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SITTING DAYS—2006

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

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

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

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

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

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

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

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

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<td>Minister for Human Services and Minister Assisting the Minister for Workplace Relations</td>
<td>The Hon. Joseph Benedict Hockey MP</td>
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<td>Minister for Community Services</td>
<td>The Hon. John Kenneth Cobb MP</td>
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<td>Minister for Revenue and Assistant Treasurer</td>
<td>The Hon. Peter Craig Dutton MP</td>
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<td>Special Minister of State</td>
<td>The Hon. Gary Roy Nairn MP</td>
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<td>Senator the Hon. Santo Santoro</td>
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<td>The Hon. Frances Esther Bailey MP</td>
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<tr>
<td>Minister for Local Government, Territories and Roads</td>
<td>The Hon. James Eric Lloyd MP</td>
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<td>The Hon. Bruce Frederick Billson MP</td>
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<td>Minister for Workforce Participation</td>
<td>The Hon. Dr Sharman Nancy Stone MP</td>
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<td>Parliamentary Secretary to the Minister for Finance and Administration</td>
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<td>The Hon. Gregory Andrew Hunt MP</td>
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<td>Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry</td>
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<td>Parliamentary Secretary to the Minister for Education, Science and Training</td>
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<tr>
<td>Parliamentary Secretary (Foreign Affairs)</td>
<td>The Hon. Teresa Gambaro MP</td>
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SHADOW MINISTRY

Leader of the Opposition
The Hon. Kim Christian Beazley MP

Deputy Leader of the Opposition and Shadow
Minister for Education, Training, Science and
Research
Jennifer Louise Macklin MP

Leader of the Opposition in the Senate, Shadow
Minister for Indigenous Affairs and Shadow
Minister for Family and Community Services
Senator Christopher Vaughan Evans

Deputy Leader of the Opposition in the Senate and
Shadow Minister for Communications and
Information Technology
Senator Stephen Michael Conroy

Shadow Minister for Health and Manager of
Opposition Business in the House
Julia Eileen Gillard MP

Shadow Treasurer
Wayne Maxwell Swan MP

Shadow Attorney-General
Nicola Louise Roxon MP

Shadow Minister for Industry, Infrastructure and
Industrial Relations
Stephen Francis Smith MP

Shadow Minister for Foreign Affairs and Trade
and Shadow Minister for International Security
Kevin Michael Rudd MP

Shadow Minister for Defence
Robert Bruce McClelland MP

Shadow Minister for Regional Development
The Hon. Simon Findlay Crean MP

Shadow Minister for Primary Industries,
Resources, Forestry and Tourism
Martin John Ferguson MP

Shadow Minister for Environment and Heritage,
Shadow Minister for Water and Deputy
Manager of Opposition Business in the House
Anthony Norman Albanese MP

Shadow Minister for Housing, Shadow Minister
for Urban Development and Shadow Minister
for Local Government and Territories
Senator Kim John Carr

Shadow Minister for Public Accountability and
Shadow Minister for Human Services
Kelvin John Thomson MP

Shadow Minister for Finance
Lindsay James Tanner MP

Shadow Minister for Superannuation and
Intergenerational Finance and Shadow Minister
for Banking and Financial Services
Senator the Hon. Nicholas John Sherry

Shadow Minister for Child Care, Shadow Minister
for Youth and Shadow Minister for Women
Tanya Joan Plibersek MP

Shadow Minister for Employment and Workforce
Participation and Shadow Minister for Corporate
Governance and Responsibility
Senator Penelope Ying Yen Wong

(The above are shadow cabinet ministers)
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<td>Shadow Minister for Population Health and</td>
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<td>Shadow Assistant Treasurer, Shadow Minister for Revenue and Shadow Minister for</td>
<td>Joel Andrew Fitzgibbon MP</td>
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CHAMBER

MONDAY, 6 NOVEMBER 2006

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

PROHIBITION OF HUMAN CLONING FOR REPRODUCTION AND THE REGULATION OF HUMAN EMBRYO RESEARCH AMENDMENT BILL 2006

Second Reading

Debate resumed from 19 October, on motion by Senator Patterson:

That this bill be now read a second time.

