined. It provides access to the most diverse range of media content, but, of course, much of rural and regional Australia will miss out on this access because of the lack of telecommunications infrastructure to deliver high-speed broadband access.

Recently, telecommunications expert Paul Budde told Meet the Press that it is likely Telstra will only roll out fibre to the metropolitan areas, leaving rural areas in the lurch. I think it is a great pity that National Party
senators have not pushed very hard on this issue since their constituents are so affected. In May this year the head of the ACCC, Graeme Samuel, told an audience:

Once the proportion of Australians connected to reliable, high speed broadband reaches a critical mass, new business models centred on the provision of new and innovative digital services could break down the barriers between traditional print, audio and audio-visual media silos.

Again, in August, Mr Samuel said:

Equipped with a high speed broadband internet connection, anyone in Australia can access the widest range of news, information, analysis and entertainment, including digital versions of traditional newsprint articles, radio broadcasts and television programs.

Clearly access to high-speed broadband will be critical if Australians are to benefit from new media markets that the government argues will deliver the diversity of views and voices.

The ACCC has also raised concerns about content. Mr Samuel in his August speech said:

As technology advances and take-up of broadband continues, how people access the content they desire, and at what speed, will increasingly be determined by the control of the telecommunications networks—the pipes—connecting homes and business.

As the pipes are increasingly able to deliver a wide range of content to consumers, the question of who controls the content, especially premium content such as sports and new release movies, will become a key question in assessing competition.

The ACCC also indicated that they want to ensure the technology bottlenecks are monitored closely so that they are not used to lock content competitors out of the marketplace. Some have speculated that the ACCC could try to limit Telstra’s ability to become a content provider while it owns and operates a dominant broadband network. The ACCC also raised concerns about Telstra buying exclusive rights to specific content like sporting events because of concerns that it will use exclusive content rights to reduce competition in the broadband and mobile telephone markets.

The issues raised by the ACCC have been largely ignored by the government, not only with respect to media reform but also with the sale of Telstra and telecommunications competition in general. When the sale of Telstra was negotiated by The Nationals, the media side of Telstra was totally neglected. I think that is a great pity. It is a shame that nobody reminded the National Party negotiators that telecommunications is the way to deliver media diversity in the 21st century. It is fine to talk about local news but people in country areas also need to be connected to the broader world.

In fact it is laughable that The Nationals are concerned about the impacts of media reforms on regional and rural areas when they sold off Telstra. If they had wanted to maintain media diversity, particularly in rural areas, they needed to keep telecommunications infrastructure in the hands of government. They voted not to do that, so there is no point, in our view, shouting about diversity now. It is rather too late for that.

The Democrats have argued time and time again that Telstra should at a minimum be forced to divest Foxtel and its HFC cable. This stance supports the ACCC’s view. It would open up more competition in the market. The ACCC has argued that Telstra, in protecting the revenue of both the copper wire and the HFC cable, would only invest in services that would cannibalise the revenue of the other network. Divesting Telstra of its cable would improve broadband competition and provide greater access to media technologies and content to all Australians, including those in the bush.
As I said earlier, the Democrats are also concerned that the digital reforms are too slow and do not go far enough. The government has on a number of occasions failed to meet the simulcast deadline, and we have serious doubts that this current package will deliver. The minister and her government were lobbied very hard by big media in the late 1990s to ensure that the digital spectrum would be used only for high-definition television rather than multichannelling and datacasting. The free-to-air TV channels, except for Channel 7, have continued to support high-definition TV as the appropriate use of spectrum space and have argued against multichannelling. The problem with high-definition television is that it takes up substantial spectrum space and leaves too little room for multichannelling and datacasting—or, to put it bluntly, more competition.

In 2004 the Seven Network commissioned a study of digital terrestrial television, known as DDT, by Spectrum Strategy Consultants, who are independent international consultants in media. That study pointed out that most mature television markets have multichannelling. More importantly, the consultants believed:

... if commercial free to air ... broadcasters resisted the market evolution in Australia it would be contrary to the interests of consumers and detrimental to the Australian broadcasting market.

The Democrats believe multichannelling would allow for diversity, it would allow for a relatively low entry cost into the media market, as would datacasting, and it would open the media market to niche competition.

Recently the Senate passed the Broadcasting Legislation Amendment Bill (No. 1) 2005, which enabled a regional Western Australian television station to multichannel and be exempt from mandatory high-definition TV quotas. During his speech in the second reading debate on that bill, my colleague Senator Murray asked why this provision applied only to remote areas of Australia and why it cannot be enforced nationally and in the major metropolitan areas. He stated that it was possibly because the commercial television interests in large metropolitan areas have lobbied the government so long and so hard that it does not dare move a muscle or make an amendment that would in any way get its media allies offside. It is my understanding that this issue was the sticking point that almost prevented the package from being introduced into the parliament.

A recent House of Representatives Standing Committee on Communications, Information Technology and the Arts report, Digital television: who's buying it?, recommended that the program restrictions on multichannelling be removed no later than 2007. Clearly this recommendation has not transpired and not made its way into this package. The Democrats believe that the mandated high-definition TV quotas should be removed sooner than the end of the simulcast period in order to free up broadcasting spectrum for the other digital services and that all restrictions on multichannelling coincide with this date. It is our strong view that cross-media laws should not be changed until competition is improved. Telstra has been divested of its interest in Foxtel and the HFC cable—

Debate interrupted.

ADJOURNMENT

The ACTING DEPUTY PRESIDENT (Senator Troeth)—Order! It being 10.30 pm, I propose the question:

That the Senate do now adjourn.

Communism

Senator HUMPHRIES (Australian Capital Territory) (10.30 pm)—I rise tonight to speak in the adjournment debate about the influence of communism in Australian soci-
This is a topic that has receded greatly in importance since the end of the Cold War a decade and a half ago. Indeed, some would see it as an arcane issue, with more of a historical flavour and less a subject of contemporary relevance. Sadly, events of this week in North Korea have reminded us that in some parts of the world the ideology which at first fascinated and then repelled 20th century mankind still holds sway.

Communist dictatorships remain—six at last count. More disturbingly, however, it appears that there are still pockets of Australian society that flirt with an ideology which is linked directly with the deaths of over 100 million people. The fear of a communist takeover in Australia subsided long ago. And probably the real high-water mark of communist influence in Australia was the late 1940s. As a result, communism is no longer an issue in contemporary political debate in this country. It is now generally accepted by the mainstream Left—which includes, I am sure, most of those opposite—that the market operating within a liberal democratic political system is the best generator of higher material living standards and human happiness.

The collapse of communist regimes, and subsequent acknowledgement of their atrocities and abysmal standards of living, was a wake-up call to most of the mainstream Left—which includes, I am sure, most of those opposite—that the market operating within a liberal democratic political system is the best generator of higher material living standards and human happiness.

The reality is quite different, but rather than quote from what the Left would classify as the usual suspects I have chosen to quote the opinion of a scrupulously independent human rights commentator. According to Amnesty International, in March 2006 there were 72 prisoners of conscience in Cuba. Their crime? Simply criticising the government of Cuba. In July 2005, around 20 people were detained while commemorating the tugboat disaster of 1994, in which 35 people were killed while attempting to flee Cuba when their boat was reportedly rammed by Cuban authorities. In that same month around 30 people were arrested as they tried to participate in a peaceful demonstration outside the French embassy in Havana to demand the release of political prisoners in Cuba.

According to Human Rights Watch:
Cuba remains a Latin American anomaly: an undemocratic government that represses nearly all forms of political dissent. President Fidel Castro, now in his forty-seventh year in power, shows no willingness to consider even minor reforms. Instead, his government continues to enforce political conformity using criminal prosecutions, long- and short-term detentions, mob harassment, police warnings, surveillance, house arrests, travel restrictions, and politically-motivated dismissals from employment. The end result is that Cubans are systematically denied basic rights to free expression, association, assembly, privacy, movement, and due process of law.

These human rights violations have been occurring since the Castro dictatorship’s inception. Yet, as was the case with Stalin, Mao, Ho Chi Minh, Pol Pot and countless others, there remain people who believe a higher purpose is served by erecting an idealised facade on a brutal regime and excusing those excesses which, from time to time, come to light. For these people it is a case of the end justifying the means. Tragically, in the case of communism, the means has meant the end for millions of people.

It appears that Castro’s cheer squad in Australia is not limited to the Democratic Socialist Party, or DSP, and its youth wing, Resistance. An article on 26 July this year in the DSP’s newspaper Green Left Weekly re-
ported that a Cuban parliamentarian, Ms Gilda Chacon, was touring Australia with the ‘support of a number of unions, in particular the Construction Forestry, Mining and Energy Union (CFMEU’)’.

According to the article, it was the Western Australian branch of the CFMEU that sponsored this trip which was basically a public relations excursion on behalf of the Castro dictatorship. In other words, a major donor to the Australian Labor Party is attempting to cultivate favourable public opinion for a regime which has an appalling human rights record and, incidentally, has fairly substantially destroyed Cuba’s economy. Indeed, it is not going too far to suggest that the CFMEU is promoting the Cuban dictatorship as preferable to Australia’s liberal democracy, evidently having no problem with a constitution that allows the jailing of people for simply criticising the government.

Is it just the Western Australian branch of the CFMEU that is flirting with this latter-day exposition of communism? Unfortunately it is not. The New South Wales branch of the CFMEU is encouraging its members to purchase a book, ironically titled Cuba: Beyond Our Dream—a classic piece of Castro propaganda. According to the CFMEU advertisement, you can purchase this book at the New South Wales CFMEU head office in Lidcombe for $20. Who authorised this advertisement? It was one Andrew Ferguson, who is the secretary of the New South Wales CFMEU and also a Labor powerbroker and, incidentally, the brother of federal Labor MPs Martin and Laurie Ferguson. Presumably, Mr Ferguson had no problems with the CFMEU Lidcombe office hosting the 2005 congress of the Communist Party of Australia.

Is Mr Ferguson aware that on its website the CFMEU boasts of its affiliation with Amnesty International, the same group which has described Cuba as a country with ‘fundamental freedoms still under attack’? Perhaps Amnesty might care to discuss that matter with Mr Ferguson.

The WA branch of the CFMEU has recently demonstrated what can happen when a union is taken over by militants. A high-profile example is the Perth to Mandurah railway project, which has been plagued by CFMEU rorting, costing companies and taxpayers millions of dollars. In February and March this year the union defied an order of the independent umpire, the Industrial Relations Commission—which of course was much defended by the union movement during the debate on the Work Choices legislation—to return to work. As a result, 107 Western Australian construction workers are facing fines and the CFMEU is being sued by the contractor for up to $15 million for delays to the project. I do not know what role communist ideology is playing in these militant activities, but its promotion cannot be conducive to the issues that matter most to 21st century Australians: industrial harmony, jobs growth and value for money for taxpayers.

Fidel Castro said: ‘Condemn me—it does not matter. History will absolve me.’ Possibly it will, but I suspect that on the scales of history the price paid in blood to achieve and maintain the socialist paradises will make such a verdict problematic. Most of the world is now capable of a dispassionate assessment of the role of communism and, in particular, to recognise its failings in human rights terms. Evidently, bodies like the CFMEU, a major donor to the Australian Labor Party, are a little way yet from that enlightened state. I call on members of the Australian Senate, in particular those opposite in this chamber, to set themselves apart from this adulation of a failed, corrupt regime motivated by an ideology which took a
shocking toll on human life throughout the 20th century.

**Gurindji Freedom Day**

Senator CROSSIN (Northern Territory) (10.39 pm)—I rise this evening because I want to put on record the activities that happened at Kalkarindji on 18 and 19 August. So very few opportunities arise in these chambers to champion some of the more successful activities and operations that occur in Indigenous communities, and this weekend was such a terrific weekend that I think it should not go unnoticed. People may not be aware, but 18 and 19 August was the 40th anniversary of the Gurindji Freedom Day celebrations at Kalkarindji, in the Northern Territory. That marks one of the most significant events in our history. It is also known as the Gurindji Wave Hill Walk-Off and marks a milestone—in fact, probably the first of many milestones—in the battle for the recognition of Aboriginal people’s rights to their land and to fair wages and conditions.

The weekend this year, I found, was especially poignant, particularly in the larger context of two developments under the Howard government in the last 12 months: the rolling back of workers’ rights under the industrial relations changes this year with the introduction of Work Choices and, in the days preceding the walk-off commemorations, the federal government’s shamefully ramming through this parliament the changes to the Aboriginal Land Rights (Northern Territory) Act, which will undermine traditional landowners’ rights over their land.

I note that in recent days the attack has continued, with Minister Brough’s announcement yet again on his decision to try and revoke the permit system. It was unfortunate and notable that neither of my Northern Territory federal government member counterparts were present at Kalkarindji. Nor in fact was anyone from the federal government game enough to actually turn up at Kalkarindji and defend why both of these changes have occurred in the last 12 months to Indigenous people. But if anyone from the CLP or the coalition had bothered to turn up, they would have appreciated the depth of feeling and the sense of history attached to the walk-off.

The Wave Hill cattle station is on the traditional country of the Gurindji people of the Northern Territory. It is about 700 kilometres south of Darwin, in the upper reaches of the mighty Victoria River. The Gurindji first met Europeans when the explorer Gregory passed through their land in the 1850s. Pastoral activities began moving into the area in the 1880s and the Wave Hill Station began in 1883. It became part of the Vestey's cattle empire in 1914 and, like the cattle industry throughout Australia, in the early days it relied on Aboriginal labour, including the stockmen and women working in a range of jobs about the homesteads.

Some stations were better and some worse than others in attributing a value to the contribution of Aboriginal workers and in recognising the traditional links to the land. Many stations had been set up during violent frontier confrontations that persisted for many years. Despite this, many of the old Aboriginal stockmen look back at the heyday of the larger cattle stations nostalgically as a time when their skills and knowledge were an integral part of the economy. In meeting those old men again and spending time with them down at the river bed at the barbecue and the picnic on the Friday, as I have done now for about the fourth year in a row, it is fantastic to just listen to the stories and the pride that they have in the contributions they made to the Northern Territory at that time.

However, the pride that these old men had in their work was not necessarily recipro-
cated. Nor was their value recognised, nor their aspirations to have their traditional ownership of the land and the grounding of their culture in it recognised under law. Protests about conditions and pay on the Vestey stations had continued for many years and were supported by the North Australian Workers Union and others. Billy Bunter Jampijinpa, who took part in the walk-off, said:

We were treated just like dogs. We were lucky to get paid the 50 quid a month we were due, and we lived in tin humpies you had to crawl in and out on your knees. There was no running water. The food was bad—just flour, tea, sugar and bits of beef like the head or feet of a bullock. The Vestey's mob were hard men. They didn't care about blackfellas.

By 23 August 1966, the Gurindji, Mudburra and Warlpiri families working at Wave Hill Station had had enough. Vincent Lingiari led the walk-off of Aboriginal workers and their families along with men such as Billy Bunter, Mick Rangiari and Michael George. They went first to Gordy Creek Waterhole, then to a place down by the Victoria River and later to Wattie Creek, or Daguragu, 30 kilometres from the station.

The strike for better wages and conditions grew into a demand for recognition of their rights to their land. In 1967, the Gurindji petitioned the Governor-General, claiming 1,295 square kilometres of land near Wave Hill to set up their own cattle station, but the claim was rejected. It was a struggle through the sixties and the seventies that paralleled the fight of many indigenous people worldwide for their rights and decolonisation.

The Gurindji won support from groups across Australia including churches and unions—the North Australian Workers Union and the forerunner of the Maritime Union, the Waterside Workers Federation, whose Darwin organiser, Brian Manning, was intimately involved in supporting the Gurindji’s struggle. In fact, I think Brian to this very day tells a story of how he knew these people had decided to take action and had walked off the Vestey station down to the creek, and he had heard that they had been there for two or three days without food. So he gathered up the waterside workers union, put a truck-load of food together, travelled down to them and took the food to them. Think about that: 40 years ago, apparently it took him many days to get there. I understand that, to this very day, that truck sits in Brian Manning’s backyard, and there are quite a few of us who are trying to organise to have it saved and put somewhere as a museum piece. But that is the kind of commitment that Brian Manning had to the workers of the Northern Territory. Author and journalist Frank Hardy did much to promote the cause nationally.

The visits of Lingiari and others of the old men to Melbourne and Sydney to lobby for their cause had a profound effect. They brought home to mainstream assimilationist Australia that Aboriginal people wanted a living future, on their own terms, on their traditional lands. It was a message that resonated with the Labor Party and of course with the federal opposition leader, Gough Whitlam.

In government, Gough Whitlam granted the Gurindji a lease over part of their traditional lands. Very significantly, on 16 August 1975, he travelled to visit the Gurindji people to effect the handover. It was great on the day. Gough Whitlam provided a video telecast, and the Minister for Aboriginal Affairs at the time was also present. When Gough Whitlam addressed the Gurindji back in 1975, he said this:

On this great day, I, Prime Minister of Australia, speak to you on behalf of all Australian people—all those who honour and love this land we live in. For them I want to say to you ... I want this to acknowledge that we Australians have still much to do to redress the injustice and oppression that
has for so long been the lot of Black Australians. Vincent Lingiari, I solemnly hand to you these deeds as proof, in Australian law, that these lands belong to the Gurindji people and I put into your hands part of the earth itself as a sign that this land will be the possession of you and your children forever.

Of course, we all know and can all picture right now, as I speak, that magnificent photo of Gough Whitlam pouring those red sands into the hands of Vincent Lingiari. In simple and profound words to Gough Whitlam in response at that handover ceremony in 1975, Vincent Lingiari said this:

We want to live in a better way together, Aboriginals and white men. Let us not fight over anything. Let us be mates ...

My, how time has changed.

In closing, I want to thank all the people who were so wonderfully involved in such a great weekend, in particular, the council at Kalkarindji—Susan Cebu, Barry Wardle, Patrick Jimmy, Gus George, Michael Paddy, Jonathan Mick, Roslyn Frith, James Walker and Justin Paddy—and I particularly want to mention Maurie Ryan, who was the MC and the main coordinator for the day. What a great job he did. Thanks go to Mike Freeman and Julie Cathcart, to the Northern Land Council and Central Land Council, to the Northern Territory government and of course to the troops of NORFORCE, who looked after thousands of people for what was a magnificent weekend. (Time expired)

Australian Delegation to the People’s Republic of China

Senator Barnett (Tasmania) (10.49 pm)—Firstly, I seek leave to table my report on the 15th Australian delegation to the People’s Republic of China on behalf of the Australian Political Exchange Council.

Leave granted.

Senator Barnett—I was most fortunate to be nominated as the delegation leader for the 15th Australian delegation to the People’s Republic of China on behalf of the Australian Political Exchange Council between 28 June and 7 July this year. Our delegation was hosted throughout our visit by the All China Youth Federation, and on behalf of our delegation I sincerely thank them. We visited the Guangdong and Hubei provinces and Beijing. Special thanks should be extended to those who accompanied our delegation throughout the visit and provided tremendous guidance and assistance: Mr Wang Weizhong, Deputy Director of the International Department of the All China Youth Federation; and Mr Tang Hao, Program Officer of the International Department.

All my colleagues on the Australian delegation were a tremendous support to one another. They included Mr Andrew Conway, senior adviser of the office of the Hon. Chris Pearce MP, Parliamentary Secretary to the Treasurer; Mr Mark Powell, Federal President of the Young Liberal Movement of Australia; Mr Ben Wyatt MLA, state member for Victoria Park, Western Australian Legislative Assembly; Mr Mark Butler, Secretary of the Liquor, Hospitality and Miscellaneous Workers Union South Australian branch; Ms Bridget McKenzie, Junior Vice President of the National Party of Victoria; and Mr David Wilson, accompanying officer of the Australian Political Exchange Council. I would like to thank all the members of the delegation for the camaraderie and indeed the success of the delegation in China. We not only worked hard but enjoyed the experience, each of us now with memories we will cherish.

I would like now to share from our experience. The Australia-China relationship has never been closer and stronger. The relationship, which officially commenced in 1973, is based on mutual respect, recognition of our shared interests and differences and a desire for peace, social stability and economic growth and prosperity. This close rela-
tionship, along with others, positions Australia extremely well to play an influential and constructive diplomatic role through China, the United States and Japan, but especially through China, in dealing with the nuclear crisis involving North Korea. Australia is one of the few countries to have diplomatic relations with North Korea.

Evidence of our healthy relationship with China is Prime Minister the Hon. John Howard’s seven visits to China in the past 10 years. Premier Wen of course had visited Australia recently, in April just this year, when 12 government-to-government agreements and memoranda of understanding were signed, including one relating to the transfer of uranium and nuclear technology.

President Hu Jintao visited Australia in October 2003, where he addressed a joint sitting of both houses of parliament—an honour bestowed on only a few. As a participant, I certainly remember that event very well. China is now the second-largest economy in the world, with growth of nearly 10 per cent per annum in the past three decades. Australia’s exports to China have quadrupled in the past 10 years, and China is now Australia’s second-largest trading partner. Australia’s exports to China in 2005 were $16 billion. On the whole, our economies are complementary.

The relationship benefits in other ways, including through the 81,000 Chinese students enrolled in our educational institutions each year. That is the largest source of foreign students for Australia and is worth approximately $6 billion per annum. There are 285,000 tourists to Australia per annum, there are 66 sister cities or like relationships and there are 800,000 Chinese living in Australia. The average income per person in China has increased from approximately $US225 to $US1,700 per annum, although for people in the urban areas of China it is closer to $US3,000 per annum. These figures underpin the thesis that China is a nation of two economies, city and rural.

As a specific area of interest for the delegation, the Australia-China free trade agreement certainly stands out. The negotiations are now under way, as we all are aware, and may take years, although the Chinese government, and specifically Premier Wen, is hopeful of an early conclusion to the negotiations. Our major exports to China include iron ore, wool, coal, bauxite and sugar as well as educational and other services.

In respect of North Korea, the delegation was advised that China wishes to achieve denuclearisation of the Korean Peninsula and to use the current six-party talks to achieve further progress. Government officials expressed concerns about the lack of sincerity in the talks by the US and about the lack of sincerity by North Korea, leading to a lack of trust by both sides. While North Korea has now dramatically increased the stakes with the nuclear tests today, at the time of our delegation visit in late June and early July the North Korean regime actually launched several missiles. Chinese government and other officials said that the missile launches were very unfortunate because they put China in a very difficult position—and surely a position that must be compounded tenfold.

North Korea is isolated, and its trade is very small—some $US3 billion—so, according to one Chinese official, economic sanctions are completely pointless. I want to place on record my support for the action and statements today of our Prime Minister, John Howard, and our foreign minister, Alexander Downer, of calling in the North Korean ambassador and condemning the nuclear tests as destabilising and reducing security in the region. Our support for chapter 7 sanctions by the UN Security Council appears entirely appropriate. Minister
Downer made the point that North Korea’s decision was to treat China extremely shabbily. He said that North Korea had humiliated the Chinese, as the Chinese were working intensely to stop the tests. Eighty per cent of North Korean aid is from China and 50 per cent of their trade is with China. Australia has an important role to play to achieve a peaceful resolution.

China is now the world’s second-largest economy and the third-largest trading nation. China’s economic growth has averaged just under 10 per cent over the last three decades, but that is expected to decrease to around seven to eight per cent over the next five to 10 years. There are very little or no social security arrangements in place, and the lack of health, education and infrastructure in rural and western China is one of the major challenges facing the country in the years ahead. One of the economic challenges facing China throughout this century is how the country makes the transition from a developing economy to a developed economy. It appears that China is working on a 40- to 50-year time frame and is acutely aware of the economic power it could become.

It appears that China is undergoing or has undergone a redefinition of communism. There is a move away from state owned enterprises to state owned capital. Additionally there is a concerted effort from the central government to encourage private share ownership and financial literacy. These are tangible examples of the shift away from traditional communist ideology to the pursuit of state encouraged entrepreneurialism. One of the highlights was the visit to the Three Gorges Dam project in Yichang. It was a highlight for all our delegation but particularly for me as a Tasmanian senator. The sheer size of the project was amazing. The total land area inundated by the dam reservoir is 632 square kilometres, which is spread over 20 counties belonging to Shongqing and Hubei provinces. Water will inundate two cities, 11 counties and 116 towns. The total population to be relocated is a little over 1.1 million people. Over 360,000 of these people are farmers and their families. Many have been relocated to cities far away such as Shanghai. About 45 per cent of the total project’s investment has been allocated to relocation costs. In summary, the dam is 2,335 metres long, 115 metres wide at the bottom and with the crest at elevation of 185 metres. It is truly an amazing construction.

All government officials agree that the Beijing Olympics will provide an opportunity to showcase China to the world. Concerns include the environmental pollution, traffic and heat. China has a lot to learn from Australia in exploiting the economic benefits from the Olympic Games. The Beijing 2008 Olympics will have a significant impact on China’s social development and will be an education experience. In conclusion, I again thank the Australian Political Exchange Council for this very fine honour and for the opportunity to be there with other members of the Australian delegation. Thanks again to the All China Youth Federation for hosting our delegation and for making the delegation experience such a success.

World Mental Health Day

Senator WEBBER (Western Australia) (10.59 pm)—This week is National Mental Health Week. In fact today—and it is still today, just—is World Mental Health Day. It was with a great deal of pleasure that I attended the launch of World Mental Health Day by the Mental Health Council of Australia.

The theme of this year’s World Mental Health Day is ‘Building Awareness—Reducing Risks: Suicide and Mental Illness’. This morning’s launch is one of a series of events being hosted by the Mental Health Council of Australia.
Council in this building during this week. I would urge more of my colleagues to attend them. This morning’s event was compared by Dr Norman Swan from the ABC’s Health Report. We heard from Rob Knowles, the new chair of the Mental Health Council of Australia, Professor Ian Hickie, someone who is well known to most people in this building, and Ms Dawn Smith, who is the CEO of Lifeline Australia. They all had some very important things to impart to us as part of the launch.

Perhaps the most significant and moving event this morning was the launch of a book by Ms Geraldine Quinn titled Matthew and others: journeys with schizophrenia. It tells some very personal stories about families who have had to deal with loved ones who have schizophrenia and it talks about the role that art and other forms of creativity play in assisting people who suffer from that very debilitating disease.

I contrast the launch today—an invitation was sent out to everyone in this building to attend it and there was the openness and professionalism of the Mental Health Council—with my disappointment following the launch of a significant program yesterday by the parliamentary secretary. All of us who were on the Senate Select Committee on Mental Health would have been interested in attending that launch, which included the expansion of the Medicare benefit to allied health, particularly psychological services. I know of a number of people who were invited to attend that launch, including a number of service providers and members of support groups. But it would seem that it was not an open event which all of us in this building who have an interest in the pursuit of good mental health policy were invited to attend.

Many of us in this building have talked about the priority that mental health has in our community. Those of us who are the supposed opinion leaders in this area have lagged behind in giving mental health the priority that the community gives it. Many people have therefore put a great deal of effort in taking any initiatives or paths in a bipartisan, if not a multipartisan, approach to forward this issue. I want to place on the record my disappointment at what I think was a closed event to those of us who are not members of the government.

There is a calendar of events for Mental Health Week, not just taking place in this building but throughout our community. In fact, the town of Albany, some four hours south of Perth, has a comprehensive calendar of events. Albany is a seaside town. Some see it as a retirement village, but it is actually a growing community with some industry development. Albany has a very active Great Southern Mental Health Week committee who have put together a series of events.

The committee deals with all the community groups. The Men’s Resource Centre is involved in it. Yesterday at a function, they presented the ‘Calm experience’, which is a gentle workshop for the self-management of tension, anxiety and pain in the mind and body. Perhaps that would be useful for some of us in here as well. Another group was organising ‘Growing older disgracefully’, which is about encouraging older members of the community to talk about some of the challenges that they face. The Albany bi-monthly interagency luncheon was held around the issues of Mental Health Week and mentally healthy activities. There is also a program of free physical activity for the whole family.

The University of Western Australia’s school of population health presented a public awareness lecture. There was a comprehensive calendar of events organised by this group, and I am sure by many other groups
throughout Western Australia. They fit under the banner, which has now been adopted by the Mental Health Council of Australia, called ‘ABC—act, belong, commit’. To act, belong and commit equals being mentally healthy.

Last week, as part of the lead-up to Mental Health Week in Western Australia, I was pleased to attend a function at the University of Western Australia. The University of Western Australia was the first university to adopt the use of the mental health first aid course. The university encourages students and any of its staff who interact with students, such as academic, library or parking staff, to participate in the course. To date, some 250 people have graduated. The vice-chancellor of the university decided that it was appropriate in the lead-up to Mental Health Week to hold a function to honour those graduates. At that function I met with a number of people from the Mental Health Council of Western Australia, who launched their poster for this week. It would come as no surprise to people in the west that the person featured on their poster this year is my very good friend Geoff Gallop.

I would like to contrast those positive events with those of the City of Fremantle. People in this place are probably growing tired of me talking about the challenges that we had with my own local council, the town of Vincent, in the development of a step-down facility for those with a mental illness. It would seem that local government have learned nothing from that exercise. They still think it is appropriate to intervene in what are appropriate staffing levels and to respond to the stigma and the discrimination that some sections of our community still have.

The health department of Western Australia proposed to build a hostel on their own land in Alma Street in Fremantle. Alma Street runs alongside the Fremantle Hospital. The land that the health department was proposing to build this hostel on is not only owned by them but it is right near the car park that it also owns and that services the hospital. However, in their wisdom, the City of Fremantle have decided that they will not officially come out and say that they do not want another mental health facility in their region; instead, they have decided that what was proposed to be a 16-bed facility should only be an eight-bed facility, otherwise there will be too many cars travelling up and down the street. As I said, it would seem that the Local Government Association of Western Australia have learnt nothing from the town of Vincent experience.

One of the councillors went on record in the Fremantle Herald recently to say that the city has a rock-solid reason to decide as it did. Under the current zoning of ‘residence—other’, a hostel could have gone ahead, but only with the blessing of the council. They are saying that the council will not give that blessing, supposedly on planning grounds. However, the article in the Fremantle Herald points out that the plans for the hostel for the mentally ill young people have been sent back to the drawing board by the Fremantle council’s planning committee because of significant community opposition.

Yet again, despite activities like those organised by the Great Southern Mental Health Week Committee, activities taking place at UWA and activities taking place in this building, it would seem that we still have a long way to go. The City of Fremantle, which is meant to be one of the most inclusive and vibrant councils, needs to rethink its approach to these issues.

Risdon Vale Volunteer Fire Brigade

Senator CAROL BROWN (Tasmania) (11.08 pm)—On Saturday, 16 September this year, I spent the afternoon with some won-
derful Tasmanians, the men and women of the Risdon Vale Volunteer Fire Brigade. Risdon Vale is a small community with a population of around 3,000 located on the eastern shore of Hobart—as you would know, Mr President. Much of the area is surrounded by scrub and bush. The occasion was a commemoration of the valuable service provided to the community of Risdon Vale by its volunteer fire brigade, whose volunteers have put themselves between the community and harm’s way for the past 25 years. All members of the community, young and old, were invited to celebrate in a typically Australian way, sharing a barbecue and refreshments and enjoying a range of entertainment culminating in fireworks at around 6 pm, to the delight of all.

Present to acknowledge the work of these dedicated volunteers was the Hon. Lara Giddings MHA, Tasmanian Minister for Health and Human Services; Ms Allison Ritchie, MLC for Pembroke, Parliamentary Secretary to the Treasurer; and the Mayor of Clarence, Mr Jock Campbell. Ms Giddings presented a commemorative shield celebrating the Risdon Vale Volunteer Fire Brigade’s 25 years of service to the community. The individual members of the brigade were honoured with commemorative medals celebrating the 25 years of service—presented by Ms Ritchie, Mr Campbell and me. The recipients of the community’s honour were Glenn Doherty, Leanne Doherty, Anne Harrison, Mark Stocks, Wade Stewart, Michael Petterwood, Tanya Clifford, Peter Devine, Graham Facy, Robyn Leyhy, Chris McIlnerney, Steven Ros sow and Melanie Upton, current members of the brigade, and also Annette May, a retired life member.

These civic-minded individuals are no strangers to receiving recognition for their community service. The 15-year national service medal has been awarded to Third Officer Wade Stewart, the first in the brigade to receive this honour. The second member to receive this honour was First Officer Glenn Doherty. The Volunteer Fire-Fighters Award medal has also been bestowed on First Officer Glenn Doherty, who was the first in the brigade and 10th in the state to receive this award. Also receiving this award was Third Officer Wade Stewart. In 2005 four of the female members received the Tasmania Fire Service 10-year service badge. Another significant brigade first was the election of Leanne Doherty to the position of Fourth Officer, the first female to become an officer of the Risdon Vale Volunteer Brigade.

The brigade has a community oriented ethos that sees them involved with initiatives like Project Wake Up, a government project to supply and fit smoke alarms for the elderly and healthcare recipients free of charge. They have fitted around 80 alarms to date. Members are involved in many aspects of community life that generally go unnoticed, so it was fitting that they were able to be honoured by the community.

Tasmanian firefighters have served the Tasmanian community since the early 1800s and have had a legislated responsibility since 1883. The Fire Service Act 1979 established the current Tasmania Fire Service, which today is an innovative and efficient statewide service that takes pride in its long and proud history. The service has over 230 fire brigades across Tasmania, consisting of about 250 career firefighters and about 4,800 volunteer firefighters. Volunteers and career staff work as an integrated team.

Locally, Risdon Vale and the surrounding area have a history of bushfires, and the area is seen as having a high fire risk. This risk was acknowledged by the Fire Commission, and approval for a volunteer fire brigade was quickly given. The first brigade was formed in September 1981. Following an approach to the then Clarence Council, an area of land
on Sugarloaf Road was made available for a fire station, free of all charges. A 30-foot by 12-foot Colorbond fire shed was built and a Toyota bushfire tanker was provided. The new station was opened on 14 May 1982. In the following year, the Fire Commission endorsed training in structural firefighting for the new brigade, thus making the brigade a dual-purpose one. In October 1984, a new fire station was completed and it was officially opened by the then minister, the Hon. Roger Groom, in April 1985.

Today’s brigade has two of the latest firefighting assets at its disposal—a Toyota light tanker and a Mitsubishi Canter, both of which have been manufactured at the Fire Service prefab division in Cambridge, Tasmania. The brigade trains extensively to get the best results possible with this equipment—an average of eight hours a month at the local level. This does not include courses that individual members undertake with the Tasmania Fire Service, which normally are of three hours duration, though weekend courses are up to 16 hours depending on the training course being carried out.

The brigade’s current membership numbers 14, most of whom have served with the brigade for 10 years or more. I am pleased to inform the Senate that in 2005 four of the Risdon Vale brigade’s female officers received the Tasmania Fire Service 10-year service badge. I am sure that this level of service throughout the rural fire service will be well recognised by senators. Australians care about their homes and their communities. They care sufficiently to risk both life and limb. No amount of thanks is too much for the work done by rural fire brigades across Tasmania and across Australia. I commend to the Senate the work done by the wonderful people of the Risdon Vale Volunteer Fire Brigade.

That caution should always be the byword of those of us who live near to or in the bush has never been truer than this year. The fire season has come early to south-eastern Australia. We have seen major fires across the region weeks, if not months, earlier than usual. In my home state of Tasmania, the dry conditions have created some of the worst potential fire conditions seen in many years. Fire permits are now required in 15 of the state’s 29 municipalities. Permits are required from George Town, in the state’s north, to Kingborough, in the state’s south. Tasmania’s east coast is tinder dry after a long, dry winter and fire permits are required in all east coast municipalities. This is in comparison to last year, when permits were not required until January.

As early as 4 October fire conditions in the far south of Tasmania were extreme, while the east coast and Hobart had a high fire danger on that day. By day’s end there were seven fires of significance burning around Tasmania. Luckily, 5 October brought some rain to the south of the state, allowing northern fires to be fought by the Fire Service. When taken with the lower than average predicted rainfall, the coming summer is shaping up to be one of extreme fire danger. Indeed, tomorrow, 11 October, sees a total fire ban in southern Tasmania. The summer of 2006-07 is predicted to see higher than average temperatures. This means that the conditions of 4 October will be replicated throughout the summer right across Tasmania and, no doubt, across eastern Australia. The same grim forecast for the coming
months is shared by the fire risk assessors of the CSIRO.

So, while praising the work done by the men and women of the Tasmania Fire Service, I say it is necessary for all Tasmanians to face up to the very real dangers that fire brings to the beautiful state that I have the honour to serve. I therefore urge all Tasmanians to think about fire, think about fire prevention and think now about preparing for the worst. Clear your gutters, mow fire breaks around your homes, protect your shacks and do not leave combustible materials stacked against your house or fence.

The losses that people suffer due to fire can be incalculable: lives, homes, the treasured possessions and memories of several lifetimes gone in a matter of minutes, all too often lost because of a lack of preparation and planning. I urge all Australians who live in or near the bush to seek advice from their local fire brigade now. As I know from talking to the wonderful volunteers of Tasmania’s Risdon Vale brigade, they would rather provide help and advice now than fight a desperate battle later or provide consolation after the event. I am certain the Senate will agree with me when I say we want all Australians to enjoy the coming summer months. What we do not want to see is more Australians becoming fire statistics. Again, Mr President, I congratulate the Risdon Vale Volunteer Fire Brigade on their 25 years of fine service to their community.

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For many people, particularly those who have an interest in Australian history, there was something particularly special about this tree. It was an ordinary ghost gum, not particularly stunning to look at but one around which a degree of legend had built up over many years. Indeed, one of the things that many Queenslanders know is the story of Barcaldine, the rise of the shearsers strike and the importance that people who had struggled put on this tree that was standing quite innocently in the centre of town. It appears to be a simple ghost gum, much like many of the ghost gums that grow across the centre of Australia. What has happened as a result of this action is that there has again been a focus on the tree’s National Heritage listing process. We have acknowledged that in 2005 this tree was actually listed on the National Heritage list, for two main reasons. The first was that its:

... place has outstanding heritage value to the nation because of—

... importance in the course, or pattern, of Australia’s cultural history—

and the tree was listed in that case because of its linkage with the shearsers strike of 1891—

and as the starting point of political and social processes, which led to the eventual formation of the Australian Labor Party.

The second reason for listing was:
... the place has outstanding heritage value to the nation because of the ... strong or special association with a particular community or cultural group for social, cultural or spiritual reasons ...
In this sense the listing was granted for the association of this tree and this place with the trade union movement and the excitement ‘of the Labour/May Day celebrations’.

As for the tree’s particular relationship with Barcaldine itself, in the early 1990s a group called the Tree of Knowledge Development Committee worked really hard to preserve the notable history and succeeded with a wonderful opening, in 1992, of the Australian Workers Heritage Centre, which was opened officially on Labour Day. I am a very proud inaugural member of that organisation. The centre has tours of educational value and encourages the development of knowledge and involvement through interactive processes with kids and tourists and also through a website about the history.

Central to all of that was this tree. In terms of the relationship, it was not just people who were interested in the history of the Labor Party and not just people who were interested in Australian history and the growth of the shearing industry and the extraordinary beauty of that part of the world, and I know that many people in this place have had the privilege and the fun of travelling in that part of the world. In terms of the specific history of the area itself, there is a legend that meetings were held under this tree in the centre of town. In the 1890s Barcaldine was a vibrant centre on the major transit routes that led through the area and was also central to the shearing industry.

We know about the outbreak of industrial turmoil at that time, the traditional fight between employers and workers trying to find equitable wages, and the process that went on around that. It is well documented in a number of very good history tomes, and I would encourage people to look up and read about the kinds of turmoil under which Australian workers operated, because at that time workers travelled quite extensively in the shearing industry so that people who gathered work in that industry came from right across the Australian nation.

The shearsers strike actually happened outside Barcaldine, at Logan Down Station near Clermont, but then moved and extended to the township of Barcaldine. There is wonderful local history about what happened at that time. One of the key and most important areas is that, despite the fact that there was huge military involvement, with volunteer soldiers called up by the governments of New South Wales and Queensland to keep the peace, on the field there was no particular violence. I think that is something of which we should be proud—that, whilst there was industrial turmoil and strife, and the community built around the causes, there was no overt violence. I think that is something that the history of Barcaldine celebrates. According to the history recorded by the Australian Workers Heritage Centre, despite the large forces lined up against the shearers, there was no actual bloodshed.

There is quite a strong historical record of what happened to the leaders of the strike. Thirteen of the people were arrested and imprisoned for three years hard labour. We have histories about what happened there. My sadness is that the names and the futures of so many of those people who were involved in that struggle were lost in the unrecorded part of history. But there are some indications of some of the leaders who then moved on to take on elected office. William Fothergill became chairman of the very strong and proud Barcaldine Shire Council, William Hamilton became President of the Queensland legislative council and George Taylor became the Speaker of the Western Australian legislative council. I think that reflects
how mobile people were. They worked across our country, learned skills—and in this case learned more skills by being imprisoned for their industrial action—and then moved on to take up roles in other parts of the community.

The legitimacy of the arrests and the fairness of the trial could be called into account. Indeed, the men were charged under an obscure English law for sedition and conspiracy. I think maybe we could learn a bit from that. That was one of the last times the sedition law was actively called into account in our country.

In terms of the celebration in Barcaldine, there is on record the fact that out of that struggle came a demand from workers that their voices should be heard in representative government. Out of that came development of political processes and also the election of people who had a labour focus into various parliaments. We claim that that was the beginning of what we now know as the Australian Labor Party. That is something that is of real importance to all of us who are members of the party. We hold that legend strong and we are proud of that heritage.

There is a plaque that now stands right beside where the strong tree used to stand. It says the aims of the movement were to:

Honour the men and women of the Labour movement who congregated in this area and, through their courage, determination and dedication to the principles, ideals and objectives of the labour movement, played a leading role in the formation of the Labor Party and further spearheaded the many reforms that resulted in the vastly improved way of life for the Australian people generally.

The plaque is still there. The pride and the strength are still there. Indeed, the people of Barcaldine want to maintain the status of this spot of importance. They want to keep their tree, and they are going to maintain the space as a special space in Barcaldine.

Pat Ogden, a mate and someone who has worked tirelessly to maintain the Workers Heritage Centre in Barcaldine, is the official caretaker of the tree. He said that all the town is downhearted about losing the tree. For Barcaldine it was significant—it was like Sydney losing the Harbour Bridge. It is disappointing to everyone. When he gave media interviews to the BBC, that point was made.

Police are investigating the damage, but I think the spirit of the people needs to continue to be celebrated. The death of the tree is a sad loss to the people of Barcaldine and to the ALP. It is a significant symbol to the trade union movement and to our political system. It was a reminder of our past struggle and also of the need for all of us to keep together so we can continue the fight.

The good news is that, as a result of modern technology, the Department of Primary Industries and Fisheries has been able to take seeds from the original tree. We are hoping that, out of that, there will be shoots of more trees that will be kept. The Premier, Peter Beattie, is quite proud of the fact that shoots are able to be taken from that tree.

During the Labour Day weekend in May 2005, offspring of the original Tree of Knowledge was planted at the Australian workers heritage site by the then Minister for Primary Industries and Fisheries, the Hon. Henry Palaszczuk. It is good news that the Tree of Knowledge offspring is going well. We hope that we will be able to have another tree in the spot. More importantly, we will be able to maintain our spirit and we will be able to conserve the Tree of Knowledge for future generations so that we can remind our children and their children of how the Labor Party started and to ensure that no stupid vandalism will be able to take away what is an important symbol for us and for people into the future.
Australian Political Parties for Democracy

Senator FAULKNER (New South Wales) (11.27 pm)—I seek leave to speak for 20 minutes.

Leave granted.

Senator FAULKNER—Tonight I want to take the opportunity to speak about the Australian Labor Party’s participation in the Australian Political Parties for Democracy, APPD, program. I do so because I believe accountability and transparency in such programs is essential. The APPD program was established by the Australian government in 2006. Funding for the program is set at $1 million per annum per grant recipient.

The program aims to assist the major Australian political parties in promoting strong and robust democracies in the Asia-Pacific region and strengthening linkages with parties in the region. It brings the major Australian parties into line with international approaches to technical assistance to political parties and is akin to the activities undertaken by organisations such as the Westminster Foundation for Democracy, the National Democratic Institute for International Affairs and the Friedrich-Ebert Stiftung.

The government took the view that the program would best be administered by political parties directly. Accordingly, funds were made available to the Liberal Party and to the Australian Labor Party. The ALP received $500,000 to be used to implement the program for the last six months of financial year 2005-06 and will receive $1 million for financial year 2006-07. It is the ALP component of the APPD program that I wish to speak about tonight.

In order to oversee the disbursement of these funds, the ALP established a committee, which we have called the International Party Development Committee—another acronym, the IPDC. The committee consists of my colleague Senator Michael Forshaw, who is the International Secretary of the Australian Labor Party; another colleague in the House of Representatives, Mr Kevin Rudd MP, who is the Deputy International Secretary of the ALP; former Senator Sue West, who is the Socialist International Women’s Vice President and a former International Secretary of the ALP; Mr Mark Butler, who is an ALP National Executive Committee member; Mr Richard Marles, who is ACTU Assistant Secretary; Dr Carmen Lawrence MP, another colleague, who is the Vice President of the Australian Labor Party; Mr Greg Sword, another National Executive Committee member; Mr Tim Gartrell, the National Secretary of the Australian Labor Party; and I can also inform the Senate that I chair this committee.

We appointed a director of international projects, Dr Michael Morgan, to be responsible for the administration of the program. Dr Morgan meets with the IPDC on a regular basis to discuss the direction of the program and report on its progress. Given the relatively limited funds available and the size and diversity of our region, the committee has identified a group of six target countries: Indonesia, the Philippines, Timor-Leste, Papua New Guinea, the Solomon Islands and Fiji. The ALP’s commitments under the APPD are to provide practical training and facilitation to political parties in the Asia-Pacific; strengthen ties with recognised fraternal parties; and build new relationships with political parties in the region, including through existing international associations and frameworks.

We have determined that activities carried out under the program will be guided by the principles of inclusion, internal democracy, sustainability and transparency. Activities will be undertaken only after an initial evaluation of country conditions, local needs and demands. In determining whether a party or parties are appropriate recipients of Aus-
Australi an Labor Party assistance under the APPD we will be guided by a number of considerations: do they support democratic frameworks; are parties committed to the peaceful resolution of differences; and are parties viable, sustainable and relevant?