The President—I understand that it would suit the convenience of the Senate for the proponent of the bill to operate from the government sidefront bench during the committee stage of the bill. There being no objection, it is so ordered.

Senator WEBBER (Western Australia) (9.31 am)—I am pleased to be here today speaking in support of such an important bill, the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006. Firstly, I would like to acknowledge the members of the Lockhart committee, whose extensive research and hard work are the reason we are debating this bill today. There being no objection, it is so ordered.

Senator WEBBER (Western Australia) (9.31 am)—I am pleased to be here today speaking in support of such an important bill, the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006. Firstly, I would like to acknowledge the members of the Lockhart committee, whose extensive research and hard work are the reason we are debating this bill today. Secondly, I would like to acknowledge the late Hon. John Lockhart, who led the committee and whose wisdom and experience were absolutely invaluable. I am sure that his wife and his family are very proud of the impact his most recent work will have on Australian research, should this bill be passed. I would also like to acknowledge the people who made up the Lockhart committee: Professor Loane Skene, who, as deputy chair, represents the committee publicly today; Professor Peter Schofield; Associate Professor Ian Kerridge, who provided the Senate inquiry with wise and valuable advice on the first day of our hearings here in Canberra; and Associate Professor Pamela McCombe, who made a thoughtful contribution to our inquiry. She outlined how the evidence presented to the Lockhart review caused her to change her view on many of the recommendations, despite having started from the opposite viewpoint.

Rarely in my time in the Senate have I met a group of people as professional, open minded and compassionate as those who made up the Lockhart committee. Of course, because I am from the great state of Western Australia, I must pay tribute to our very own Nobel laureate, Professor Barry Marshall, who really did take dedication to scientific research to its absolute extreme when he drank a Petri dish full of bacteria. While the Lockhart committee encompassed an incredibly wide range of experience and expertise, I think that probably Professor Marshall can claim credit for being—as far as I know—the only member of the committee who is also a state yo-yo champion.

The members of the Lockhart committee have demonstrated great wisdom in preparing their important report, and, in their continued efforts to have the recommendations of the report understood and implemented, have shown great integrity and commitment to scientific research. That is why I continue to be appalled by those who, because they do not like the recommendations that were made, have tried to attack the character and professionalism of these people. It is a sign of the shaky foundations on which opponents of this bill stand that they must resort to such unfair and unjustified attacks on such a remarkable group of Australians. Meanwhile, it is a great credit to the members of the committee that they have responded to such rude attacks in such a dignified manner.

Members of parliament are being asked to make a very important decision. We are be-
ing asked to decide whether we will support a framework that allows and encourages the pursuit of knowledge or whether we will turn the scientific process on its head, demanding proof of discovery before we will allow research to be done and limiting legitimate avenues of research into disease. We have had similar debates in this place before, and the parliament has agreed that the community benefits when we allow experts to do their job rather than imposing our views in areas where we do not have expertise.

The Lockhart committee heard evidence and arguments from a wide range of internationally renowned scientists, jurists and ethicists—all experts in their fields. After six months of investigation, they decided on a set of recommendations that parliament should accept. I believe it would be foolish for any of us to ignore this valuable advice. It is the view of the Lockhart committee and the majority of science based organisations who made submissions to the Senate inquiry that the recommendations within the bill are an important next step in scientific research. Science is ready to move beyond the limits imposed by the 2002 laws, and Australia is at risk of being left behind the international community.