APPD program funds may be used to assist activities consistent with the program's objectives and these activities may include but are not limited to: providing training, education and advice; supporting democratic activities and programs in the target countries; providing technical assistance in the conduct of local, regional or national concerns, which is in fact elections in the target countries; visits by Australian non-parliamentary party figures and campaigners—I should note here that Australian parliamentarians are not entitled to travel overseas under this program; and visits to Australia by visiting delegations or legislators and other party representatives. No financial assistance will be provided to any party itself under the APPD program.

Themes for parties strengthening activities under the program might include internal party governance; relations between the parliamentary wings and extra-parliamentary party wings; membership management; candidate scrutiny; caucus discipline; party constitutions, rules and procedures; ethics; policy development; campaign roles and structures; media liaison and political communication; public opinion research; and campaign finance funding and disclosure.

The first evaluation mission under the ALP's APPD program took place from 20 to 25 August this year. The mission was to Indonesia. The parties targeted were the 10 most prominent parties in Indonesia in terms of the percentage of votes they gained in the 2004 parliamentary elections in that country for the People's Representative Council, the Dewan Perwakilan Rakyat. I always prefer to say the DPR, because I can pronounce it more effectively. We would like to thank the Indonesian embassy for their help with these applications and also those Indonesian political parties themselves for receiving our delegation.

The delegation travelled to Indonesia in the week beginning 20 August 2006, which senators might recall was shortly after the withdrawal of the immigration bill. The immigration bill and the Papuan asylum seeker issue were still matters of concern in Indonesia. The Papuan asylum seeker issue was raised in most of the delegation's discussions. The strong feelings about this issue in Indonesia are often based on a fear that Australia will become a base of protest for Papuan dissidents, and it should be noted that this fuels the belief of many Indonesians that Australians support the secession of a number of Indonesian regions and provinces.

Another major issue of concern for Australia that was raised by the ALP delegation was the rise of radical Islam in Indonesia. I can assure the Senate that the implications of this for regional security and domestic politics in Indonesia were discussed fulsomely. In particular, the issue of how to deal with groups that do not respect democratic political processes was high on the agenda. The 10 parties that met with the ALP delegation renounced violence as a means of prosecuting domestic political goals, and they reaffirmed their support for the ongoing process of democratisation in Indonesia, which of course was very much kick-started in 1999. Included in this number of parties were the Islamist parties, some of which have previously called for sharia law to be enacted throughout Indonesia. It is because of their engagement with democratic processes that many political leaders from Islamist parties have dropped their overt calls for sharia law as they seek to extend their party's political base.
I can say that, uniformly, the parties that were contacted expressed their desire for stronger relations with Australia and with the Australian Labor Party. They expressed their desire for training programs to assist with the transition to democracy and processes which facilitate the development of better policies. Many of these parties are striving to build their internal democracies and improve constituency outreach. Providing technical assistance with campaigning strategies will be a crucial framework for our engagement with Indonesia and other recipient countries. The campaign is the process that energises party structures and brings meaning to policy debates. Where election campaigns are unable to bring people into the process of constituting government, extremism flourishes. Our belief is that parties must remain engaged with democratic processes and we must provide incentives for them to do so. For their part, Indonesian party representatives expressed a desire for greater engagement with Australia and Australian politics to gain a greater understanding of our political system.

Of course, we do recognise many great differences between Australian and Indonesian politics and political systems. We believe our programs should include the broad spectrum of prominent political parties in Indonesia, so long as those parties support peace and encourage democracy. In many jurisdictions in Asia and the Pacific, political parties are not organised along the same clear progressive or conservative lines as the political divide in this country. However, our programs will respect these differences, as we respect the sovereignty of our neighbours. In our programs, we intend to engage with political parties of different persuasions. A requirement for meaningful engagement with Asia and the Pacific is just that—you have to be able to deal with a range of, at times, quite different political parties. We note the risks associated with refusing to engage with a particular party. We understand that such an approach or attitude might jeopardise the entire enterprise of engagement and capacity building in Indonesia by suggesting bias on the part of the ALP or one of the recipient parties.

That said, we do not and will not ignore our core values. Labor are committed to the principle that every person should have the right to a say, directly or indirectly, in the decisions that affect his or her life and have the fundamental right—an opinion which I am sure is shared by all around this chamber—to participate democratically in their choice of government. Labor will never dispense with our belief that institutions such as political parties should promote fairness and balance. We believe that, given a fair go, people can better themselves and the world around them. I would certainly commend the work of this program. We sincerely hope that the Australian Labor Party’s participation, and the participation of all Australian political parties, in the Political Parties for Democracy program is going to further these absolutely crucial rights and belief. It is my intention to report from time to time to the Senate on developments within the program, as I believe there is an interest in the Australian community in this important work.

**Climate Change: Torres Strait**

Senator McLUCAS (Queensland) (11.45 pm)—I seek leave to speak for 20 minutes.

Leave granted.

Senator McLUCAS—I welcome this week’s release of the CSIRO report *Climate change in the Asia-Pacific region*, commissioned by the Climate Change and Development Roundtable. The roundtable, which is an international grouping of aid and environmental groups, including World Vision, Greenpeace, Caritas, Friends of the Earth, AngliCORD and Oxfam, brings hope to us the unwelcome reality of climate change in
our region. While its report speaks about the impacts of climate change on nearby countries and our obligations and responsibilities as a good neighbour and a significant contributor to climate change, tonight I want to focus the spotlight on climate change as it is already affecting one part of Australia.

The release of that report reminded me of some questions that I have asked the government about climate change impacts in the Torres Strait. During Senate estimates in May, I asked if the Australian Greenhouse Office had conducted any research on rises in sea levels specific to the Torres Strait region. The answer was no. Earlier, in February, I asked the Bureau of Meteorology whether there were any tidal gauges in the Torres Strait. Again the answer was no. The reason I asked those questions was that Torres Strait Island communities already suffer quite severe damage from flooding during king tides and from storm surges during cyclones. Now they face increasing risks from sea level rises owing to climate change. The islands of the Torres Strait are as vulnerable to sea level rises as any low-lying islands in the world, potentially even more so. Quite rightly, these communities want to know what the federal government is doing to mitigate the problems they already face and will face in the future with sea level rises.

The islands are dotted across the 150-kilometre international border between Australia and Papua New Guinea. They are scattered around 22,000 square kilometres and range from the largest, Prince of Wales, in the inner island group, to sandy coral cays of less than a hectare. Although only 14 islands are permanently inhabited, most are visited regularly, primarily by people on fishing and camping trips. Two are the very low lying mud islands of Boigu and Saibai. Some are low-lying coral cays such as Yorke, Poruma and Warraber. Almost 1,500 people live on these five islands, and they regularly have to contend with flooding and storm surge. So do communities on the fringes of the strait’s volcanic islands, most significantly Yam Island. All in all, there are more than 8,000 people, most of whom are Indigenous, already at risk.

Communities are often situated only metres from the beach, and some less than a metre above sea level. Parts of the interior of some of the low-lying islands are actually below sea level. High tides, strong winds and heavy rain earlier this year caused severe damage to half the region’s inhabited islands. Houses and other buildings were damaged and belongings destroyed, sewerage systems were flooded and rubbish was picked up and strewn throughout residential areas and into the sea. Emergency access to the islands was impossible.

On Yam Island, six families, including about 20 children ranging in age from babies to teenagers, had to be evacuated as torrents of seawater flowed through their homes. ‘It was a shocking sight,’ said Yam Island Community Council chairperson Mr Walter Mackie, quoted in the Torres News, ‘They’ve lost their belongings, everything. The waves crashed into the side of the dwellings and the spray was higher than the roofs.’ On Boigu and Saibai islands, the high tide breached the seawall in a number of places, flooding homes and other buildings and inundating part of the airstrip. The Warraber seawall was also breached. The Saibai Community Council chairperson, Mr Jensen Warusam, said: ‘It’s sad. It made people scared. It’s all about the greenhouse effect and the ozone layer and they are beyond our control. Global warming is an ongoing problem.’

These are not isolated events. They are increasingly occurring every year during the wet season and, according to the residents of these communities, are occurring with increasing severity. Torres Strait Islanders un-
derstandably want an explanation for what is happening. Like his counterpart on Saibai, the Yorke Island chairperson, Mr Donald Mosby, is in no doubt that global warming is to blame. ‘You don’t have to be a scientist,’ he said, ‘not when you see metres of beach disappearing every week.’

Yet the basic data required to establish a sea level baseline in the Torres Strait is simply not available because there are no tide gauges in the area, according to the Bureau of Meteorology. Nor is the Australian Greenhouse Office, which coordinates the Australian Baseline Sea Level Monitoring Project, conducting any research in the Torres Strait. The baseline monitoring project, as its name implies, is designed to monitor sea levels around the coastline but is not doing any work in a region that must be one of the most susceptible in the nation to sea level rises caused by global warming.

The Torres Strait and the northern Cape York Peninsula area are highly vulnerable places. The region is at the juncture of the Pacific and Indian oceans, with strong currents and extreme variations in sea levels. It experiences strong winds for much of the year and is cyclone prone. Heavy cyclonic or wet-season rain compounds the flooding caused by high tides or storm surge. It beggars belief that no long-term scientific measures are being undertaken by the federal government which are specific to Torres Strait. But this sad fact just reflects the Howard government’s general approach to global warming—a vain hope that it will go away. The need for leadership from the federal government is now urgent. The available data on sea levels is either grossly inadequate or grossly inaccurate. This means that a recent expert survey of risk management in the Torres Strait was unable to assess the flooding and storm surge risk for three islands: Darnley, Mer and Yorke islands. The survey report states:

A number of low-lying communities could face widespread destruction in the event of a storm surge over 1.5 metres. It is considered that there is little that can be done to mitigate widespread damage from a storm surge within these low-lying communities.

The report continues:

It should be noted that the likelihood of a storm surge event in the Torres Strait is hard to define based on published scientific data. Furthermore ... the analysis of storm surge and flooding in this study has been complicated by a number of inconsistencies in published tide data and the available land survey.

The report says:

Given the potential consequences of a storm surge event, the completion of a scientific storm surge study for the Torres Strait is considered to be a very high priority.

The absence of baseline data for the Torres Strait is a scandal, and a breach of the federal government’s duty of care to 8,000 of its citizens. Even worse, the survey states:

It should be noted that the level of risk associated with storm surge inundation may increase over time as a result of global sea level rise.

So, here we are with utterly useless data on the baseline and therefore no possibility of making accurate predictions of the effects of global warming.

We do have in our possession some global warming information, and it is no comfort whatsoever. Broadly, according to the UN based Intergovernmental Panel on Climate Change, the global mean sea level rise as a result of global warming will be between nine centimetres and just under one metre by 2100. The range of the rise will vary between 0.13 metres—that is, 13 centimetres—and 0.94 metres. That is a disaster for the Torres Strait. It means that many of the island and coastal communities will be uninhabitable when the sea level rise is coupled with other factors such as predicted temperature and
rainfall increases and an increase in the severity and incidence of cyclones.

The survey has tabulated the extreme and high risks for the islands—except for the three whose data was totally inadequate—in relation to storm surge and flooding. The tables, which do not incorporate any aspect of sea level rise or climate change, paint a fairly desperate picture. For example, every island is at such high risk that storm surge and flood hazard maps do not accurately depict the hazard.

There is a high risk on every island except four that in a storm surge it would not be possible to shelter the community or evacuate the community if required. On every island except six there is a high risk that homes might be damaged or destroyed in a storm surge. In six of the communities—Darnley, Yam, Mabuiag, Yorke, Saibai and the coastal community of Seisia—there is a high risk that residents might be killed or injured during a flood event. If the federal government needed reasons to show some leadership and some concern for the Indigenous and non-Indigenous inhabitants of the Torres Strait and the northern peninsula area, then here they are.

There are a number of mapping and research programs and some remedial works being undertaken in the region, mostly jointly with Queensland. But there is nothing by way of a coherent strategy to deal with the immediate problem, much less the potentially dire consequences of climate change. That is what is required—and now.

As a start, the federal government must sign up to the Kyoto protocol. Secondly, the federal government must begin an intensive land and sea survey in the Torres Strait based on independent science. Thirdly, the federal government must actively investigate every avenue to avoid the necessity of evacuating thousands of people from their island homes, their traditional homeland. Fourthly, the federal government must consult with and include the people of the Torres Strait and the northern peninsula area in their deliberations. These are four simple, straightforward things that the federal government must do for the 8,000 residents of the Torres Strait. The need is urgent, because the writing is on the wall for the Torres Strait. Every scientist, every community group and most Australians can read that message, but I am afraid our Prime Minister refuses to do so.

When the fourth assessment report of the Intergovernmental Panel on Climate Change is released, we can expect some very bleak news for Australia, and for the Torres Strait in particular. The draft report states that the king tides in 2005 and this year in the Torres Strait highlight the need to revisit short-term coastal protection and long-term relocation plans for up to 2,000 Australians living on the central coral cays and the north-west mud islands. This is just another way of saying that, if the federal government does not finally accept some responsibility now, these islands will very rapidly become uninhabitable. The draft report reveals that the displacement of Torres Strait Islanders to mainland Australia is likely to occur between now and 2050. There are no ifs, no buts. Displacement is now likely, and not just possible, and it is likely very soon.

If the federal government does not act now, climate change is likely to lead to six key impacts, and the impacts are likely to reach critical level once global warming exceeds one to two degrees on a 1990 baseline. Amongst those impacts for coastal communities is the climatic scenario of sea level rises, more intense tropical cyclones and larger storm surges. The draft report states that sea level rise is virtually certain to cause greater coastal inundation, erosion, loss of wetlands and mangroves and saltwater intrusion into freshwater sources. As if we do not have
enough problems with fresh water in the Torres Strait now.

Regions exposed to cyclones are likely to experience larger inundation due to higher storm surges. Although cyclones occasionally pass through the Torres Strait, the strait itself is not described as cyclone prone. But the strong winds and the high seas associated with cyclones across Cape York cause the havoc, including the flooding and the storm surges, that I have already mentioned this evening. The failure of the federal government and the Minister for the Environment and Heritage to deal with the likely impacts on the Torres Strait of more intense cyclones, higher sea levels and heavier rainfall constitutes an inexcusable dereliction of duty. When the fourth assessment report is released, it will add to a mountain of evidence, including this week’s CSIRO report *Climate change in the Asia-Pacific region*, that a substantive, coherent federal strategy for dealing with climate change is needed now, and nowhere more urgently in Australia than in the Torres Strait.

**Senate adjourned at 12.00 am**

**DOCUMENTS**

**Tabling**

The following government documents were tabled:

- Australian Film, Television and Radio School—Report for 2005-06.
- Australian War Memorial—Report for 2005-06.
- *Customs Act 1901*—Conduct of customs officers [Managed deliveries]—Report for 2005-06.
- Final budget outcome 2005-06—Report by the Treasurer (Mr Costello) and the Minister for Finance and Administration (Senator Minchin), September 2006.
- Health Services Australia Ltd (HSA Group)—Statement of corporate intent 2006-09.
- National Health and Medical Research Council—Review of the implementation of the National Health and Medical Research Council’s strategic plan 2003-06, June 2006.
- Payments System Board—Report for 2005-06.
- Reserve Bank of Australia—Equity and diversity—Report for 2005-06.
Western Australian Fisheries Joint Authority—Report for 2003-04.

Tabling

The following documents were tabled by the Clerk:

[Legislative instruments are identified by a Federal Register of Legislative Instruments (FRLI) number]

Acts Interpretation Act—Statement pursuant to subsection 34C(7) relating to the delay in presentation of a report—National Health and Medical Research Council—Review of the implementation of the National Health and Medical Research Council’s strategic plan 2003-06.

Auditor-General Act—Australian National Audit Office (ANAO) Auditing Standards [F2006L03268]*.

Christmas Island Act—Applied Laws (Implementation) Amendment Ordinance 2006 (No. 1) [F2006L03261]*.

Class Ruling CR 2006/98.

Cocos (Keeling) Islands Act—Applied Laws (Implementation) Amendment Ordinance 2006 (No. 1) [F2006L03262]*.


Higher Education Support Act—Commonwealth Grant Scheme Guidelines, dated 28 August 2006 [F2006L03308]*.

Higher Education Provider Approval (No. 14 of 2006)—Bradford College Pty Ltd [F2006L03336]*.

Migration Act—

Migration Agents Regulations—Instruments—IMMI 06/056—Prescribed courses for applicants for registration as a migration agent [F2006L03194]*.

IMMI 06/057—Prescribed exams for applicants for registration as a migration agent [F2006L03201]*.

Migration Regulations—Instrument IMMI 06/069—Working Holiday Visa—Definitions of ‘seasonal work’ and ‘regional Australia’ [F2006L03212]*.


MT 2033.

Notice of Withdrawal—MT 2029.

National Health Act—Determination HIB 30/2006 [F2006L03312]*.

Proceeds of Crime Act—Select Legislative Instrument 2006 No. 257—Proceeds of Crime Amendment Regulations 2006 (No. 4) [F2006L03303]*.

Product Rulings PR 2006/142-PR 2006/144.

Safety, Rehabilitation and Compensation Act—

Approved Form for Application for Initial Approval as a Rehabilitation Program Provider [F2006L03292]*.

Approved Form for Application for Renewal of Approval as a Rehabilitation Program Provider [F2006L03294]*.

Variation of Criteria for Approval or Renewal of Approval of Rehabilitation Program Providers [F2006L03288]*.
Variation of Operational Standards for Rehabilitation Program Providers [F2006L03289]*.

Superannuation Act 2005—
Superannuation (PSSAP) Approved Authority Exclusion Amendment Declaration 2006 [F2006L03287]*.
Superannuation (PSSAP) Membership Eligibility (Inclusion) Amendment Declaration 2006 [F2006L03272]*.

Taxation Determinations—
Addenda—
TD 93/230.
TD 94/97.
Notice of Withdrawal—TD 94/47.
TD 2006/62.

Taxation Rulings—
Addendum—IT 2675.
Notice of Withdrawal—TR 94/1.
TR 2006/10 and TR 2006/11.

Telecommunications Act—
Telecommunications Numbering Plan (Minor Variation) Declaration 2006 [F2006L03310]*.

* Explanatory statement tabled with legislative instrument.
QUESTIONS ON NOTICE

The following answers to questions were circulated:

**Treasury: Grants and Payments to City View Christian Church Inc.**

*(Question No. 1538)*

**Senator O’Brien** asked the Minister representing the Minister for Revenue and Assistant Treasurer, upon notice, on 18 January 2006:

For each financial year since 2001-02, what grants or payments has the Minister’s department, or have agencies for which the Minister is responsible, made to City View Christian Church Inc. (formerly known as Crusade Centre Inc.) based in Launceston, Tasmania.

**Senator Coonan**—The Minister for Revenue and Assistant Treasurer has provided the following answer to the honourable senator’s question:

**Australian Bureau of Statistics**
Nil for all financial years.

**Australian Competition & Consumer Commission**
Nil for all financial years.

**Australian Office of Financial Management**
Nil for all financial years.

**Australian Prudential Regulation Authority**
Nil for all financial years.

**Australian Securities and Investments Commission**
Nil for all financial years.

**Australian Taxation Office**
Nil for all financial years.

**Corporations & Markets Advisory Committee**
Nil for all financial years.

**Inspector-General of Taxation**
Nil for all financial years.

**National Competition Council**
Nil for all financial years.

**Productivity Commission**
Nil for all financial years.

**Treasury**
Nil for all financial years.

**Maningrida Community**

*(Question No. 1806)*

**Senator Allison** asked the Minister representing the Minister for Family, Community Services and Indigenous Affairs, upon notice, on 25 May 2006:
(1) Is the Minister aware that, following the recent Cyclone Monica, many buildings in the community of Maningrida have been badly damaged.

(2) Is the Minister aware that many of these buildings, including the school, contain asbestos.

(3) What information does the Government have on the risks to the community of Maningrida due to exposure to asbestos dust.

(4) What has the Federal Government done (or what does it intend to do) to protect the health of those people in the community, including the children who have returned to the school, who are now exposed to asbestos dust.

**Senator Kemp**—The Minister for Families, Community Services and Indigenous Affairs has provided the following answer to the honourable senator’s question:

This is a matter for the Northern Territory Government. The Department has sought advice from the Northern Territory Government on this issue and has been assured that the issue is being responded to appropriately.

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**Religious Education**

**(Question No. 1810)**

**Senator Allison** asked the Minister representing the Minister for Education, Science and Training, upon notice, on 25 May 2006:

(1) Did the Minister, as reported recently, threaten to withdraw funding from Queensland schools if State legislation governing the teaching of religion was changed; if so, does the Government intend tying schools funding to the provision of religious education.

(2) Can a copy of the Government’s policy and guidelines for religious education in schools be provided; if not, why not.

(3) Is it Government policy that all children should participate in religious education.

(4) Does the Government intend to implement measures to maintain or increase the number of children participating in religious education.

(5) What does the Government consider to be the appropriate amount of time, per school term, that school be spent on a child’s religious education.

(6) Does the Government consider that there should be limit, if any, on the amount of religious education a student should receive.

(7) Does the Government support the placing of hurdles in front of parents who do not wish their children to participate in religious education.

(8) The Minister’s press release, dated 22 May 2006, ‘Religion in Queensland State Schools’, states that ‘political correctness has gone too far when religious education at school now permits almost any belief system to be taught…’. What religions, denominations and belief systems does the Government oppose being taught in schools.

(9) What quality control mechanisms does the Government have in place to ensure that religious education is non-discriminatory, respectful and equitably applied to all religions and denominations in both government and non-government schools.

(10) Does the Government support ‘opt out’ rather that ‘opt in’ systems for all elements of education; if not, what subjects does the Government believe should be ‘opt out’.

**Senator Vanstone**—The Minister for Education, Science and Training has provided the following answer to the honourable senator’s question:

(1) The Australian Government provides $33 billion of funding for Australian schools for the period 2005 - 2008. Taxpayers expect the Australian Government to hold State and Territory Governments...
accountable for educational outcomes. Conditions of Australian Government funding for schools are specified in legislation each quadrennium.

(2) There are no Australian Government guidelines for religious education in schools. The day-to-day operation of schools and policies in relation to religious education and participation in religious education are the responsibility of State and Territory education authorities. The Australian Government endorses well-established arrangements for religious education which have worked well and which are supported by parents. The National Framework for Values Education in Australian Schools, agreed by all Education Ministers, provides a basis for ensuring shared values that support Australia’s democratic way of life are promoted in all schools. The Framework specifically recognises “that there is a significant history of values education in government and non-government schools” in Australia, “drawing on a range of philosophies, beliefs and traditions”. It also highlights the recognition in the preamble to the National Goals for Schooling in the Twenty-First Century, that schooling “provides a foundation for young Australians’ intellectual, physical, social, moral, spiritual and aesthetic development”.

(3) The Government supports parents’ right to choose the best schooling for their children and to choose whether their children receive religious education or not. There are well-established arrangements in States and Territories to facilitate this which are supported by parents. The Australian Government endorses these arrangements.

(4) At this stage, the Government does not intend to implement measures to maintain or increase the number of children participating in religious education. It is providing funding of $29.7 million to help ensure that all children participate in values education and that values education becomes a core part of schooling.

(5) It is up to the State and Territory education authorities, in consultation with parents, to allocate an appropriate amount of time per school term that should be spent on a child’s religious education.

(6) The Australian Government does not have views on the specific amount of time, per school term, that should be spent on a child’s religious education and endorses well-established arrangements in this area in States and Territories. In terms of curriculum, the Government supports Goal 2.1 of the National Goals for Schooling in the Twenty-First Century (endorsed by all Education Ministers) that: “students should have attained high standards of knowledge, skills and understanding through a comprehensive and balanced curriculum in the compulsory years of schooling encompassing the agreed eight key learning areas:
• the arts;
• English;
• health and physical education;
• languages other than English;
• mathematics;
• science;
• studies of society and environment;
• technology;
• and the interrelationship between them.

(7) The Australian Government supports parents’ right to choose whether their children receive religious education or not and endorses existing well-established arrangements in States and Territories to facilitate this.

(8) I shared the concern of parents and church groups about the range of beliefs that might have been permitted under the proposed Queensland legislation and that cults might have been approved.
(9) As a condition of Australian Government funding, all schools are required to comply with the National Goals for Schooling in the Twenty-first Century, which have been endorsed by all Education Ministers. Goal 3.1 specifies that student outcomes from schooling should be “free from the effects of negative forms of discrimination based on sex, language, culture and ethnicity, religion or disability; and of differences arising from students’ socio-economic background or geographic location”.

(10) The Australian Government supports the curriculum requirements specified in the National Goals for Schooling in the Twenty-first Century, but the Australian Government is currently considering its position with regard to the teaching of Australian history.

Research Projects
(Question No. 1882)

Senator Milne asked the Minister for the Environment and Heritage, upon notice, on 6 June 2006:

In relation to the Minister’s letter to the Canberra Times, published on 2 June 2006, can the following details be provided:

(1) A list of the 216 research projects associated with solar energy funded by the Australian Research Council (ARC) over the past 4 years, including the title of each and the amount of funding.

(2) A list of research projects relating to fossil fuels and nuclear power funded by the ARC over the past 4 years, including the title of each and the amount of funding.

(3) A list of the programs and institutions funded by the Government to undertake fossil fuel and nuclear research and development, including the name of the program or institution, the amount of Commonwealth funding, and the time frame.

Senator Ian Campbell—The answer to the honourable senator’s question is as follows:

(1) I have been advised that the estimate of 216 research projects associated with solar energy funded by the ARC over the last four years is inaccurate, due to a data search being incorrectly specified by the ARC. The ARC has apologised for the error and has provided a revised estimate of the number and value of projects associated with solar energy over the past four years. A list of those projects follows.

Projects funded from proposals submitted to the ARC in the calendar years 2002 to 2005 and judged to be relevant to solar energy are set out below.

The information contained in this dataset is limited to that which was current at the time research proposals were approved for funding and excludes any post-award variations that may subsequently have been approved. For example:

- the funding may not have been taken up by the investigator(s) after the project was approved,
- the scope of the research activity may have changed if the amount allocated was less than that requested,
- investigators may have been added to, or removed from, the project,
- the project may have been transferred between Administering Organisations,
- the project may have prematurely ceased.

Actual amounts paid to Administering Organisations against approved research projects will vary from the original approvals shown here due to indexation of payments and other post-award funding variations.
<table>
<thead>
<tr>
<th>Title</th>
<th>Funding Over Project Life</th>
</tr>
</thead>
<tbody>
<tr>
<td>ARC Centre of Excellence for Advanced Silicon Photovoltaics and Photonics</td>
<td>$12,175,000</td>
</tr>
<tr>
<td>ARC Centre of Excellence for Electromaterials Science</td>
<td>$12,000,000</td>
</tr>
<tr>
<td>ARC Centre for Nanostructured Electromaterials</td>
<td>$7,306,885</td>
</tr>
<tr>
<td>Dendritic Organic Semiconductors</td>
<td>$1,980,314</td>
</tr>
<tr>
<td>Nanostructured Silicon-Based Tandem Solar Cells</td>
<td>$1,581,110</td>
</tr>
<tr>
<td>ARC Centre for Solar Energy Systems</td>
<td>$1,500,960</td>
</tr>
<tr>
<td>Probing the Interface Between Polymeric Photonic Materials and Biology</td>
<td>$1,450,370</td>
</tr>
<tr>
<td>Surface Processing of Photo-Sensitive Semiconducting Oxides for Solar-Hydrogen</td>
<td>$1,261,943</td>
</tr>
<tr>
<td>Molecular Electronics Principles and Applications</td>
<td>$1,231,000</td>
</tr>
<tr>
<td>Organic Optoelectronic Materials: Next Generation Semiconductors</td>
<td>$1,200,000</td>
</tr>
<tr>
<td>A blueprint for an intelligent instrumental, theoretical and experimental unification of a myriad of voltammetric and related electrochemical techniques.</td>
<td>$1,070,000</td>
</tr>
<tr>
<td>Inception of a Practical, Biomimetic, Flexible Photovoltaic Device</td>
<td>$980,829</td>
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<tr>
<td>Understanding Electron Transfer through Surface Bound Rigid Molecular Constructs: From Fundamental Studies to New Sensing and Photovoltaic Applications</td>
<td>$780,000</td>
</tr>
<tr>
<td>Design and synthesis of transparent conducting metal oxides</td>
<td>$680,000</td>
</tr>
<tr>
<td>Next generation, very high efficiency thin silicon cells</td>
<td>$670,000</td>
</tr>
<tr>
<td>Novel Inorganic Nanostructures Fabricated using Polymeric Supports and Templates for Environmental and Catalytic Applications</td>
<td>$668,000</td>
</tr>
<tr>
<td>Improving silicon grain boundaries by linking electronic material quality and device manufacturing conditions</td>
<td>$630,000</td>
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<tr>
<td>Overcoming performance limitations in multicrystalline silicon solar cells</td>
<td>$621,386</td>
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<tr>
<td>Low cost photovoltaic modules through reduced silicon consumption</td>
<td>$620,000</td>
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<tr>
<td>Electronically Conducting Nanofibres and Assemblies</td>
<td>$554,400</td>
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<tr>
<td>Development of polycrystalline silicon thin-film photovoltaic devices on glass</td>
<td>$491,000</td>
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<tr>
<td>Solar detoxification of wastewater: Bactericidal and photocatalytic activities of titania-based compounds in an externally-irradiated bubble column immobilized reactor</td>
<td>$485,000</td>
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<tr>
<td>Chemical and morphological engineering of semiconductor electrodes for high efficiency solar cells</td>
<td>$450,000</td>
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<tr>
<td>Self-Assembled Porphyrin-Fullerene Photovoltaic Electrodes: Towards Nanostructured Organic Solar Cells</td>
<td>$429,000</td>
</tr>
<tr>
<td>Novel Chlorophylls and New Directions in Photosynthesis</td>
<td>$420,000</td>
</tr>
<tr>
<td>Porphyrin-Based Supramolecular Assemblies and Arrays II: Model Systems for the Construction of Photosynthetic Mimics and Devices</td>
<td>$410,000</td>
</tr>
<tr>
<td>New Directions in Silicon Solar Cell Technology</td>
<td>$410,000</td>
</tr>
<tr>
<td>Processing of reduced-band-gap titania for solar-hydrogen</td>
<td>$386,386</td>
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<tr>
<td>Towards Nano-Assembled Light Emitting Polymer Films</td>
<td>$385,000</td>
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<tr>
<td>Enhancing the Understanding and Performance of Passivating TiO2 Coatings for Photovoltaic Devices</td>
<td>$371,647</td>
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<tr>
<td>Single molecule spectroscopy of functional luminescent materials.</td>
<td>$370,000</td>
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<tr>
<td>Reactions of Nanoparticles of Metal Oxides and Hydrous Oxides and their Applications in Photocatalysts and Electrode Materials</td>
<td>$360,000</td>
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<tr>
<td>P-Type Titanium Dioxide for Hydrogen Generation from Water using Solar Energy</td>
<td>$350,000</td>
</tr>
<tr>
<td>Title</td>
<td>Funding Over Project Life</td>
</tr>
<tr>
<td>----------------------------------------------------------------------</td>
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</tr>
<tr>
<td>Advanced Particles and Systems for Photoinduced Processes</td>
<td>$340,000</td>
</tr>
<tr>
<td>Metalligraphitic Discs as New Materials</td>
<td>$330,504</td>
</tr>
<tr>
<td>A furnace stack for advanced photovoltaic, photonic and microfabrication applications</td>
<td>$321,953</td>
</tr>
<tr>
<td>A 60% efficient solar microconcentrator for electricity and hot water</td>
<td>$311,647</td>
</tr>
<tr>
<td>Solar Nano-photocatalytic Disinfection and Mineralization of Treated Wastewater from Sewage Treatment Plants</td>
<td>$308,886</td>
</tr>
<tr>
<td>Organic Field Effect Transistors for Biosensor Applications</td>
<td>$300,000</td>
</tr>
<tr>
<td>Microwave processing of flexible dye sensitised solar cells</td>
<td>$270,000</td>
</tr>
<tr>
<td>Sustainable Technology for Removal of Trace Contaminants in Rural Water Supplies</td>
<td>$266,386</td>
</tr>
<tr>
<td>Multi-function power electronic interface for hybrid mini-grid systems</td>
<td>$265,893</td>
</tr>
<tr>
<td>Investigation of P Type Emitters for Future Generation Photovoltaics</td>
<td>$265,000</td>
</tr>
<tr>
<td>Design and Control of Sensorless, Brushless, Linear Permanent Magnet Motors for Fluid Pumping</td>
<td>$261,386</td>
</tr>
<tr>
<td>High efficiency thin-film gallium arsenide solar cells</td>
<td>$255,000</td>
</tr>
<tr>
<td>Titania-based materials with enhanced photo-sensitivity for solar-hydrogen</td>
<td>$256,432</td>
</tr>
<tr>
<td>Characteristics of chlorophyll d-binding protein complexes: assembly of light-harvesting complexes</td>
<td>$255,000</td>
</tr>
<tr>
<td>Lifetime spectroscopy of impurities in silicon solar cells</td>
<td>$253,035</td>
</tr>
<tr>
<td>Nanoscale networks of organic polymer/C60 fullerene blends for high efficiency solar cells</td>
<td>$248,625</td>
</tr>
<tr>
<td>New Methods to Harvest Light: Towards Better Dye-Sensitized Solar Cells</td>
<td>$240,000</td>
</tr>
<tr>
<td>New Materials for Energy Capture and Conversion: Ionic Liquid-derived Conducting Polymers</td>
<td>$240,000</td>
</tr>
<tr>
<td>Theoretical and experimental studies of block copolymer melts as nano-materials</td>
<td>$227,000</td>
</tr>
<tr>
<td>Heat transfer processes in evacuated tubular solar absorbers</td>
<td>$210,000</td>
</tr>
<tr>
<td>Development of an Adjustable Porphyrin-based Molecular Platform for Nanotechnology Applications</td>
<td>$210,000</td>
</tr>
<tr>
<td>Electrochemical Atomic Force Microscope and Nano-Manipulation Facility</td>
<td>$210,000</td>
</tr>
<tr>
<td>Spectroscopic Imaging Ellipsometry for Opto-VLSI Engineering and Nanotechnology Applications</td>
<td>$200,000</td>
</tr>
<tr>
<td>Integration of Distributed and Renewable Power Generation into Electricity Grid Systems</td>
<td>$196,800</td>
</tr>
<tr>
<td>High Temperature Silicon Nitride for Improved Silicon Photovoltaics</td>
<td>$193,000</td>
</tr>
<tr>
<td>Nanostructure Deposition Facility</td>
<td>$180,240</td>
</tr>
<tr>
<td>The LASE process - a new approach to cost effective thin solar cells</td>
<td>$180,000</td>
</tr>
<tr>
<td>An advanced scanning probe microscopy facility</td>
<td>$168,810</td>
</tr>
<tr>
<td>Photoactive Semiconducting Biopolymers</td>
<td>$162,000</td>
</tr>
<tr>
<td>Electrochemical Electron Spin Resonance Spectrometer</td>
<td>$148,246</td>
</tr>
<tr>
<td>Developing a competitive H2 production system based on engineered cells of green algae</td>
<td>$140,000</td>
</tr>
<tr>
<td>A hybrid integrated system for municipal solid waste treatment and power generation</td>
<td>$136,386</td>
</tr>
<tr>
<td>Combined reactor for the plasma-enhanced chemical vapour deposition (PECVD) of amorphous layers of silicon, silicon nitride and silicon oxide, and for Reactive Ion Etching</td>
<td>$121,510</td>
</tr>
</tbody>
</table>
(2) A list of ARC funded projects over calendar years 2002 to 2005 and judged to be relevant to fossil fuels and nuclear power follows. Fossil fuels are considered for this purpose to include oil, gas and coal and, in the case of “direct use” technologies, derivatives of these (e.g. methanol as used in fuel cells).

The listing is in two parts. Part 1 includes all projects which explicitly describe the intended research as of benefit to the “oil and gas industry”, “coal industry”, “hydrocarbon industry” or similar. Projects including modelling work and geological studies which provide insight into where or how to find fossil fuels are also included. Part 2 includes those studies relating to beneficial/environmentally-friendly/sustainable uses of fossil fuel industry by-products, such as fly-ash, or those studies/projects which develop a technology that will benefit the industry, but for which an explicit description of fossil fuel use has not been given.

Part 1—Projects directly relevant to the oil and gas, coal, hydrocarbon or related industries

<table>
<thead>
<tr>
<th>Title</th>
<th>Funding Over Project Life</th>
</tr>
</thead>
<tbody>
<tr>
<td>Geotechnical engineering solutions for deep-water oil and gas developments</td>
<td>$1,551,625</td>
</tr>
<tr>
<td>Molecular Engineered Nanomaterials for Advanced Fuel Cells</td>
<td>$1,450,370</td>
</tr>
<tr>
<td>The conversion of remote location natural gas to fuels and chemicals</td>
<td>$1,417,500</td>
</tr>
<tr>
<td>Technologies for advanced optical fibre sensors</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Organometallic Transformations of Organic Molecules</td>
<td>$940,107</td>
</tr>
<tr>
<td>Effect of Saline Water on Flotation Processes</td>
<td>$810,000</td>
</tr>
<tr>
<td>Methane hydrate in carbon nanopores as a potential means for energy storage</td>
<td>$764,000</td>
</tr>
</tbody>
</table>

QUESTIONS ON NOTICE
<table>
<thead>
<tr>
<th>Title</th>
<th>Funding Over Project Life</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prediction and controlling of pipe failures in buried water and gas pipe systems</td>
<td>$757,213</td>
</tr>
<tr>
<td>Application of field penetrometer data to offshore geotechnical design in deep water</td>
<td>$740,000</td>
</tr>
<tr>
<td>Metal dusting of austenitic alloys: mechanisms and interventions</td>
<td>$695,000</td>
</tr>
<tr>
<td>Sequestration of CO2 with enhanced methane recovery from deep coal</td>
<td>$694,158</td>
</tr>
<tr>
<td>Biosphere, hydrocarbon and ore fluid interactions in the Early Precambrian</td>
<td>$690,000</td>
</tr>
<tr>
<td>Nanocomposite proton-conducting membranes for fuel cell applications</td>
<td>$662,000</td>
</tr>
<tr>
<td>The development of homogeneous catalytic processes for the manufacture of new chemical products derivable from Australia’s resources</td>
<td>$650,000</td>
</tr>
<tr>
<td>Advanced modelling and optimisation of Underground Coal Gasification</td>
<td>$644,379</td>
</tr>
<tr>
<td>Static and dynamic analysis of saturated and unsaturated soils</td>
<td>$503,000</td>
</tr>
<tr>
<td>South Australian Supercomputing Facility</td>
<td>$500,000</td>
</tr>
<tr>
<td>Innovative Research in Gaseous and Spray Combustion</td>
<td>$445,000</td>
</tr>
<tr>
<td>Dynamic Gas Permeability Investigations of Highly Stressed Coals</td>
<td>$412,325</td>
</tr>
<tr>
<td>Advanced Studies of Turbulent Combustion: Premixed to Nonpremixed</td>
<td>$400,000</td>
</tr>
<tr>
<td>Measuring and presenting uncertainty in complex natural resource monitoring programs</td>
<td>$393,325</td>
</tr>
<tr>
<td>A highly sensitive mass spectrometer for trace analysis of biomarker molecules to study changes in recent and ancient environments</td>
<td>$390,700</td>
</tr>
<tr>
<td>Mass spectrometry facility for inorganic and organic analysis</td>
<td>$379,719</td>
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<tr>
<td>Modelling the Transient Effects in Dense Phase Gas-Solids Flow in Pipelines.</td>
<td>$350,000</td>
</tr>
<tr>
<td>Friction and contact in soil-structure interaction at large deformation</td>
<td>$350,000</td>
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<tr>
<td>Multi-component Gas Transport in Deep Coal</td>
<td>$340,000</td>
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<tr>
<td>New molecular and isotopic biomarker approaches to establishing source, palaeoclimate, facies and thermal history of sedimentary organic matter</td>
<td>$334,000</td>
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<tr>
<td>Reconstructing the morphotectonic evolution of rifted continental margins from low-temperature thermochronology</td>
<td>$303,000</td>
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<tr>
<td>Present-Day Crustal Stress Field of North-Eastern Australia</td>
<td>$300,000</td>
</tr>
<tr>
<td>Transport properties from Nuclear Magnetic Resonance</td>
<td>$297,022</td>
</tr>
<tr>
<td>Hydrogen Production by Non-thermal Plasma Assisted Catalytic Pyrolysis of Natural Gas</td>
<td>$293,748</td>
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<tr>
<td>A research grade liquid chromatograph - mass spectrometer for quantitative analysis of trace organic analytes in complex matrices</td>
<td>$290,000</td>
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<tr>
<td>Longshore Sediment Supply to the Deep Ocean</td>
<td>$280,000</td>
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<tr>
<td>Wet Granular Materials: A Three-Dimensional Study Using X-Ray Microtomography.</td>
<td>$280,000</td>
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<td>Numerical Modelling of Three-dimensional Scour below Offshore Pipelines</td>
<td>$274,000</td>
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<td>Low emission, Gas Turbine Air Compressor (GTAC) demonstrator</td>
<td>$270,788</td>
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<tr>
<td>Present-Day Crustal Stresses of NW Borneo: Neotectonics of an Active Collisional Margin</td>
<td>$270,000</td>
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<tr>
<td>A dynamic pore-network model for fluid displacements in porous media</td>
<td>$268,000</td>
</tr>
<tr>
<td>Selective generation of hydrogen from biomass and waste fuels</td>
<td>$260,000</td>
</tr>
<tr>
<td>Theoretical and experimental study of elastic properties of porous media permeated by aligned fractures</td>
<td>$255,000</td>
</tr>
<tr>
<td>Developing a fully automated analytical system for the next generation of fission-track thermochronology</td>
<td>$255,000</td>
</tr>
<tr>
<td>Catalytic Conversion of Waste Plastics to Hydrocarbon Fuels</td>
<td>$253,271</td>
</tr>
<tr>
<td>Title</td>
<td>Funding Over Project Life</td>
</tr>
<tr>
<td>----------------------------------------------------------------------</td>
<td>---------------------------</td>
</tr>
<tr>
<td>Crustal Stress Field of SE Asia</td>
<td>$250,755</td>
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<tr>
<td>Control Strategies for Idle Speed of Automotive Engines</td>
<td>$245,000</td>
</tr>
<tr>
<td>Improved catalysts for liquid phase hydrocarbon oxidation</td>
<td>$240,000</td>
</tr>
<tr>
<td>Southern gateways - the icehouse cometh: Eocene to Oligocene evolution of southeast Australia</td>
<td>$240,000</td>
</tr>
<tr>
<td>An Advanced Computed Tomography Facility - high capacity and high resolution for dynamic studies in porous and granular materials.</td>
<td>$240,000</td>
</tr>
<tr>
<td>Model Studies of the Wettability of Reservoir and Seal Rocks as Recovered and After Treatments to Alter Surface Properties</td>
<td>$237,325</td>
</tr>
<tr>
<td>Economical Offshore Foundation for Deep Water - Suction Embedded Plate Anchor</td>
<td>$233,500</td>
</tr>
<tr>
<td>Multicomponent gas counter-diffusion in coal</td>
<td>$230,000</td>
</tr>
<tr>
<td>Investigation of Coupled Processes During Underground Coal Gasification</td>
<td>$229,000</td>
</tr>
<tr>
<td>Development of Models for the Three-Dimensional Analysis of Jack-Up Structures</td>
<td>$227,000</td>
</tr>
<tr>
<td>A study of high temperature transformation of oil shale - In-situ mineral reactions and structure analysis</td>
<td>$225,000</td>
</tr>
<tr>
<td>Never again? The nature and effectiveness of Australian regulatory responses to terrorism, the Esso Longford Explosion and the collapse of HIH Insurance.</td>
<td>$210,000</td>
</tr>
<tr>
<td>Dynamic CFD Simulations and Scale-Up of Three-Phase Slurry Reactors for Gas-to-Liquid (GTL) Technology</td>
<td>$191,386</td>
</tr>
<tr>
<td>Extension to Stable Isotope Facility: Elemental Analyser and GC-GC Preparative Systems</td>
<td>$185,614</td>
</tr>
<tr>
<td>Investment Evaluation and Price Formation in Markets for Oil and Mineral Resources</td>
<td>$182,000</td>
</tr>
<tr>
<td>Investigations into the Mechanisms of Reactions between Alkanes and Nitric Oxide at Low Temperatures</td>
<td>$180,000</td>
</tr>
<tr>
<td>The use of outcrop analogues to characterise large-scale deepwater sedimentary architecture</td>
<td>$178,000</td>
</tr>
<tr>
<td>Robust solid oxide fuel cell technology for small-scale applications</td>
<td>$175,000</td>
</tr>
<tr>
<td>A Comprehensive Kinetic Model for Sulfur Reactions in Combustion, Gasification, and Chemical Processing</td>
<td>$172,070</td>
</tr>
<tr>
<td>Deep Penetrating Anchors - a cost effective anchoring solution for mooring oil and gas facilities in deep water</td>
<td>$170,000</td>
</tr>
<tr>
<td>Self-heating of porous lignocellulosic and coal particles</td>
<td>$169,387</td>
</tr>
<tr>
<td>Human Decision-Making Processes and Outcomes in the Oil and Gas Industry</td>
<td>$165,000</td>
</tr>
<tr>
<td>Nanocomposite Mesoporous Materials for Gas Separations of Environmental Significance</td>
<td>$164,630</td>
</tr>
<tr>
<td>Development of novel environmentally acceptable drilling fluids</td>
<td>$162,000</td>
</tr>
<tr>
<td>Investigation of potential spudcan punch through failure</td>
<td>$161,618</td>
</tr>
<tr>
<td>Application of Double and Triple Dating of Zircons to Sediment Provenance Studies and to Quantifying Recycling in Sedimentary Rocks</td>
<td>$151,893</td>
</tr>
<tr>
<td>Stable carbon isotope compositions and distributions of age-diagnostic molecular fossils in Indonesian oils and source rocks for oil-source correlations</td>
<td>$150,000</td>
</tr>
<tr>
<td>Novel Metal Carbide Catalysts For Gas-To-Liquid Conversion Processes</td>
<td>$148,181</td>
</tr>
<tr>
<td></td>
<td>$145,000</td>
</tr>
</tbody>
</table>
Title | Funding Over Project Life
---|---
Why our biota is unique: ecophysiological response, adaptive radiation and changing environments in Cainozoic Australia | $125,000
Accelerated solvent extractor and evaporator for molecular and stable isotope analyses of sedimentary organic matter | $110,000
Efficient pooling of cross-section and time series data using Bayesian machine learning with two econometric applications | $107,250
Nanostructures of Surfactants at Solid-Liquid and Gas-Liquid Interfaces and Interfacial Properties | $101,050
Compositional determination of liquefied petroleum gas: Improving engine cold start performance in multipoint LPG-injected engines | $100,400
A new geomechnical tool for the evaluation of hydrocarbon trap integrity. Insoluble Oxide Product Formation and its Effect on Coke Dissolution in Liquid Iron | $98,736
Quantification of heat release, NOx emissions and soot from high temperature gaseous flames | $94,387
Marine oil seeps and airborne particulates characterisation for organic compositional fingerprinting by using novel gas chromatographic technologies | $92,985
A new approach to understanding the mechanisms and deep crustal controls of continental rifting. Assessing Effects of Petroleum Oil Pollution on Estuarine Rock Platform Invertebrate Communities | $86,515
Nano-scale catalyst systems for hydrogen generation for fuel cells | $85,000
Assessment of the new technologies to maximise the internal energy efficiency by modelling the energy flows in Victorian power stations | $82,315
Development of a fuel control system for small two-stroke engines | $80,485
Laser Diagnostics of Soot Formation in Precessing Jet Flames | $75,000
Deep Earth Resource Characterisation and Extraction - An Integrated Geoscience Approach | $30,000
Deep Coal Mining | $29,100
Physical modelling of on-bottom pipelines and offshore anchoring systems | $29,000
Development of cyclic loading models for application in offshore geotechnics | $19,000
Part 1 - Total number of projects | 90
Part 1 - Total funding committed | $29,582,632
Part 2 — Other projects relevant to fossil fuels
Mechanics of dynamic loading and rapid penetration of soils | $788,000
Template-Free Synthesis of Zeolite Nanocrystals and Their Application for Zeolite-Polymer Nanocomposites | $770,000
Reactions of Coordinated Dinitrogen | $700,000
The effect of de-gassing on the dispersion and stability of emulsions and colloidal solutions. | $575,000
New High Temperature Proton Conducting Polymer Electrolyte For Sustainable Energy Conversion Applications | $570,000
SHRIMP SI - Microscale stable-isotope analysis in the Earth Sciences | $552,475
Non-CO2 greenhouse gas emissions in afforested ecosystems in southeastern Australia - fluxes, processes and regional budget | $427,790
Fluidised bed nanoparticle reactors for gas-solid catalytic reactions | $398,000
Studies on metal dusting : reaction mechanisms and their control | $366,000

QUESTIONS ON NOTICE
<table>
<thead>
<tr>
<th>Title</th>
<th>Funding Over Project Life</th>
</tr>
</thead>
<tbody>
<tr>
<td>Optimising the Capture of Fine and Coarse Particles in Mineral Flotation</td>
<td>$325,985</td>
</tr>
<tr>
<td>Development of Innovative Landform and Closure Designs for Potentially Contaminating Surface Waste Rock Dumps</td>
<td>$316,386</td>
</tr>
<tr>
<td>Facility for Analysis of Thermal Decomposition of Solid Materials at High Pressures</td>
<td>$314,127</td>
</tr>
<tr>
<td>Gas Phase Studies to Catalyze a Better Understanding of Metal Reactivity</td>
<td>$305,000</td>
</tr>
<tr>
<td>Carbon and Hydrogen in Melts and Fluids in Planetary Interiors</td>
<td>$300,000</td>
</tr>
<tr>
<td>Production and transport of soil and sediments, determined by cosmogenic radionuclides and noble gases</td>
<td>$295,000</td>
</tr>
<tr>
<td>Variable speed diesel power conversion system using a doubly fed induction generator</td>
<td>$292,325</td>
</tr>
<tr>
<td>Development of an Alkali Activated Slag based Construction Material for High Fire Risk Infrastructures</td>
<td>$280,000</td>
</tr>
<tr>
<td>Investigation of Geopolymer based Concretes for the Construction of High Fire Risk Infrastructures</td>
<td>$270,000</td>
</tr>
<tr>
<td>Multivariate approaches to matching spectra for environmental and forensic purposes</td>
<td>$267,000</td>
</tr>
<tr>
<td>Western Australia Palaeomagnetic and Rock-magnetic Facility</td>
<td>$246,000</td>
</tr>
<tr>
<td>The role of sulphate reducing bacteria in the pitting corrosion of mild steel as used for engineering infrastructure applications</td>
<td>$230,638</td>
</tr>
<tr>
<td>Coal-ash as a resource for sustainable soil-management in plant production systems</td>
<td>$209,069</td>
</tr>
<tr>
<td>Development of Advanced Detection Systems for Accelerator Mass Spectrometry</td>
<td>$200,000</td>
</tr>
<tr>
<td>Characterization of Sub- and Super-Critical Fluids in Nanomaterials</td>
<td>$195,000</td>
</tr>
<tr>
<td>Seeing the discrete in a continuum: an integrated numerical-rheological-experimental approach towards high resolution micromechanical continuum models of granular media</td>
<td>$178,000</td>
</tr>
<tr>
<td>Experimental Investigation and Constitutive Modelling of Thermo-Hydro-Mechanical Coupling Effects in Unsaturated Porous Media</td>
<td>$178,000</td>
</tr>
<tr>
<td>Advanced Surface and Porosity Characterization Facility</td>
<td>$158,000</td>
</tr>
<tr>
<td>Seagrass tolerance of oil spills - scaling of pollution impacts</td>
<td>$131,820</td>
</tr>
<tr>
<td>Marine Geological Investigation of the Naturaliste Plateau and Diamantina Zone - the tectono-magmatic development of a non-volcanic passive margin</td>
<td>$110,000</td>
</tr>
<tr>
<td>Mechanisms controlling displacement pile behaviour in sands</td>
<td>$108,173</td>
</tr>
<tr>
<td>Greenhouse gas emission from sugarcane and mangrove communities in coastal Queensland</td>
<td>$95,485</td>
</tr>
<tr>
<td>The potential of biosolids and flyash mixtures for soil remediation for revegetation of degraded land.</td>
<td>$95,485</td>
</tr>
<tr>
<td>Alarm Management - Silence is Golden</td>
<td>$80,485</td>
</tr>
<tr>
<td>Stabilization of railway subgrade by lime-flyash slurry injection</td>
<td>$80,485</td>
</tr>
<tr>
<td>Application of flow-round penetrometers for characterising soft sediments</td>
<td>$37,900</td>
</tr>
<tr>
<td>Influence of Spatial Variability on the Design and Performance of Pile Foundations</td>
<td>$17,000</td>
</tr>
<tr>
<td>The ARC Cleaner Energy and Hydrogen Research Network</td>
<td>$10,000</td>
</tr>
</tbody>
</table>

**Part 2 - Total number of projects** 38

**Part 2 - Total funding committed** $10,755,545
(3) The Department of the Environment and Heritage has committed $9 million in the Cooperative Research Centre for Greenhouse Gas Technologies to support the development of monitoring and verification techniques for geological storage of carbon dioxide. This funding will occur over the period 2006 to 2010.

Specific questions regarding research and development funding for fossil fuels and nuclear energy would best be addressed to the Minister for Science, Education and Training and the Minister for Industry, Tourism and Resources.

Conclusive Certificates
(Question No. 1959)

Senator O’Brien asked the Minister representing the Minister for Families, Community Services and Indigenous Affairs, upon notice, on 8 June 2006:

(1) Since October 1996, on how many occasions has a conclusive certificate been issued in relation to departments or agencies within the Minister’s portfolio exempting a document or documents from disclosure under the Freedom of Information Act 1982 (FOI).

(2) For each occasion: (a) what was the date; (b) what was the department or agency of which the FOI request was made; (c) what officer made the decision; (d) what was the document or documents excluded from disclosure pursuant to the certificate; and (e) was an appeal made against the decision in the Administrative Appeals Tribunal; if so, what was the case name and its outcome.

Senator Kemp—The Minister for Families, Community Services and Indigenous Affairs has provided the following answer to the honourable senator’s question:

An initial check indicates that the Department of Families, Community Services and Indigenous Affairs and its portfolio agencies have no record that any conclusive certificates have been issued under the Freedom of Information Act 1982 since October 1996. To conclusively determine whether any certificates have been issued during this period would involve an unreasonable diversion of departmental and agency resources.

Compensation for Detriment Caused by Defective Administration Scheme
(Question No. 1974)

Senator O’Brien asked the Minister representing the Minister for Defence, 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 the department and agency.

Senator Ian Campbell—The Minister for Defence has provided the following answer to the honourable senator’s question:

The details of payments made by Defence for each financial year since 1996-97 under the Compensation for Detriment caused by Defective Administration Scheme are as follows (it is not possible, without a substantial diversion of resources, to determine in relation to the 1996-97 year which payments were made before and after October 1996):

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Amounts paid ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005-06</td>
<td>321,660</td>
</tr>
<tr>
<td>2004-05</td>
<td>332,062</td>
</tr>
<tr>
<td>2003-04</td>
<td>359,010</td>
</tr>
<tr>
<td>2002-03</td>
<td>287,983</td>
</tr>
</tbody>
</table>
### Financial Year Amounts paid ($)

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Amounts paid ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001-02</td>
<td>343,234</td>
</tr>
<tr>
<td>2000-01</td>
<td>237,282</td>
</tr>
<tr>
<td>1999-2000</td>
<td>73,474</td>
</tr>
<tr>
<td>1998-99</td>
<td>41,000</td>
</tr>
<tr>
<td>1997-98</td>
<td>89,000</td>
</tr>
<tr>
<td>1996-97</td>
<td>194,000</td>
</tr>
</tbody>
</table>

Note: Apart from 2005-06, all data has been sourced from online Defence annual reports. http://intranet.defence.gov.au/cpa/resources/reports.htm. The data for 2005-06 has been sourced from Defence’s internal accounting system.

As the Defence Housing Authority is an agency under the Commonwealth Authorities and Companies Act 1997, it is not covered by the Scheme, which relates to Financial Management and Accountability Act 1997 entities.

**Compensation for Detriment Caused by Defective Administration Scheme**

(Question No. 1979)

**Senator O’Brien** asked the Minister representing the Minister for Families, Community Services and Indigenous 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 Kemp**—The Minister for Families, Community Services and Indigenous Affairs has provided the following answer to the honourable senator’s question:

The amounts paid under this scheme by the Department of Families, Community Services and Indigenous Affairs are listed in the Department’s annual report. No payments were made under this scheme by any of the agencies for which the Minister is responsible.

**Airservices Australia: Solomon Islands**

(Question No. 2118)

**Senator O’Brien** asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 28 June 2006:

With reference to the Airservices Australia contract with the Government of the Solomon Islands, between 1998 and 2003:

1. When and how did the Minister become aware of irregularities in contract payments made to the Government of the Solomon Islands.
2. Was there an Airservices Australia investigation into the administration of this contract; if so:
   - (a) who conducted this investigation;
   - (b) what did the investigation discover;
   - (c) what recommendations resulted from the investigation;
   - (d) were payments to the Government of the Solomon Islands discontinued after the investigation; if so, why were these payments discontinued; and
   - (e) have the financial procedures within Airservices Australia been amended or varied as a result of this investigation.
3. Has any action commenced, or will any be undertaken, to recover funds from the Government of the Solomon Islands.
(4) When did the Minister initiate an investigation by the Australian National Audit Office (ANAO) into the administration of this contract.

(5) When is the ANAO investigation expected to be completed.

(6) What are the reporting arrangements between Airservices Australia and the Government concerning Airservices Australia contracts.

(7) Is Airservices Australia obliged to report contracts above a certain value; if so, what is the disclosure threshold.

(8) What is the extent of departmental oversight of Airservices Australia contracts.

(9) What section of the department is responsible for Airservices Australia.

Senator Ian Campbell—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:

(1) Airservices Australia provided a briefing note to the Minister on 15 March 2006

(2) (a) Three internal investigations were conducted by Airservices personnel:

- In July/August 2003 – An initial review by Airservices Australia Internal Audit.
- In June/November 2005 – A further review by Airservices Australia Audit and Assurance. (Internal Audit)

(b) The Airservices internal investigation conducted in August/September 2003 identified that despite the transactions in question being both requested and authorised by the appropriate Solomon Islands Government (SIG) officials (who had the necessary authority pursuant to the contract to authorise payments), the practice of third party payments was nevertheless not strictly in accordance with the contract and that Airservices’ internal control processes were inadequate. The third party payments were stopped.

(c) The key recommendations from the 2003 investigations were:

- That third party payments cease immediately;
- The contract be amended to allow monies to accumulate in an account until requested in writing by the nominated representatives of SIG;
- The SIG bank account details be confirmed; and
- A clear delineation be established in Airservices between the role of the SIG Relationship Manager and the financial management of the SIG account.

The key recommendation from the 2005 review was that Airservices develop and implement a contract management methodology that further enhances the measures already taken as a result of the 2003 reviews. The recommendations included:

- Formulation of expected standards of record keeping, particularly where monies are being administered on behalf of a customer, including appropriate transparent processes for the transfer of funds between bank accounts;
- Provision for review and oversight in relation to Airservices Australia’s dealings with customers, particularly foreign officials;
- Adequate segregation of duties in relation to relationship management and the processing of monies; and
- Further clarification of the roles and responsibilities of personnel involved with the contract.
Airservices continued to provide the services that were the subject of the contract and continued to collect monies on behalf of the SIG. Accordingly, payments to the SIG continued to be made following the internal reviews. However, the practice of making payments to third parties on the authorisation of senior SIG officials ceased in 2003 following those reviews.

Procedures within Airservices have been amended in light of the recommendations arising from these reviews. The critical amendment to financial procedures has been to transfer accountability for contract administration, including financial responsibility, from the business group to the corporate finance area to ensure better segregation of the financial and relationship functions. Payments to third parties were ceased in 2003.

Airservices has advised that there has been no overpayment to the Government of the Solomon Islands.

On 5 May 2006 the Minister for Transport and Regional Services wrote to the Auditor-General requesting that he undertake an audit into the administration of this contract by Airservices.

A report is expected to be tabled in October 2006.

Airservices Australia is required to notify the Minister of any proposal to pursue a significant business opportunity within Australia or overseas, including those identified in section 15(1) of the Commonwealth Authorities and Companies Act 1997. In 2004, New Business Guidelines were introduced to further codify the reporting arrangements on commercial matters. These guidelines define a ‘significant business opportunity’ as one exceeding a value of $15 million or one which is sensitive in nature. Airservices also reports to Government on an exceptions basis should sensitive issues arise during the life of a contract as occurred in this instance. More recently, the Airservices Chairman has also implemented a practice of writing to the Minister to keep him generally informed of the outcome of Board meetings. In the course of this, high level reports on specific contracts may be given from time to time.

In 2004, the then Minister, The Hon John Anderson MP, and the Airservices Board agreed that where Airservices was pursuing external business opportunities it was appropriate that all contracts exceeding $15 million (or otherwise sensitive in nature) would be notified to the Minister prior to Airservices committing to them.

Airservices Australia is a government owned Commonwealth Authorities and Companies Act 1997 (CAC) authority, with its own enabling legislation, the Air Services Act 1995. It reports through a Board to the Minister for Transport and Regional Services. The Department of Transport and Regional Services provides policy advice to the Minister on issues arising out of Airservices operations. As appropriate, this incorporates advice on the implications of Airservices’ various commercial activities. The Department does not involve itself in the detail of Airservices commercial contracts, unless issues of broader Australian Government interest come to attention.

The Aviation and Airports Division of the Department advises the Minister on policy issues which arise with respect to Airservices governance and operations.

Airservices Australia: Solomon Islands
(Question No. 2128)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 7 July 2006:

With reference to the Minister’s statement on 23 June 2006 relating to Airservices Australia’s administration of an airspace management contract with the Government of the Solomon Islands:

(1) On what date did: (a) the Minister and/or his predecessor; and (b) the department, become aware of an Australian Federal Police (AFP) investigation into contract payments made by Airservices to ‘third parties’.
(2) How did: (a) the Minister and/or his predecessor; and (b) the department, become aware of the investigation.

(3) How did: (a) Airservices Australia; and (b) the department, assist the AFP investigation.

(4) On what date was: (a) the Minister and/or his predecessor; and (b) the department, provided with advice of the outcome of the AFP investigation and in what form was the advice provided.

(5) On what basis did a spokesperson for the Minister advise the Australian Financial Review that the Airservices Australia payments constituted a technical breach of the contract rather than any illegality.

Senator Ian Campbell—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:

(1) (a) A briefing was provided by Airservices to the then Minister for Transport and Regional Services, the Hon John Anderson MP, in February 2005 advising that the Australian Federal Police (AFP) had been asked to make inquiries into allegations concerning some contract payments made pursuant to the contract for upper airspace management in Solomon Islands.

(b) The Department was advised of the Australian Federal Police inquiries at effectively the same time as the Minister.

(2) (a) As indicated in paragraph 1(a) above, the then Minister was provided with written briefing in February 2005 by Airservices Australia.

(b) The Department was provided with a copy of the above briefing.

(3) (a) Airservices met with an AFP investigation team on 21 February 2005, and provided a copy of its internal investigation report dated 29 September 2003 to the AFP on 23 February 2005. Following further review, Airservices provided additional material to the AFP on 16 June 2006.

(b) The Department was not requested to be involved in the investigation.

(4) (a) Airservices received formal advice from the AFP on the outcome of their investigations on 2 May 2006 and this was subsequently provided to the Minister’s office.

(b) The AFP wrote formally to Airservices Australia on 2 May 2006 advising Airservices that, as a result of its inquiries in 2005, it had concluded that there was no information that constituted an offence under the Criminal Code Act 1995. This advice was subsequently forwarded to the Department at or around the same time.

(5) Airservices advised the Minister that it made payments to third parties on the written advice of senior Solomon Islands Government officials with ostensible authority to issue such directions. This may not have been in accordance with the strict terms of the written contract, however, given the written authority of the SIG officials, it was considered reasonable for Airservices to rely on their authority.

Airservices Australia; Solomon Islands

(Question No. 2129)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 7 July 2006:

With reference to the Minister’s statement on 23 June 2006 relating to Airservices Australia’s administration of an airspace management contract with the Government of the Solomon Islands:

(1) What amount has Airservices Australia collected in fees on behalf of the Solomon Islands Government, by year.

(2) What amount has Airservices Australia remitted to the Solomon Islands Government, by year.

(3) What payments has Airservices Australia made to third parties, by year.

QUESTIONS ON NOTICE
(4) Can the Minister identify the third party recipients and related payments; if not, why not.
(5) What income has Airservices Australia derived from the contract arrangements, by year.

Senator Ian Campbell—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:

As at 30 June 2006:

(1) 1998-1999, $1,098,941.74
    1999-2000, $743,112.57
    2000-2001, $1,731,029.61
    2001-2002, $1,495,188.67
    2002-2003, $1,619,101.03
    2003-2004, $1,886,802.17
    2004-2005, $1,821,845.45
    2005-2006, $1,890,166.98
    TOTAL, $12,286,188.22

(2) 1998-1999, $220,000.00
    1999-2000, $260,000.00
    2000-2001, $240,000.00
    2001-2002, $304,352.41
    2002-2003, $655,000.00
    2003-2004, $755,000.00
    2004-2005, $1,000,000.00
    2005-2006, $700,000.00
    TOTAL, $4,134,352.41

(3) 1998-1999, $52,016.83
    1999-2000, $54,453.67
    2000-2001, $581,268.93
    2001-2002, $758,924.81
    2002-2003, $551,109.79
    2003-2004, $206,448.26
    2004-2005, $0.00
    2005-2006, $0.00
    TOTAL, $2,204,222.29

(4) All third party payments have been identified and reconciled by Airservices Australia.

(5) 1998-1999, $461,779.83
    1999-2000, $707,100.00
    2000-2001, $610,674.00
    2001-2002, $553,994.00
    2002-2003, $540,250.00
    2003-2004, $546,028.00

QUESTIONS ON NOTICE
Airservices Australia: Solomon Islands

(Question No. 2130)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 7 July 2006:

With reference to the Minister’s statement on 23 June 2006 relating to Airservices Australia’s administration of an airspace management contract with the Government of the Solomon Islands:

(1) Is the Minister aware of a report in the Sunday Telegraph of 2 July 2006, alleging that third party payments by Airservices Australia funded ‘corrupt officials who directed the money to school fees for their children, cars for themselves and their wives and so-called ‘consultancy fees’ for companies owned by dodgy cronies’?

(2) Has the Minister: (a) referred this serious allegation to the Auditor General; (b) sought a response from Airservices Australia; and (c) directed his department to undertake an investigation of these serious matters; if not, why not.

Senator Ian Campbell—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:

(1) Yes.

(2) (a) Yes. At the time of the above mentioned report, the Minister had already requested the Australian National Audit Office (ANAO) to consider conducting a performance audit of Airservices Australia’s administration of the contract with the Solomon Islands Government. This occurred on 5 May 2006.

(b) Airservices Australia has provided advice on the outcomes of its internal reviews into the organisation’s administration of its contract with the Solomon Islands Government.

(c) The ANAO is the appropriate organisation to conduct investigations of this kind, having the necessary powers and independence as well as the staff and skills to carry out such investigations.

Airservices Australia: Solomon Islands

(Question No. 2131)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 7 July 2006:

With reference to the Minister’s statement on 23 June 2006 relating to Airservices Australia’s administration of an airspace management contract with the Government of the Solomon Islands:

Can a copy of the contracts between Airservices Australia and the Government of the Solomon Islands for the provision of airspace management services be provided; if not, why not.

Senator Ian Campbell—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:

No. The contract is between Airservices Australia and the Solomon Islands Government. It is a term of the contract that both parties maintain the confidentiality of the agreement.
Airservices Australia: Solomon Islands
(Question No. 2132)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 7 July 2006:

With reference to a statement by the Chief Executive Officer of Airservices Australia on 23 June 2006 relating to Airservices Australia’s administration of an airspace management contract with the Government of the Solomon Islands:

Can the Minister outline how Airservices Australia’s corporate governance procedures have ‘significantly improved’ following an internal investigation of contact payments to third parties.

Senator Ian Campbell—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:

Improving efficiency and accountability and strengthening business practices and procedures in Airservices Australia are objectives of the current Airservices Australia restructure. Airservices Australia has implemented the following additional corporate governance procedures in relation to off-shore contracts:

A revised contract management procedure that inter alia:

- clearly segregates the duties of the Contract Manager and the Contract Administrator;
- requires contracts or variations to contracts to be endorsed by the General Counsel and approved by the relevant General Manager and/or the CEO;
- incorporates a senior management review and oversight process;
- requires monthly reconciliation of bank accounts; and
- requires monthly financial reporting to management by the relevant finance officer, independent of the Contract Manager.

Regular internal audit reviews of off-shore contracts.

Training programmes for employees travelling overseas or otherwise involved in the administration or management of off-shore activities.

In addition, Airservices Australia is in the process of developing a Complaints Handling system based on the Australian Standard 4269-1995 and reviewing the Performance Enhancement Program to ensure the Key Performance Indicators for Airservices employees involved in the administration or management of off-shore activities support the above governance processes.

Airservices Australia: Solomon Islands
(Question No. 2133)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 7 July 2006:

With reference to the Minister’s statement on 23 June 2006 relating to Airservices Australia’s administration of an airspace management contract with the Government of the Solomon Islands:

How did Solomon Islands officials specifically request and approve payments to third parties by Airservices Australia.

Senator Ian Campbell—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:

Senior Solomon Islands Government officials, with ostensible authority to issue such directions, made their requests for third party payments to Airservices Australia in writing either by email or letter.
Airservices Australia: Solomon Islands
(Question No. 2134)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 7 July 2006:

With reference to the Minister’s statement on 23 June 2006 relating to Airservices Australia’s administration of an airspace management contract with the Government of the Solomon Islands:

1) Has Airservices Australia sought legal advice on any potential liability arising from its decision to make contract payments to third parties; if so: (a) when did it seek advice; (b) from whom was advice sought; (c) when was the advice received; (d) what was the nature of the advice; and (e) what did it cost; if not, why not.

2) Has the department sought any legal advice in this matter; if so: (a) when was advice sought; (b) from whom was advice sought; (c) when was the advice received; (d) what was the nature of the advice; and (e) what did it cost; if not, why not.

Senator Ian Campbell—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:

(1) (a) Airservices Australia sought external legal advice on any potential liability associated with the administration of its contract with the Solomon Islands Government in May 2006.
(b) Blake Dawson Waldron
(c) The advice was received on 29 May 2006.
(d) The advice related to the obligations of the parties under the contract.
(e) The advice cost $22,733.

(2) The Department has not sought advice on this matter. The question of any potential liability is primarily a matter for Airservices Australia, which has sought and received its own advice on the matter.
(a) Not applicable
(b) Not applicable
(c) Not applicable
(d) Not applicable
(e) Not applicable

Airservices Australia: Solomon Islands
(Question No. 2135)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 7 July 2006:

With reference to the Minister’s statement on 23 June 2006 relating to Airservices Australia’s administration of an airspace management contract with the Government of the Solomon Islands:

1) On what date did: (a) the Minister and/or his predecessor; and (b) the department, become aware of the audit into civil aviation matters undertaken by the Auditor General of the Solomon Islands which considered, among other matters, the contract with Airservices Australia.

2) How did: (a) Airservices Australia; and (b) the department, assist the Auditor General of the Solomon Islands in relation to the audit.

3) On what date did the: (a) the Minister; and (b) the department, receive a copy of the report by the Auditor General of the Solomon Islands.
Senator Ian Campbell—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:

(1) (a) Airservices Australia provided a briefing note to the Minister on 15 March 2006.
(b) The Department received advice from the Honiara post dated 6 June 2005 indicating that an approach had been made seeking assistance for Solomon Islands Government auditors to arrange a forthcoming trip to Australia as part of an audit into this matter. Airservices Australia further verbally advised the Department on 1 September 2005 that the Solomon Islands Government Auditor General had commenced an audit into civil aviation matters, including the contract with Airservices Australia.

(2) (a) Airservices Australia fully co-operated with the Solomon Islands Government Auditor-General and provided unfettered access to all Airservices contract documentation and financial transaction records. Senior Airservices officials have assisted the Auditor-General when required.
(b) The Department has no involvement in the contract. Airservices Australia is responsible for the administration of its own contracts and is the custodian of all information and documentation relevant to the administration of such agreements as that which exists between it and the Solomon Islands Government.

(3) (a) The Minister has not received a copy of the Solomon Islands Auditor-General report, which is understood to have not yet been released. The report is understood to deal with more than this matter alone. As a normal part of the audit process, Airservices Australia received a copy of an extract of the relevant section for comment, and this was also conveyed by Airservices Australia to the Minister’s office on 28 April 2006.
(b) The Department has not received a copy of the Solomon Islands Auditor-General report. The Department received a copy of a draft extract of the report from Airservices Australia on 28 April 2006.

Airservices Australia: Solomon Islands
(Question No. 2136)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 7 July 2006:

With reference to the Minister’s statement on 23 June 2006 relating to Airservices Australia’s administration of an airspace management contract with the Government of the Solomon Islands:

(1) On what date did Airservices Australia advise the Minister that payments ‘not strictly in accordance with the contract’ were made for ‘air travel, airport maintenance, training, equipment purchases and consulting services’.

(2) Is the Minister aware of a report in the Solomon Star of 27 June 2006, in which the Auditor General of the Solomon Islands says a ‘very significant amount’ of the third party funding paid by Airservices Australia was used for ‘very questionable purposes or for reasons we have not been able to identify’.

(3) Is the Minister aware that in this newspaper report the Auditor General of the Solomon Islands reveals that more than SBD $1.6 million of revenue collected by Airservices Australia was directed to ‘unidentified’ third party payments.

(4) Can the Minister explain the inconsistency between his media statement outlining the nature of the third party payments and the revelation by the Auditor General of the Solomon Islands that much of the revenue collected by Airservices Australia was directed to ‘unidentified’ third party payments.
(5) Does the Minister have access to information from Airservices Australia or other parties about the
nature of these payments which has been withheld from the Auditor General of the Solomon Is-
lands.

(6) Has the Minister: (a) referred the comments by the Auditor General of the Solomon Islands to the
Auditor General; (b) sought a response from Airservices Australia; and (c) directed his own de-
partment to undertake an investigation of these comments; if not, why not.

Senator Ian Campbell—The Minister for Transport and Regional Services has provided
the following answer to the honourable senator’s question:

(1) Airservices Australia provided a briefing note to the Minister on 15 March 2006.
(2) Yes.
(3) Yes.
(4) The Minister is not aware of any evidence to support the statements contained in the Solomon Star
of 27 June 2006 to the effect that the payments were made “for reasons we have not been able to
identify.” To the contrary, Airservices advises that the identities of the parties involved and the na-
ture of the payments that Solomon Islands Government officials authorised, have been identified as
a part of their internal investigations and that this information has been made available to the
ANAO.

(5) The Minister has been advised by Airservices that no information has been withheld from the Audi-
tor-General of the Solomon Islands. Airservices has fully co-operated both with the Solomon Is-
lands Government Auditor General and more recently with the ANAO, and has provided unfettered
access to all Airservices contract documentation and financial transaction records. Senior Airser-
vices officials have also assisted the Auditor-General in his inquiries when required.

(6) (a), (b) and (c) It is not regarded as appropriate to respond to unsubstantiated press reports in the
manner suggested. As advised in answers to previous questions, at the time of these reports the
Minister had already asked the ANAO to conduct an independent performance audit of Airservices
Australia’s administration of the contract with the Solomon Islands Government.

Airservices Australia: Solomon Islands
(Question No. 2137)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional
Services, upon notice, on 7 July 2006:

With reference to the Minister’s statement on 23 June 2006 relating to Airservices Australia’s admini-
stration of an airspace management contract with the Government of the Solomon Islands:

(1) Is the Minister aware of a report in the Sunday Telegraph of 2 July 2006, alleging that third party
contract payments made by Airservices Australia funded ‘corrupt officials who directed the money
to school fees for their children, cars for themselves and their wives and so-called ‘consultancy
fees' for companies owned by dodgy cronies’.

(2) Has the Minister or his department sought advice from: (a) Airservices Australia; and (b) the Gov-
ernment of the Solomon Islands, in relation to this serious allegation; if so, can details be provided,
including the response of Airservices Australia and the Government of the Solomon Islands; if not,
why not.

Senator Ian Campbell—The Minister for Transport and Regional Services has provided
the following answer to the honourable senator’s question:

(1) Yes.
(2) (a) Airservices Australia has advised that its investigations conducted to date have identified that Airservices made payments in accordance with directions of Solomon Islands Government officials with authority to issue such directions, and that the organisation and its staff acted in good faith in administering the Solomon Islands Government contract.

(b) No. The Minister asked the Australian National Audit Office (ANAO) to consider conducting a performance audit of Airservices Australia’s administration of the contract with the Solomon Islands Government.

Civil Aviation Safety Authority: Dangerous Goods/Cabin Safety Specialist
(Question No. 2152)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 14 July 2006:

(1) Can the Minister outline the role of the Civil Aviation Safety Authority (CASA) Dangerous Goods/Cabin Safety Specialist.

(2) Does the CASA Dangerous Goods/Cabin Safety Specialist represent CASA on the Australian Dangerous Goods Air Transport Council (ADGATC).

(3) Can the Minister outline the composition and role of the ADGATC.


(5) Can the Minister outline the composition and role of this panel, including its role in the development of ICAO Technical Instructions for the Safe Transport of Dangerous Goods By Air.

(6) Does the CASA Dangerous Goods/Cabin Safety Specialist also represent CASA on ICAO Dangerous Goods Panel working groups, including working groups examining the carriage of dangerous goods by passengers and crew and cargo aircraft loading principles.

(7) Can the Minister outline the composition and role of each of these working groups.


(9) Can the Minister outline the composition and role of each of these bodies.

(10) Does the CASA Dangerous Goods/Cabin Safety Specialist perform the role of competent authority for the assessment of radioactive material packaging for air transport.

(11) Is the CASA Dangerous Goods/Cabin Safety Specialist the project officer for the post-implementation review of Part 92 of the Civil Aviation Safety Regulations.

(12) Has the position of the current CASA Dangerous Goods/Cabin Safety Specialist been abolished as part of the CASA restructure announced in February 2006; if so, how will that decision affect the safety functions performed by the CASA Dangerous Goods/Cabin Safety Specialist, including but not necessarily limited to each of the functions identified above.

(13) Is: (a) the Minister; (b) the department; and (c) CASA, aware of concern by aviation industry stakeholders about the consequences of the decision to abolish this position.

(14) Has: (a) the Minister; (b) the department; and (c) CASA, received any formal representations from aviation industry stakeholders urging a review or reversal of the decision to abolish this position; if so, what action has: (a) the Minister; (b) the department; and (c) CASA, taken in response to those representations; if no action has been taken, why not.

Senator Ian Campbell—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:
(1) The Dangerous Goods Cabin Safety Specialist has responsibility for the formulation of operational safety standards in relation to the consignment and carriage of cargo, in particular dangerous goods, as well as passenger cabin safety. The role also includes formulating policy proposals in these areas, assisting other areas of CASA in the development of procedures in the area of expertise, and representing CASA on various national and international committees, panels and working groups.

(2) Yes.

(3) The Australian Dangerous Goods and Transport Council (ADGATC) has 56 members. Membership includes regional and major airlines from Australia and New Zealand, dangerous goods training organisations, domestic and international freight forwarders, packaging manufacturers, CASA and CAA New Zealand.

(3) The ADGATC examines the carriage of dangerous goods by air and provides a forum for the exchange of views between participants. It may make recommendations to CASA or other authorities, as appropriate, on policy or legislative matters within its area of interest.

(4) CASA has its attendance on ICAO Panels and Working Groups under continual review and funds attendance on a priority needs basis within the available funding. The current CASA Dangerous Goods/Cabin Safety Specialist was the nominated Australian technical expert on the last Dangerous Goods Panel held in Montreal from 24 October to 4 November 2005.

(5) The Dangerous Goods Panel was established on 16 June 1976. It currently has seventeen members. It reviews the principles that govern the transportation of dangerous goods by air to facilitate this process safely. Panel activities include recommending amendments to the ICAO Air Navigation Commission regarding Annex 18 – The Safe Transport of Dangerous Goods by Air and its associated Technical Instructions.

(6) Yes.

(7) The ICAO Dangerous Goods Panel forms working groups to handle specific topics. It is customary for all nations represented on the Panel to be represented on the working groups, although different people may attend the working group meeting depending on the topic.

(8) A example of recent work was a working group examining what goods could be carried by passengers in light of new technologies and security considerations. Another example of working group activity is reviewing the list of currently permitted dangerous goods based on the newly established criteria for packaging dangerous goods and communicating the changes to the travelling public.

(8) Yes.

(9) Membership of the Australian Dangerous Goods Competent Authorities Panel (CAP) is drawn from the responsible authorities for dangerous goods in each State. CASA (and the Australian Maritime Safety Authority) are invited observers. The primary role of the CAP is to consider applications to operate at variance to the Australian Dangerous Goods Code or the Road Transport Reform (Dangerous Goods) Regulations 1997. It also monitors the activities of the UN Sub-Committee of Experts on the Transport of Dangerous Goods. The membership of the Radioactive Material Competent Authorities Working Group is drawn from Commonwealth and State bodies with competent authority responsibilities relating to radioactive material. CASA is represented on this working group as it is the competent authority for the air transport of radioactive material.

CASA is a member of the Standards Australia committees which have responsibility for producing Australian Standards in regard to metal and plastic aerosols. This involvement ensures that the appropriate ICAO standards for air transport are met. If this is not practical, CASA acts as the conduit to the ICAO Dangerous Goods Panel (see above). In addition, CASA monitors new Australian Standards for dangerous goods aspects.
(10) Yes.
(11) Yes.
(12) The position will be abolished in the near term with the responsibilities being transferred to other areas of CASA on a continuing demonstrated needs basis.
(13) and (14) The ADGATC wrote to both myself and the Chief Executive Officer of CASA on 11 July 2006 expressing concern about the abolition of the position. The Hon Warren Entsch MP also wrote to me on 25 August 2006, on behalf a constituent who forwarded an additional copy of the 11 July 2006 ADGATC letter.
In response, CASA has assured stakeholders that it is not losing its capability to monitor dangerous goods but rather increasing involvement in the process at the front line through the Air Transport Inspector system.
I am also advised that CASA will maintain both its ICAO Dangerous Goods Panel and ADGATC obligations with representation at the necessary level of expertise.

Finance and Administration: Travel Entitlements
(Question No. 2211)

Senator O’Brien asked the Minister for Finance and Administration, 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 Minchin—The answer to the honourable senator’s question is as follows:

Department of Finance and Administration, Commonwealth Grants Commission, Future Fund Management Agency and the Australian Reward Investment Alliance:
(1) Nil
(2) Not applicable

Australian Electoral Commission:
(1) There is no entitlement, however, where a Senior Executive Officer (SES) is required to travel for official business, approval for travel at government expense may be given for an immediate family member to accompany the SES where it is demonstrated to be in the interests of the Commonwealth.
(2) (a) The Australian Electoral Commissioner assesses requests for accompanied travel and where appropriate approves such requests. The criteria used are:
- the classification of the officer;
- the purpose and extent of previous travel on duty by the officer unaccompanied by the officer’s spouse;
- the period (if any) since the officer’s spouse last accompanied the officer at Commonwealth expense;
- the duration of the proposed travel and the nature of localities to be visited;
- the nature of duties that the officer will be required to perform during the travel; and
- any other extenuating circumstances.
(b) The Australian Electoral Commissioner.
(c) The Australian Electoral Commissioner.

**ComSuper:**

(1) Senior Executive Officers (SES) officers of ComSuper are entitled to spouse accompanied travel to the value of $3,500 each financial year. This entitlement may be taken as a fortnightly allowance, not to count for superannuation, or as payment for spouse accompanied travel, and is set out in their respective Australian Workplace Agreements.

(2) (a) Where an SES employee does not elect to take the entitlement as an allowance, travel is booked in the usual way for the employee, and his/her spouse, up to the $3,500 limit*.

(b) The Commissioner for Superannuation.

(c) The Commissioner for Superannuation.

*Any part of the total amount not used by the SES employee for spouse accompanied travel is paid to the employee at the end of the financial year as an amount not to count for superannuation purposes.

**Defence: Travel Entitlements**

(Question No. 2217)

Senator O’Brien asked the Minister representing the Minister for Defence, 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 Defence has provided the following answer to the honourable senator’s question:

(1) Partners of senior officers (Senior Executive Service, Star Rank or Statutory Office Holders of the Australian Public Service and Australian Defence Force) may be entitled to travel at government expense where the spouse will perform a representational role while accompanying the Defence official during official travel. This is the only entitlement unique to senior officers, over and above those associated with relocations and long-term overseas postings applicable to all employees across the Defence organisation.

Defence Housing Authority (DHA): Within DHA, only the Principal Executive Office (PEO) holder (that is, the Managing Director) has an entitlement for spouse or partner travel at government expense. Any such travel must be in accordance with the Remuneration Tribunal Determination 2004-03.

(2) In the case of spouses accompanying senior officers on official travel for representational purposes:

(a) A strict ‘public interest’ test is applied in considering the benefit to the Commonwealth for the partner’s representational role.

(b) and (c) The approving authority is the Minister for Defence where the Secretary or the Chief of the Defence Force (CDF) is to be accompanied, or where statutory office holders (including the Vice Chief of the Defence Force and Service Chiefs) will be accompanied on overseas travel. CDF can approve where statutory office holders will be accompanied on travel within Australia. The Secretary or CDF can approve accompanied travel by all other senior officers.

DHA: Under the Remuneration Tribunal Determination, any accompanied travel by the PEO holder may only occur where the office holder’s employer certifies in writing that it is demonstra-
bly in the interest of the Commonwealth, given the purpose of the travel, for the office holder to be accompanied. In the case of the DHA, the PEO holder’s employer is represented by the Board of the DHA.

Air Vice-Marshal Criss AM, AFC
(Question No. 2231)

Senator Mark Bishop asked the Minister representing the Prime Minister, upon notice, on 19 July 2006:

With reference to Air Vice-Marshal Criss AM AFC (AVM Criss) and the recent Defence Department’s unilaterally determined compensation amount, and given the advice at Paragraph 50 of the compensation for detriment caused by defective administration (CDDA) guidelines that, ‘Advice on the right of review by the Ombudsman should be provided to all claimants’:

(1) Why, when AVM Criss specifically stated that he did not agree with the delegate’s final unilateral decision and that he would seek independent review on 17 areas of concern, did the Defence Force Ombudsman (DFO) refuse to investigate.

(2) In light of the recent evidence by the DFO and his deputy to the Senate Foreign Affairs, Defence and Trade Legislation Committee that his organisation refers complaints back to the department if he believes that the same department has a robust investigating process, and in the light of the findings of the Foreign Affairs, Defence and Trade References Committee in its report on military justice that the inquiry process is fatally flawed: (a) how is the DFO’s attitude defended; and (b) what does this mean for his so called independence.

(3) Did the Senate committee report on military justice recommend the abolition of the DFO; if so, why did the Government not accept that recommendation.

(4) Given the advice at Paragraph 51 of CDDA guidelines that ‘In order to protect the interests of the Commonwealth, compensation under the scheme should only be paid where the claimant agrees in writing not to pursue legal action in relation to the circumstances of the claim’, and given AVM Criss’s strict compliance with this requirement, why did the DFO subsequently rule that because the member signed the release and indemnity the matter was closed and that he would not investigate the member’s appeal against the CDDA delegate’s unilateral decision.

(5) Given that Defence Instruction (General) Personnel 34-1, paragraphs 26 and 27 and the Department of Finance and Administration’s Attachment B to Finance Circular 2001/01 both give specific guidance on a serviceman’s rights to appeal to the DFO, why was the basic and fundamental natural justice entitlement of an appeal to the DFO denied to AVM Criss by Professor McMillan and his deputy.

(6) Given the DFO decision not to investigate AVM Criss’s concern with regards to the decision of the Inspector-General of the Australian Defence Force, as detailed in his written request to the DFO, how can any serviceman obtain an independent and impartial review of decisions taken by internal Defence Department bureaucrats on matters as serious as those raised by AVM Criss.

(7) In light of recent DFO evidence before the Senate Foreign Affairs, Defence and Trade Legislation Committee, in which it was disclosed that the DFO can refuse to investigate a complainant’s appeal despite the complainant following all due processes in bringing an unresolved CDDA matter before the DFO: (a) can details be provided of where Australian Defence Force (ADF) personnel can go to obtain an independent review of an internal departmental unilateral decision; and (b) does the Prime Minister expect ADF personnel to fund their own civil law suits in an attempt to obtain military justice.

Senator Minchin—The Prime Minister has provided the following answer to the honourable senator’s question:
(1) I am advised that the Ombudsman regards it as inappropriate to canvas publicly the details of an individual case in the face of the requirement of section 35 of the Ombudsman Act 1976 to observe confidentiality.

The Defence Force Ombudsman can exercise a discretion whether to investigate any particular complaint. I am advised that factors informing such decisions include the effective use of resources in addressing competing priorities within the Ombudsman's office; whether there have been other internal or external investigations of the complaint and the outcomes of those investigations; and the likelihood of a practical remedy.

The Ombudsman has advised that statements of reasons as to why the Ombudsman had declined to investigate AVM Criss's complaint were conveyed to AVM Criss in letters dated 27 October 2005, 22 December 2005 and 25 January 2006.

(2) (a) The Ombudsman has advised that good complaint handling involves internal investigation of a complaint first by the agency responsible, which often provides a faster and more effective response. All agencies bear a responsibility to manage complaints about their administrative decisions and actions. If a complainant is dissatisfied with the outcome of an agency’s internal investigation, it is open to the complainant to complain to an external oversight agency such as the Defence Force Ombudsman.

This is explicitly recognised in the Defence Force Ombudsman jurisdiction which provides in section 19E(2) of the Ombudsman Act that:

Where a member of the Defence Force who has complained to the Defence Force Ombudsman is able to seek, but has not sought, in the manner provided by or under the Defence Act 1903, redress in respect of the action to which the complaint relates from a member of the Defence Force authorised by or under that Act to grant redress, the Defence Force Ombudsman shall not investigate the complaint unless he or she is of the opinion that the member was, by reason of special circumstances, justified in refraining from seeking redress.

(b) The independence of the Commonwealth and Defence Force Ombudsman is established under the Ombudsman Act. The Ombudsman conducts investigations into the administrative actions and decisions of government departments and agencies in such manner as he or she sees fit. Neither agencies nor complainants can direct the Ombudsman in relation to how, when and what is investigated.

(3) The Senate Committee report on military justice did not recommend the abolition of the DFO.

(4) Refer to the answer to question 1.

(5) Claimants under the CDDA scheme have the right to complain to the Commonwealth Ombudsman; however, the Commonwealth Ombudsman has a discretion whether to investigate. Refer to the answer to question 1.

(6) The Defence Force Ombudsman provides an independent avenue to further investigate the administrative actions and decisions of the Department of Defence. It is open to serving personnel to complain to the Ombudsman once any relevant internal process, such as a redress of grievance, has been completed.

The independence of the Commonwealth Ombudsman is established under the Ombudsman Act. The Ombudsman conducts investigations into the administrative actions and decisions of government departments and agencies in such manner as he sees fit. Neither agencies nor complainants can direct the Ombudsman in relation to how, when and what is investigated.

(7) (a) The role of the Ombudsman is to independently investigate the administrative decisions or actions of Australian Government agencies or departments. It is open to serving personnel to complain to the Ombudsman if they have concerns over the outcome or handling of their case.
The Ombudsman can exercise discretion as to whether to investigate a complaint. Refer to the answer to question 1.

(b) Enhancements to the military justice system announced by the Government on 5 October 2005 provide procedural fairness and safeguard natural justice for all ADF members.

**Teys Brothers**

(Question No. 2250)

**Senator Wong** asked the Minister representing the Prime Minister, upon notice, on 24 July 2006:

1. Can the Minister confirm that the Office of Workplace Services (OWS) is undertaking, or has undertaken, an investigation into employment contracts between Teys Brothers Naracoorte and its employees.

2. When and how did the Prime Minister, his office and the department become aware of the above investigation.

3. What communications have taken place between the Prime Minister and/or his office and/or his department and the Minister for Employment and Workplace Relations and/or the Minister’s office and/or the Minister’s department relating to the employment arrangements at Teys Brothers Naracoorte.

4. What was the nature of the above communication and when did these communications take place.

5. What communications have taken place between the Prime Minister, or his office, or his department, and the Minister for Immigration and Multicultural Affairs, or her office, or her department, relating to the employment arrangements at Teys Brothers Naracoorte.

6. What was the nature of the above communications and when did these communications take place.

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

1. Yes, I am advised that the Office of Workplace Services (OWS) is undertaking targeted education and compliance activity at the Naracoorte plant operated by Teys Bros (Holdings) Pty Ltd to ensure the employer is meeting its obligations under its federal workplace agreements, including investigating whether employees are being correctly paid.

2. On 31 May 2006, my department received advice from the Department of Immigration and Multicultural Affairs (DIMA) regarding the investigation into employment contracts between Teys Bros Naracoorte and its employees. On the basis of this advice, my department provided advice to my office on 31 May 2006.

3. I am advised that no formal communications have taken place between my department and the Department of Employment and Workplace Relations (DEWR) relating to the employment arrangements at Teys Bros Naracoorte. My office has been in communication with the Minister for Employment and Workplace Relations’ office on the general allegation made against Teys Bros Naracoorte periodically as part of preparation for parliamentary question time.

4. As above.

5. On 31 May 2006, my department received advice from DIMA regarding the employment arrangements at Teys Bros Naracoorte. This information was provided to my office and has been periodically updated in preparation for parliamentary question time.

6. As above.
Search and Rescue Operations
(Question No. 2285)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 31 July 2006:

With reference to evidence by the Chief Executive Officer of the Australian Maritime Safety Authority (AMSA) to the Rural and Regional Affairs Legislation Committee on 19 February 2002 expressing concern over the lack of clear understanding surrounding the protocols relating to the handover of search and rescue coordination from state agencies to AusSAR (Australian Search and Rescue): Can the Minister outline how AMSA has attempted to improve understanding of the protocols relating to the transfer of search and rescue coordination outlined in the National Search and Rescue Manual.

Senator Ian Campbell—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:

AMSA’s actions are outlined in its Annual Reports and include:
Revising the National Search and Rescue Manual, in consultation with the State/Territory Police Services, the Australian Federal Police and the Australian Defence Force, to ensure operational protocols covering procedures for coordination are clear and consistent. The revised manual was published in 2003 on the Internet.

Obtaining agreement of the National Search and Rescue Council in November 2003 that the National Search and Rescue Manual should be used as the national reference text for the coordination of search and rescue operations. The Council established a working group to regularly review the manual and recommend changes to the Council to maintain its currency.

Progressing the Inter-governmental Agreement on National Search and Rescue Arrangements, which was ratified in June 2004 by the Australian and State/Territory Governments. This provides for a consistent arrangement for the transfer of coordination of search and rescue incidents between agencies, formalises the role of the National Search and Rescue Council as the national coordinating forum for search and rescue operations, and recognises the National Search and Rescue Manual as the reference text for search and rescue operations.

Conducting regular meetings, workshops and exercises with other search and rescue agencies aimed at strengthening coordination between participating agencies and promoting cooperation in the delivery of search and rescue services.

Search and Rescue Operations
(Question No. 2286)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 31 July 2006:

With reference to the submission by the Australian Maritime Safety Authority (AMSA) to the Rural and Regional Affairs Legislation Committee inquiry into the role of AusSAR (Australian Search and Rescue) in the unsuccessful search for the Margaret J: Can details be provided of all ‘regular meetings’ between AMSA and the Tasmania Police following the joint workshop in 2002 which discussed improved operational protocols relating to the transfer of responsibility of search coordination.

Senator Ian Campbell—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:
The meetings, workshops and exercises conducted between AMSA and the Tasmania Police include:
Following the public forum in April 2002 at Launceston to discuss the conduct of search and rescue operations, AMSA and Marine and Safety Tasmania arranged a series of community forums, including
local Police Service representatives, to discuss safety and search and rescue issues involving small vessels and recreational boats in Hobart, Launceston and Devonport in March 2003.

In conjunction with the relevant Police services, AMSA undertakes a program of search and rescue exercises in each State and Territory designed to engage AMSA with local search and rescue agencies in live activities (such as liferaft drops from aircraft) and in discussion of hypothetical scenarios. An exercise was held in Hobart in May 2003.

AMSA’s Rescue Coordination Centre staff are recorded as visiting their counterparts in Tasmania in May and October 2004, February, May and July 2006.

AMSA instituted a rolling visits program involving the conduct of workshops biennially in each State/Territory to review current search and rescue issues and test coordination responses through hypothetical scenarios. A workshop was held in northeast Tasmania in August 2004.

The National Search and Rescue Council, which is chaired by AMSA, held its annual meeting in Hobart, Tasmania, in November 2004, which was hosted by the Tasmania Police Service and was opened by the Tasmania Police Assistant Commissioner. The Tasmanian State Search and Rescue Committee meets regularly and AMSA officers have attended these meetings in May and December 2003, August 2004, March 2005 and March 2006.

AMSA’s National Search and Rescue School conducts an annual National Police Search and Rescue Managers Course, which brings together search and rescue experts from all State and Territory Police Services and AMSA. The next course is being held from 22 August to 6 September 2006. The School also regularly provides instruction and assistance with State and Territory based police search and rescue training courses.

AMSA staff continue to attend, and occasionally organise, operational debriefs after significant incidents, or incidents where there are potential lessons to be learned in strengthening search and rescue operations. A debrief for two incidents was held in Launceston in February 2004.

Search and Rescue Operations
(Question No. 2287)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 31 July 2006:

With reference to evidence given by the Australian Maritime Safety Authority (AMSA) on 19 September 2002 to the Rural and Regional Affairs Legislation Committee inquiry into the role of AusSAR (Australian Search and Rescue) in the unsuccessful search for the Margaret J: Can details be provided, by state/territory, of the ‘regular meetings to discuss issues of continuity’ involving AMSA and state/territory search and rescue authorities.

Senator Ian Campbell—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:

AMSA’s Annual Reports outline the regular meetings, workshops and exercises conducted between AMSA and other search and rescue agencies under Output 2.1 Maritime and Aviation Search and Rescue.

Malu Sara
(Question No. 2288)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 31 July 2006:
Tuesday, 10 October 2006

With reference to the answer to question on notice no. 1879 concerning the role of AusSAR (Australian Search and Rescue) in the unsuccessful search for the Department of Immigration and Multicultural and Indigenous Affairs vessel the *Malu Sara* in October 2005:

(1) Can the Minister confirm his advice that there is no transcript of communications to and from the AusSAR Rescue Coordination Centre relating to the search.

(2) Will the Minister reconsider his decision to deny Senator O’Brien’s request for a transcript of these communications.

(3) Did the Australian Transport Safety Bureau (ATSB) request the transcription of communications to and from the AusSAR Rescue Coordination Centre during its investigation into the loss the vessel; if so, why did the Minister refuse to authorise the preparation of the transcript; if not, how did the ATSB reach a conclusion about the conduct of AusSAR with respect to the search and rescue operation.

(4) How did the Minister reach a conclusion about the conduct of AusSAR with respect to the search and rescue operation, as expressed in the answer to question on notice no. 1873, without recourse to a transcript of communications to and from the AusSAR Rescue Coordination Centre.

*Senator Ian Campbell*—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:

(1) Yes.

(2) No. The preparation of such transcripts would represent a significant diversion of resources from AMSA’s safety responsibilities that I am not prepared to authorise.

(3) No. The ATSB visited AMSA, examined AMSA's records and took copies of relevant folios and spoke to relevant officers.

(4) Transcripts of communications are not required to make the judgement that the national search and rescue system operated as intended in the Inter-Governmental Agreement on National Search and Rescue Response Arrangements and the National Search and Rescue Manual. This judgement was drawn following consideration of the events which transpired and the consistency of these events with the Agreement and the Manual. The Queensland Police initially provided advice to the vessel when the vessel was reported to have initially lost its way in fog and was seeking directions. AMSA cooperated fully in meeting requests by the Queensland Police for information and advice, including position information after the vessel had activated its Emergency Position Indicating Radio Beacon (EPIRB) so its location could be confirmed.

The Queensland Police initiated a response when the vessel indicated that it required assistance in the early hours of 15 October 2005 and assumed overall coordination for the search when the vessel and its occupants could not be located in the morning of 15 October 2005. AMSA assumed responsibility for coordinating the aerial search when formally asked by the Queensland Police at 1218 hours on 15 October 2005 after a search by surface vessels and a helicopter had not located the vessel or its occupants. AMSA assumed responsibility for the overall search coordination when formally asked by the Queensland Police at 1930 hours on 15 October 2005 after an extensive aerial and surface search that day had not located the vessel or its occupants.

*Malu Sara*  
*(Question No. 2290)*

*Senator O’Brien* asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 31 July 2006:
With reference to the answer to question on notice no. 1874, concerning the role of AusSAR (Australian Search and Rescue) in the unsuccessful search for the Department of Immigration and Multicultural and Indigenous Affairs vessel the *Malu Sara* in October 2005:

(1) Does the National Search and Rescue Manual provide that: ‘The Commonwealth Government through the Australian Maritime Safety Authority, in accordance with Regulation 15 of Chapter V of SOLAS, accepts responsibility for the coordination of marine SAR for all classes of ships other than those for which the States/Territories and ADF are responsible. These responsibilities are exercised through AusSAR’.

(2) Consistent with the coordination protocols outlined in the National Search and Rescue Manual, was the *Malu Sara* a class of ship for which the Commonwealth accepts responsibility for the coordination of marine search and rescue.

(3) Does the National Search and Rescue Manual provide that the AusSAR Rescue Coordination Centre is staffed continuously and is responsible for ‘coordinating marine SAR for all classes of ships other than those for which the States/Territories and ADF are responsible’.

(4) Consistent with the coordination protocols outlined in the National Search and Rescue Manual, was the AusSAR Rescue Coordination Centre responsible for coordinating marine search and rescue for the *Malu Sara*.

(5) Why did the AusSAR Rescue Coordination Centre not assume responsibility for coordination of the search for the *Malu Sara* until 1930 hours on 15 October 2005, more than 23 hours after AusSAR was notified that the vessel was lost and had activated its Emergency Positioning Indicating Radio Beacon.

**Senator Ian Campbell**—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:

(1) Yes.

(2) Yes.

(3) Yes.

(4) Yes. AMSA was responsible for the search after the Queensland Police transferred overall coordination of the search around 1930 hours on 15 October 2005.

(5) See answer to question on notice no. 1871.

**Malu Sara**

(Question No. 2291)

**Senator O’Brien** asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 31 July 2006:

With reference to the answer to question on notice no. 1870, concerning the role of AusSAR (Australian Search and Rescue) in the unsuccessful search for the Department of Immigration and Multicultural and Indigenous Affairs vessel the *Malu Sara* in October 2005:

(1) Can the Minister confirm that evidence given by the Chief Executive Officer of the Australian Maritime Safety Authority to the Rural and Regional Affairs and Transport Legislation Committee on 31 May 2001 is correct, namely ‘the purpose of the [National] Search and Rescue Manual is so that various parties prior to an incident are aware of their respective responsibilities and jurisdictional roles’.

(2) Can the Minister confirm advice in the submission by the Australian Maritime Safety Authority to the Rural and Regional Affairs and Transport Legislation Committee inquiry into AusSAR’s role in the unsuccessful search for the *Margaret J* that the Commonwealth has primary responsibility for search and rescue for vessels at sea other than fishing boats and pleasure craft.

QUESTIONS ON NOTICE
(3) Does the National Search and Rescue Manual provide that the allocation of search and rescue functions and responsibilities of states, territories and Commonwealth search and rescue (SAR) authorities is defined in Appendix B of the manual.

(4) Does Appendix B of the National Search and Rescue Manual provide that AusSAR is responsible for coordinating SAR operations for persons on or from a ship other than a pleasure craft or fishing vessel in distress at sea.

(5) Is it the case that the *Malu Sara* was not a pleasure craft or fishing vessel and therefore responsibility for coordination of the search for persons aboard the vessel was the responsibility of AusSAR.

(6) Does the National Search and Rescue Manual provide that coordination of SAR operations shall be transferred to, and accepted by, the SAR authority that has overall coordination responsibility for the incident in accordance with Appendix B of the manual, immaterial of which SAR authorities are involved.

(7) With reference to the National Search and Rescue Manual, why did AusSAR not accept responsibility for overall coordination of the search for the *Malu Sara* until more than 23 hours after the activation of the vessel’s Emergency Position Indicating Radio Beacon and more than 17 hours after the skipper advised that the vessel was taking on water and sinking fast.

**Senator Ian Campbell**—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:

(1) Yes.

(2) Yes.

(3) Yes.

(4) Yes.

(5) No. AMSA became responsible for the search only after the Queensland Police transferred overall coordination to AMSA at 1930 hours on 15 October 2005.

(6) No. The National Search and Rescue Manual states that a transfer of responsibility between search and rescue authorities may be effected by the search and rescue authority that has initiated a search by inviting another search and rescue authority to take over responsibility for that search or by another search and rescue authority offering to take over responsibility for the search. The initiating search and rescue authority retains responsibility for the search until another search and rescue authority formally accepts control of the search. This is in line with the Inter-Governmental Agreement on National Search and Rescue Response Arrangements, which emphasises the cooperative nature of search and rescue arrangements and that the transfer of overall coordination is by mutual consent between search and rescue authorities, in accordance with the procedures established by the National Search and Rescue Manual.

(7) See answer to question on notice no. 1871.

**Malu Sara**

(Question No. 2292)

**Senator O’Brien** asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 31 July 2006:

With reference to the loss of the Department of Immigration and Multicultural and Indigenous Affairs vessel the *Malu Sara* in October 2005: Was the body of one of the persons aboard the *Malu Sara* that was found by Indonesian fishermen near Deelder Reef some time after the search was terminated wearing a life jacket; if not, was there any evidence to suggest a life jacket had been worn.
Senator Ian Campbell—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:

These are matters for the Queensland Police and the Queensland Coroner.

Malu Sara

(Regarding question No. 2293)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 31 July 2006:

With reference to the role of AusSAR (Australian Search and Rescue) in the unsuccessful search for the Department of Immigration and Multicultural and Indigenous Affairs vessel the Malu Sara in October 2005:

(1) Who calculated the datum position(s) for the aerial search on the afternoon of 15 October 2005.
(2) How was the datum(s) for the aerial search on the afternoon of 15 October 2005 calculated.
(3) What was the position of the datum(s) for the aerial search on the afternoon of 15 October 2005 and for what time was this valid.

Senator Ian Campbell—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:

(1) AMSA search and rescue officers.
(2) The datum point was assessed using a combination of factors including the position that the vessel’s EPIRB was located around 1036 hours on 15 October 2005, the estimated position of the satellite telephone from the telephone provider and the major concentration of merged EPIRB transmission positions from the Cospas Sarsat satellite system.
(3) The datum for the drift planning on 15 October 2005 was based on Position 10.00 S 142.00E with a five nautical mile error. The period drift commenced at 0100 15 October 2005 until 2000 hours 15 October 2005.

Malu Sara

(Regarding question No. 2294)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 31 July 2006:

With reference to the role of AusSAR (Australian Search and Rescue) in the unsuccessful search for the Department of Immigration and Multicultural and Indigenous Affairs vessel the Malu Sara in October 2005:

(1) After the vessel reported that it was taking on water and sinking fast, what action was taken to alert other vessels in the area that may have been able to assist by means, including a Mayday relay, broadcasts on relevant frequencies, activation of automatic alarms and defence/customs communications systems.
(2) If attempts to contact other vessels were made: (a) which communications systems were used; (b) which vessels were contacted; and (c) which vessels were able to assist.
(3) If no attempts to contact other vessels were made, why not.

Senator Ian Campbell—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:

(1) The ATSB report records on pages 26 and 27 that the Queensland Police activated the Thursday Island Volunteer Marine Rescue vessel Pedro Stephen and another DIMA vessel Ngagalayg on
Mabuiag Island to respond to *Malu Sara*. The Volunteer Marine Rescue vessel at the St Paul’s community on Moa Island was contacted, but it was out of service.

(2) See (1).

(3) Not applicable.

**Malu Sara**

*(Question No. 2295)*

**Senator O’Brien** asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 31 July 2006:

With reference to the role of AusSAR (Australian Search and Rescue) in the unsuccessful search for the Department of Immigration and Multicultural and Indigenous Affairs vessel the *Malu Sara* in October 2005:

(1) Was AusSAR aware prior to the search for the *Malu Sara* that telephone service providers could provide information to calculate a triangulated position for a satellite telephone; if so, was this information provided to the Queensland Mission coordinator prior to AusSAR assuming responsibility for overall coordination of the search.

(2) How long does it take to obtain triangulation data from satellite telephone service providers and then to calculate a position.

(3) What was the make and model of the satellite telephone aboard the *Malu Sara*.

(4) What action has AusSAR taken in response to the Australian Transport Safety Bureau recommendation that search and rescue agencies consult with satellite and other mobile telephone service providers to determine under what circumstances useful information from satellite telephones and switch records could aid search and rescue operations.

**Senator Ian Campbell**—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:

(1) Yes, AMSA was aware of the potential to obtain position information from satellite telephone service providers. No, AMSA did not advise the Queensland Mission Coordinator of the availability of this position information before AMSA assumed responsibility for overall coordination of the search.

(2) AMSA is not aware of the time taken to obtain data from the telephone service provider.

(3) The ATSB records that it was a QUALCOMM Globalstar GSP-1600 Tri Mode Phone.

(4) In the past, AMSA has obtained telephone position data in a distress situation from telephone service providers through the relevant Police service. AMSA has contacted the telephone service provider about the protocol for gaining direct access to this position data.

**Avastin**

*(Question No. 2296)*

**Senator Allison** asked the Minister representing the Minister for Health and Ageing, upon notice, on 2 August 2006:

(1) Is the Minister aware that Roche Australia intends to stop supplying pharmacies with Avastin for off-label treatment of wet macular degeneration, a common cause of blindness that affects 100,000 Australians, despite its success in Australia and the United States of America.

(2) Is the Minister aware that this will leave only Lucentis, a new drug made by Roche that is 10 times more expensive and may not be available for up to 2 years while Roche goes through the Pharmaceutical Benefits Scheme listing process.

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**QUESTIONS ON NOTICE**
(3) What if anything does the Government intend to do to ensure the ongoing supply of Avastin.

Senator Santoro—The Minister for Health and Ageing has provided the following answer to the honourable senator’s question:

(1) AVASTIN® is registered in Australia for the treatment of patients with metastatic colorectal cancer and is supplied to pharmacies. Avastin is not registered in Australia for the treatment of wet macular degeneration and if a doctor prescribes a drug for an unregistered use, this is a professional judgement by the doctor.

(2) LUCENTIS is not currently registered in Australia. Lucentis is being used under the Special Access Scheme and Authorised Prescriber arrangements which provide access to unregistered medicines.

(3) The prescribing of Avastin for the treatment of patients with macular degeneration is considered ‘off-label’ use. No application to register Avastin for the treatment of wet macular degeneration has been received by the Therapeutic Goods Administration (TGA). Consequently, no evaluation of toxicological, safety or efficacy data relevant to the use of Avastin for this indication has been undertaken by the TGA.

Aviation: Flight Deck Security Doors

(Question No. 2299)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 3 August 2006:

(1) Can details be provided of action taken by the Government since September 2001 to strengthen flight deck door security, including mandating the installation of flight deck security doors.

(2) Can the Minister confirm that several air operators have expressed concern that due to the installation of mandated flight deck security doors access by cabin crew to the flight deck is precluded.

(3) Has the Government been advised that the new arrangements have resulted in a serious degradation in air safety.

(4) When did: (a) the Minister; (b) the department; and (c) the Civil Aviation Safety Authority (CASA), first become aware of these safety concerns.

(5) How has: (a) the Minister; (b) the department; and (c) CASA, responded to these safety concerns.

(6) Can the Minister confirm that the Australian Transport Safety Bureau (ATSB) commenced a related aviation safety investigation in July 2005.

(7) Can an outline of the scope of the investigation be provided.

(8) Can the Minister advise why the investigation report has not been published.

(9) If a draft report has been completed: (a) on what date was it completed; and (b) why has the report not been finalised.

(10) When will the ATSB report be published.

Senator Ian Campbell—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:

(1) The Australian Government mandated the International Civil Aviation Organization (ICAO) standard requiring the installation of strengthened cockpit doors on aircraft of 60 or more seats, or weighing 45,500 kgs or more on 9 July 2003. DOTARS’ stipulated deadline for compliance was 1 November 2003 – the date of completion required by ICAO.

Additionally, Regulation 4.68 (2) of the Aviation Transport Security Regulations 2005, requires that:
The operator of an aircraft that has a certified maximum passenger seating capacity of 30 to 59, must not operate the aircraft unless the aircraft is equipped with a cockpit door that is:

- Designed to resist forcible intrusion by unauthorised persons; and
- Capable of withstanding impacts of at least 300 joules at critical locations; and
- Capable of withstanding at least 1113 newtons constant tensile load on the door knob or handle; and
- Designed to resist penetration of small arms fire and fragmentation devices to a level equivalent to level IIIa of the United States National Institute of Justice Standard (NIJ) 0101.04 Revision A, as in forced on 15 January 2002.

The Australian Government provided $3.2 million to airline operators to facilitate the purchase of, and installation of hardened cockpit doors on all eligible aircraft under Regulation 4.68 of the Aviation Transport Security Regulations 2004.

It should be noted that industry paid all associated costs related to the ICAO requirement to install reinforced cockpit doors on aircraft with 60 or more seats.

(2) As a result of a report by an operator, the ATSB commenced an investigation of this issue.

(3) No.

(4) I became aware of the ATSB investigation on 7 September 2005. The Department was advised of the investigation 19 August 2005, and CASA was advised of the investigation on 21 September 2005.

(5) The Department and CASA have co-operated fully with the ATSB. No report has, as yet, been provided to the Minister.

(6) The ATSB commenced its investigation in August 2005.

(7) The scope of the investigation was to examine the operational and flight safety implications of the fitment of reinforced cockpit doors to aircraft in the 30 to 59 seating capacity range.


(9) The report has not been completed.

(10) A final report will be published after consideration of any comments received as part of usual Directly Involved Party process.

Phosdrin Insecticide
(Question No. 2301)

Senator Milne asked the Minister for the Environment and Heritage, upon notice, on 4 August 2006:

(1) What are the quantities of Phosdrin insecticide supplied and sold in Tasmania since its registration.

(2) In what year did the commercial supply and sale of Phosdrin insecticide commence in Tasmania.

(3) What monitoring programs have been put in place regarding Phosdrin insecticide supplied and sold in Tasmania since its registration.

(4) What is the known off-label use of Phosdrin insecticide supplied and sold in Tasmania since its registration.

Senator Ian Campbell—The answer to the honourable senator’s question is as follows:

(1) Unknown. The use of Phosdrin insecticide has been restricted in Tasmania since the mid-1980s through a licensing and permitting system. Currently, there are seven users in Tasmania permitted...
to use Phosdrin insecticide for control of diamond back moth on brassica crops, in accordance with the approved label.

(2) Unknown. Earliest records show the Pesticides Advisory Committee recommended continued registration on 28 August 1973, but there are no records of actual date of first registration (or of first sale or supply).

(3) I am not aware of any monitoring programs.

(4) No permits have been issued for off-label use of Phosdrin in Tasmania by the Australian Pesticides and Veterinary Medicines Authority or by the Tasmanian Department of Primary Industries and Water.

**Malu Sara**

(Question No. 2305)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 7 August 2006:

With reference to the role of AusSAR (Australian Search and Rescue) in the unsuccessful search for the Department of Immigration and Multicultural and Indigenous Affairs vessel the **Malu Sara** in October 2005: Can details be provided of all the resolved positions and times for **Malu Sara**’s Emergency Position Indicating Radio Beacon (EPIRB) as recorded and calculated by AusSAR’s satellite equipment from the time the vessel’s EPIRB was first detected until it was deactivated.

Senator Ian Campbell—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:

Yes. The table below provides the resolved EPIRB positions and times.

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*Malu Sara*

(Question No. 2306)

Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 7 August 2006:

With reference to the Australian Transport Safety Bureau (ATSB) report on the loss of the Department of Immigration and Multicultural and Indigenous Affairs vessel the *Malu Sara* in October 2005:

(1) Why does the report claim, at page 28, that the vessel’s situation had only become ‘one of distress’ at 1036 hours on 15 October 2005 when the *Malu Sara’s* Emergency Position Indicating Radio Beacon (EPIRB) was found floating free with no sign of the vessel in the area.

(2) Why was the situation not ‘one of distress’ at 0215 hours when the *Malu Sara* was reported to be taking on water and sinking fast.

(3) Can an explanation be provided as to why the ATSB report claims, at page 28, that following the discovery of the floating EPIRB an ‘expanding square search’ was conducted, while the answer to question 16 (Australian Maritime Safety Authority), taken on notice during the May 2006 Budget estimates hearings of the Rural and Regional Affairs and Transport Legislation Committee, appears to indicate a sector search and not an expanding square search.

(4) Can details be provided on what type of search was actually flown by the helicopter on the morning of 15 October 2005, including: (a) the coordinates of the legs flown by the helicopter; (b) the initial track flown by the helicopter; (c) the tracking spacing/mean track spacing for the search; (d) the angular displacement of the legs; (e) the number of legs flown; (f) the position of the start/centre point; and (g) the distance out from the centre point that was searched.

(5) Can a map be provided displaying the legs flown.

Senator Ian Campbell—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:

(1) The use of the term ‘distress’ on page 28 of the ATSB’s report was intended by the ATSB to convey the shift in thinking which accompanied the discovery of *Malu Sara’s* EPIRB floating free at 1036 on 15 October 2005 with no sign of the vessel or its occupants in the vicinity. It was then apparent to the searchers that the situation was clearly grave. Up to this time, the searchers expected to find the vessel with its EPIRB and the vessel afloat even if swamped (the water level in the cockpit the same as the sea level outside the boat). It was also expected that the occupants would be still aboard the vessel and thus probably not in grave or imminent danger in accordance with the definition of ‘Distress Phase’ in the National Search and Rescue Manual.

(2) At 0215 when *Malu Sara’s* skipper reported that the vessel was taking in water and sinking he was indicating that the vessel was in distress. See (1)

(3) The evidence taken by the ATSB during their investigation was that the Queensland Police Service mission coordinator advised the helicopter to conduct an expanding square search using the EPIRB as the search datum. Advice to AMSA from the Queensland Police regarding this search was that the helicopter had been tasked to conduct a search within six miles of the position of the EPIRB but without details of the precise search type. For AMSA’s operational purposes a sector search was entered into AMSA’s systems as a convenient representation of the search activity and this was the basis of AMSA’s answer to the Senate Estimates Committee question on notice (AMSA16).

(4) No. Neither the ATSB nor AMSA has these details of the search.

(5) No see (4).
Senator O’Brien asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 7 August 2006:

With reference to the claim on page 29 of the Australian Transport Safety Bureau (ATSB) report on the loss of the Department of Immigration and Multicultural and Indigenous Affairs vessel the Malu Sara that it was not until late morning on 15 October 2005 that it became ‘increasingly likely that Malu Sara had sunk and the people aboard were in the water’:

(1) Why was it not likely the vessel had sunk and people aboard were in the water soon after 0215 hours on 15 October 2005 when the vessel was reported to be taking on water and sinking fast.

(2) On what premise was the search being conducted up until the time that it became likely the Malu Sara had sunk which, according to the ATSB, was not until late morning on 15 October 2005.

(3) What was the justification for this premise.

(4) How did this premise affect the conduct of the search.

(5) Can details be provided of the target(s) of the search: (a) until the time that it became likely the Malu Sara had sunk; and (b) after the time that it became likely the Malu Sara had sunk, which, according to the ATSB, was not until late morning on the 15 October 2005.

Senator Ian Campbell—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:

(1) The ATSB’s investigation report (pp 43–48) describes the standards to which Malu Sara should have been designed and constructed with respect to its reserve buoyancy and stability. The design standards stipulate (amongst other things) that the vessel should be constructed with sufficient built-in buoyancy distributed in such a way that when fully loaded and swamped (the water level in the cockpit the same as the sea level outside the boat), the vessel will remain afloat and upright. These design standards are intended to ensure, as a last resort, if a vessel becomes flooded that it will act as a “lifeboat” for the occupants. The ATSB’s investigation demonstrated that Malu Sara’s design did not meet these critical requirements, however this fact was not known by the Queensland Police or AMSA at the time that the skipper reported that the vessel was taking water and sinking.

In addition, the skipper had also reported earlier that the boat was within sight of land and its position (which was known), placed it in an area with reefs and rocky outcrops nearby that may have offered refuge to the occupants who it was understood were wearing life jackets.

(2) The search and rescue response to the vessel, before its emergency position indicating radio beacon (EPIRB) was found at 1036 on 15 October and the initial helicopter search of the immediate area was unsuccessful, was based on the premise that the vessel would be found afloat, albeit probably swamped, with the EPIRB still attached. It was expected that the occupants would be still in the vessel or nearby.

(3) See (1).

(4) See (2). As soon as the EPIRB was found floating free with no sign of the vessel or its occupants in the immediate vicinity the search became more extensive. The mission coordinator tasked the helicopter on the scene to start an expanding square search around the position of the EPIRB.

(5) (a) The initial search by the Queensland Police mission coordinator targeted the vessel and its EPIRB using the radar and radio direction finding equipment fitted to the Thursday Island Volunteer Marine Rescue vessel. Later a helicopter was called in to assist in locating the
EPIRB. When the EPIRB was found floating free in the water, the helicopter was tasked to search the immediate vicinity.

(b) When the vessel or its occupants had not been located in the immediate vicinity of its EPIRB the search targeted the vessel and its occupants which were then assumed to be in the water or on nearby land masses.

Hobart Airport
(Question No. 2311)

Senator Bob Brown asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 8 August 2006:

With reference to the proposed shopping development at Hobart Airport:

1. Was the land use put to tender; if so, when and with what result.
2. When was the Government first approached by the developer and who was approached, and how.
3. What are the terms and conditions of the property arrangement with the Government and is the contract publicly available; if not, why not.
4. Has an environment, social and economic impact study been done; if not, why not.
5. What will be the impact of the development upon the Hobart central business district including the number of jobs lost and loss of business.

Senator Ian Campbell—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:

The Hobart Airport site (including the area of the proposed shopping development) is leased to Hobart International Airport Pty Ltd (HIAPL) for a period of 50 years with an option to renew for an additional 49 years.

1. The Australian Government has no information on whether the proposed land use was put to tender. Negotiations of subleases within the airport site are a matter for HIAPL, subject to the provisions of the Airports Act 1996.
2. The Australian Government was not approached by the developer.
3. The terms and conditions of the property arrangements with reference to the proposed shopping development are a matter for the developer and HIAPL. Likewise, the public release of any such contract is a matter for HIAPL.
4. HIAPL has prepared a preliminary draft major development plan (MDP) for a proposed Outlet Centre and Bulky Goods/Homemaker Retail Centre. The MDP includes a detailed description of the proposal considered against the assessment of the airport’s development needs, airport operating capacity, environmental impacts, proposed noise amelioration measures, community consultation, safety and other considerations.
5. The preliminary draft MDP outlines in broad terms the impacts of the development. The public consultation period gives the community and interested parties the opportunity to ensure their concerns or views about the development are considered. Submissions on the proposed development may be made to HIAPL until 5pm on Friday, 22 September 2006.

Transport and Regional Services: Conflict of Interest
(Question No. 2325)

Senator McLucas asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 9 August 2006:
With reference to chapter 9 of APS Values and Code of Conduct in Practice: A Guide to Official Conduct for APS Employees and Agency Heads dated 2005 relating to avoiding and managing conflict of interest:

(1) Does the department maintain up-to-date registers of pecuniary interests and/or gifts related to agency heads, members of the Senior Executive Service (SES) and those acting in SES positions.

(2) Did the Minister and the Secretary of the department ensure that details were up-to-date with respect to officers responsible for the provision of advice in relation to the Government’s review of international air services policy.

(3) Did relevant declarations include complimentary airline lounge memberships, complimentary upgrades, sponsored travel and/or other gifts from Qantas, Virgin Blue and/or Singapore Airlines.

(4) With reference to the requirement under the Prime Minister’s A Guide on Key Elements of Ministerial Responsibility dated December 1998 that ministerial staff should not accept gifts, sponsored travel or hospitality if acceptance could give rise to a conflict of interest or the appearance of such a conflict: has any member of the Minister’s staff accepted complimentary airline lounge memberships, complimentary upgrades, sponsored travel and/or other gifts from Qantas, Virgin Blue and/or Singapore Airlines since the commencement of the Government’s consideration of Singapore Airlines’ request to access the Pacific route; if so, were those interests immediately declared and recorded in a written register; and if, in any case, such interests have not been immediately declared and recorded, why not.

Senator Ian Campbell—The Minister for Transport and Regional Services has provided the following answer to the honourable senator’s question:

(1) All Senior Executive Service (SES) employees in the Department of Transport and Regional Services and those acting long term in SES positions have an on-going obligation to declare whether they or their immediate family have private pecuniary and other interests that would give rise to a conflict of interest, or to the perception of a conflict of interest, with their current duties in the Department. Each officer is required to complete an SES Declaration of Conflict of Interest form. Completed declarations are held by the Department’s Governance Centre.

Under Instructions issued by the Secretary pursuant to Section 52 of the Financial Management and Accountability Act 1997, all business divisions of the Department are required to maintain a gift register. All gifts received by staff that may be worth over $100, or that have a value of less than $100 but are received on a regular basis, must be recorded in the gift register within 30 days of receipt. In addition, gifts worth over $5,000, or that are considered “portable and attractive”, must be reported to the Chief Financial Officer for inclusion in the Department’s Asset Register. Gifts are considered to be public property as they are accepted on behalf of the Department. In accordance with the Instructions, gifts may only be retained by the employee when of a one-off nature and of a value of less than $100.

(2) The SES Declaration of Conflicts of Interest referred to in (1) above was last required to be updated by all of the Department’s SES employees, and those acting long term in SES positions, by 30 April this year. As noted in (1) above, each Department SES officer also has an on-going obligation to declare any pecuniary or other interests that would give rise to a conflict of interest with their current duties in the Department.

(3) Yes, relevant declarations include any gifts from airlines. In addition, the Secretary and Deputy Secretaries, as is the case with other portfolio Secretaries and Deputy Secretaries, receive Qantas Chairman’s Lounge memberships.

(4) All ministerial staff have complied with requirements relating to them set out in the Guide on Key Elements of Ministerial Responsibility.
Non-Prescription Medicines
(Question No. 2328)

Senator Allison asked the Minister representing the Minister for Health and Ageing, upon notice, on 10 August 2006:

With reference to recommendation 13 of the Australian National Audit Office report no. 18 of 2004-05, Regulation of non-prescription medicinal products: Department of Health and Ageing and Therapeutic Goods Administration that the department arrange independent assessment of recent key enforcement actions to draw lessons for the future when making decisions potentially affecting public health and safety:

(1) Has such an independent review been conducted; if so, who conducted the review.
(2) What were the findings.
(3) Can a copy of the independent review be provided.

Senator Santoro—The Minister for Health and Ageing has provided the following answer to the honourable senator’s question:

(1) Yes, an independent review has been conducted by Deloitte Touche Tohmatsu. Their report was completed in June 2005 and released publicly in November 2005.
(2) The findings are detailed, and are available from the Senate Table Office.
(3) Yes, the Deloitte report is available from the Senate Table Office.

Rosedale Neighbourhood House
(Question No. 2331)

Senator Allison asked the Minister for Communications, Information Technology and the Arts, upon notice, on 10 August 2006:

With reference to Rosedale Neighbourhood House (RNH), a not for profit community organisation in Gippsland Victoria:

(1) Why has RNH waited for over a month for telephone lines to be installed for phone, fax and Internet/e-mail access when all necessary telephone lines/boxes infrastructure was correctly installed.
(2) Will RNH be eligible for compensation for this delay.
(3) What is the current status of the RNH telecommunications service.
(4) Is the experience of RNH representative of Telstra’s service levels to regional areas; if not, what is the average connection time in regional areas.

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

(1) Telstra has advised that there was a delay in connecting three new services to Rosedale Neighbourhood House because additional infrastructure was required to support the increased number of services within the premises. Under the Customer Service Guarantee (CSG), Telstra has 20 working days to provide a service where new infrastructure is required. Telstra received an application on the 19 June 2006 to supply Telstra services to Rosedale Neighbourhood House. The customer was contacted on 22 June 2006, and advised of the likely delay. The customer was also offered an interim service, which was declined. Services were connected on 12 July 2006, 16 working days after the application was received.
(2) Telstra has advised that Rosedale Neighbourhood House is not eligible for CSG payments because the new services were connected 16 working days after the application was received, which is within the 20 working day requirement for the connection of services requiring new infrastructure.
(3) All requested telecommunications services were connected on 12 July 2006.
(4) The experience of Rosedale Neighbourhood House is representative of Telstra service levels in rural areas, as it was connected within 16 working days of receiving the application, and Telstra has advised that its average connection time where new infrastructure is required is comparable with the Rosedale experience.

The Australian Communications and Media Authority (ACMA) monitors and reports on Telstra’s performance against the CSG in its quarterly Telecommunications Performance Data. For the March 2006 quarter, the percentage of new Telstra connections that were provided in minor rural areas, such as Rosedale, within CSG timeframes was 95 per cent. For the same period, the percentage of new Telstra connections that were provided within CSG timeframes was 96 per cent Victoria wide, and 96 per cent nationally. Telstra’s level of compliance with CSG timeframes for connections nationally, in Victoria and in rural areas in Victoria has been 90 per cent or more for every year since 2001. In general, ACMA considers service provider performance against CSG requirements to be at a satisfactorily high level where performance of 90 percent or more is achieved.

Fuel Consumption Labelling for Light Vehicles

(Question No. 2377)

Senator O’Brien asked the Minister for the Environment and Heritage, upon notice, on 15 August 2006:

With reference to Australian Design Rule (ADR) 81/01—Fuel Consumption Labelling for Light Vehicles:

(1) As part of the testing process, are the fuel consumption figures as displayed on new car fuel consumption labels achieved in normal driving at any time.

(2) Is there a built in tolerance between the listed consumption figure and the actual consumption that could be experienced by an average driver; if so, what is that tolerance.

(3) Has the department received complaints from consumers, car manufacturers and/or motoring organisations about the accuracy of the fuel consumption labelling; if so: (a) how many complaints were received in the financial years 2004-05 and 2005-06; and (b) what, if any, action has been taken as a result of the complaints.

(4) If ADR 81/01 has been in harmony with the regulation of United Nations Economic Commission for Europe, how does the ADR reflect Australia’s unique and diverse road conditions and environment.

(5) When is ADR 81/01 scheduled to be reviewed.

Senator Ian Campbell—The answer to the honourable senator’s question is as follows:

(1) Responsibility for the Australian Design Rules rests with the Minister for Transport and Regional Services. These questions have also been addressed to the Minister for Transport and Regional Services in Question on Notice No. 2376 and are more appropriately answered by this Minister.

(2) See response to question (1). 

(3) (a) The Department of the Environment and Heritage receives around 500 inquiries per annum from the general public by phone and email seeking information on the fuel consumption of particular vehicles. Some of these would include questions or comments about the accuracy of the fuel consumption labelling, but records are not kept of details of specific inquiries.

(b) Inquirers are normally referred to the explanation of the testing procedure in the Green Vehicle Guide. The more technical inquiries relating to ADR 81/01 are referred to the Department of Transport and Regional Services.

(4) See response to question (1).

(5) See response to question (1).
Drugs Abuse  
(Question No. 2391)

Senator Bob Brown asked the Minister representing the Minister for Health and Ageing, upon notice, on 16 August 2006:

With reference to the education programs to offset drug addiction in Australia and, in particular, Tasmania:

(1) For each of the past 5 years, what funding has been allocated for such programs.
(2) What success has been confirmed.
(3) How does Tasmania compare with regional areas of mainland Australia in terms of drug abuse.
(4) Is the Government planning to increase funding for such education in Tasmania; if so, can details be provided.

Senator Santoro—The Minister for Health and Ageing has provided the following answer to the honourable senator’s question:

(1) The Australian Government currently funds a range of education programs to prevent drug use within Australia. They are:

National School Drug Education Strategy
The information on the National School Drug Education Strategy (NSDES) was provided by the Department of Education, Science and Training.

Through the NSDES, the Commonwealth Government aims to foster the capacity of school communities to provide safe and supportive environments for all students, enhance school drug education programs and manage drug related issues and incidents in schools.

A proportion of the funding is directed to state and territory education authorities to provide ongoing support for whole of school approaches to effective drug education, and implementation of Commonwealth Government school drug education resources in schools. $18.9 million has been provided nationally for the last five years, including $722,502 for Tasmania.

For each of the last five years, funding provided to Tasmania is as follows: $3.2 million in 2001-02; $3.4 million in 2002-03; $5.2 million in 2003-04, $2.9 million in 2004-05; and $4.2 million in 2005-06.

National Drugs Campaign
The Commonwealth Government has also invested significant funding for community awareness and prevention based education activities over two phases of the National Drugs Campaign.

$17.5 million funded the first phase of the campaign, which was launched in 2001, with the aim of giving parents the support, tools and confidence to talk to their children about illicit drugs. A further $13.5 million was invested for a second phase of the campaign, launching in 2005, to raise awareness among young people about the negative consequences of drug use, model positive alternatives to drug use, and provide information for support services for those in need.

In the 2006-07 Budget, the Commonwealth Government has committed $23.7 million over four years for the continuation of this campaign. This third phase will target new trends in illicit drug use, such as the growing use of highly addictive forms of psychostimulants.

The Commonwealth Government is also investing $21.6 million over four years for a separate campaign, which aims to alert the community to the links between illicit drug use and mental health problems.

(2) The evaluation of NSDES, conducted in 2003, found that: participation of schools in NSDES activities had increased; there was increased interest in and support for drug education in schools;
a nationally consistent approach to school drug education which engages school staff; parents and other community members; professional development opportunities had been provided; educational resources had been enhanced; and there had been an increase in the profile of school drug education.

The Department of Health and Ageing, through an independent market researcher, has evaluated the National Drugs Campaign to measure effectiveness, including awareness recall, knowledge, intention and behaviour of parents and young people in relation to illicit drugs.

The first phase of the National Drugs Campaign in 2001 resulted in 58% of parents indicating they found it easier to talk to their children about illegal drugs, and 12,595 calls (March to Sept 2001) to the information line established for the campaign.

The second phase of the National Drugs Campaign in 2005 resulted in 62% of parents indicating they found it easier to talk to their children about illegal drugs, and 5,788 calls (April to October 2005) to the national campaign information line established for the campaign.

Nationally, there has been a reduction in the recent use of drugs since the introduction of the Government’s Tough on Drugs Initiative, launched in November 1997. The Initiative encompasses all the Commonwealth Government’s efforts to reduce the demand and supply of drugs in Australia. The 2004 National Drug Strategy Household Survey (NDSHS) indicated that use of any illicit drug declined from 22.0% in 1998 to 15.3% in 2004. Cannabis use declined from 17.9% in 1998 to 11.3% in 2004.

(3) The Commonwealth Government does not collect any information on drug abuse by regional areas. However, the 2004 National Drug Strategy Household Survey: State and Territory Supplement provides a detailed breakdown of drug use in each State and Territory.

Information from the survey indicates that 15.4% of Tasmanians have used an illicit drug recently, which is similar to the national average of 15.3%. There are many areas of illicit drug use, where Tasmania compares more favorably to other jurisdictions. The percentage of Tasmanian’s who have recently used “speed” is 1.8% compared to 3.2% nationally, and recent “ecstasy” use is 1.6% compared to the national average of 3.4%.

However, the NDSHS reports that tobacco use and risky levels of alcohol consumption remain an area of concern for Tasmania. Daily tobacco use in Tasmania is 21.5% of the population compared to the national average of 17.4%. 40.1% of Tasmanians have put themselves at risk of alcohol related harm in the short term compared to the national average of 35.4%.

(4) Based on current forward estimates, through the NSDES, a further $147,412 will be provided to Tasmania in 2006-07 and $147,412 in 2007-08.

**Defence: Child Care**

(Question No. 2398)

Senator Mark Bishop asked the Minister representing the Minister for Defence, upon notice, on 17 August 2006:

(1) Can Defence families salary sacrifice child care costs at ABC Corporate Care centres; if so, can a copy be provided of the guidelines on salary sacrificing arrangements made available to Defence personnel, who use ABC Corporate Care centres.

(2) Can Defence families salary sacrifice child care fees at ABC Learning Centres that are not specifically designated as departmental corporate care centres; if so, can they salary sacrifice at any ABC Learning Centre, or just particular centres; if only at particular centres, can a list be provided of those centres.
(3) Will the department allow families to salary sacrifice child care fees with any child care provider other than ABC Corporate Care; if so (a) which providers; (b) in which federal electorates do the relevant services operate; and (c) do the services include family day care and outside school hours care.

(4) For each of the financial years 2004-05 and 2005-06, how many departmental personnel salary sacrificed child care.

(5) Does the department pay fringe benefits tax in relation to child care; if so: (a) how much was paid; and (b) what was the average tax payable per employee in relation to salary sacrificed child care.

(6) Can a copy be provided of any rulings made by the Australian Tax Office specifying circumstances in which the department is exempt from paying fringe benefits tax for child care.

Senator Ian Campbell—The Minister Assisting the Minister for Defence has provided the following answer to the honourable senator’s question:

(1) No. Defence families cannot salary sacrifice child care costs at ABC Corporate Care Centres. They may only salary sacrifice in the 19 Defence Child Care Centres which constituted the Defence Child Care Program as at 30 June 2005. Salary sacrifice is not available at the additional centres brought into the Program since that time.

(2) No.

(3) Yes, at three Commonwealth sponsored centres in the Australian Capital Territory.

(a) CSIRO Care Early Childhood Centre at Black Mountain, run by a Parent Management Committee; SDN Bluebell Early Childhood Education Centre at Belconnen, run by Sydney Day Nursery; and Currawong Child Care Centre at Barton, run by Southside Community Services.

(b) Fraser, Fraser and Canberra respectively.

(c) No.


(5) No.

(6) The Australian Taxation Office issued a private ruling in relation to on-site employer provided child care for employees of the Department of Foreign Affairs and Trade and related agencies on 27 October 1998. This ruling describes the circumstances under which child care fees can be salary sacrificed and remain exempt from FBT, and has been relied upon by Defence. A copy of this ruling may be requested from the Department of Foreign Affairs and Trade.