There is a great deal of evidence suggesting that somatic cell nuclear transfer—SCNT or therapeutic cloning, as it is sometimes known—may provide us with valuable information about how diseases develop and may lead to cures for diseases that, for now, remain life threatening. It worries me to hear from people who want to prevent this research on the grounds that it is only potential and not proven. Surely if the results were proven we would not need research. Again, Professor Marshall’s experience provides a fitting example. Almost everyone thought that his hypothesis was misguided, yet he pursued his research and was proved correct. In this instance, we have a large majority of the scientific community in agreement, yet there are still some who say this is not enough support. I sometimes wonder what would be enough.

Opponents also suggest that we do not need this bill because there are other promising avenues for research. This too is unconvincing. While this argument, if true, may carry some weight when research funding is allocated, I cannot support a view that allows people to be put in jail for 10 or 15 years simply on the grounds that they have performed research that is unnecessary. That is not the way science works.

Like most of us in this parliament, including the Minister for Health and Ageing, I do not possess any scientific qualifications. It is therefore dangerous for us to try to pick scientific winners by preventing other avenues of research. We must allow all avenues to be explored. Only then can we be certain that we have found the best answers. Most importantly, this assertion is not correct. Adult and embryonic stem cell research both show potential in different areas. Why should we not allow both to continue side by side, with scientists in each area informing each other’s work? Embryonic stem cell research does not have as long a history as adult stem cell research; therefore, the comparison is not valid. With this in mind, do we really believe that it would be wise to prevent research from happening and to never know what might be discovered?

I also want to talk about morality. This debate has been characterised by opponents of the recommendations as one that is between science and morality. Nothing could be further from the truth. I am sure the overwhelming majority of people who are in support of this research would likewise reject the implication that they are acting against morality. At the moment, the law allows research on excess embryos that have been
created in the IVF process and also allows for more embryos than necessary to be created—that is, the law allows the deliberate creation and destruction of embryos for the worthy goal of helping infertile couples to conceive. Is the finding of cures for disease less important than this? I think not.

At the moment, the law allows people who have given fully informed consent to be living donors of tissues, fluids and organs to help save and improve the lives of others. The National Health and Medical Research Council regulates this process and ensures that the proper risk assessment procedure is followed. Is there something about women that somehow makes this process ineffective? Are women in any way less capable of making similar assessments about the donation of ova? Again, I think not.

In the process of creating embryos through assisted reproductive technology, ART, animal eggs are used to test sperm quality to maximise the chances of fertilising an egg. For many years, medicine has used animals to help the sick—for example, through the use of pig valves in human hearts. Is it really sensible to make hyperbolic claims about the use of animal eggs in SCNT, somatic cell nuclear transfer, research? Is this really a quantum leap? While I respect that there are people who do not share the same moral code as me, I reject the claim that there is only one moral view and that the supporters of this view are willing to ignore morality in the pursuit of science. I do not believe that I am alone in subscribing to a moral code that values the finding of cures for diseases to help people to live longer, better lives, but I certainly believe that I am in the majority of people who refuse to insist that everyone live by my particular moral code.

Opponents of the bill have accused its supporters of attempting to confuse and trick people into supporting research by changing the language used. I, for one, do not seek to avoid the word ‘cloning’; however, I believe it is incumbent on us as people with the power to change the direction of Australian research to ensure that the public is well educated about what is really being debated here. The word ‘cloning’ can sometimes bring to mind terrible science fiction types of images. We must therefore seek to distinguish that idea of cloning from what the recommendations of the Lockhart committee actually seek to allow. When opponents argue that cloning is cloning, regardless of whether the purpose is to create embryos for destruction in research or to implant embryos to enable birth, it is they who are being deliberately inaccurate. Cloning, or copying cells, is not the same as cloning for the purposes of creating identical human beings.

Attempts to distinguish between the use of animal eggs for research and the creation of Frankenstein-like people with wings or gills are not because we are trying to be sneaky; they are because opponents of the bill have tried to use the latter to make the former seem frightening and radical. We would not have to spend time clarifying terms and distinguishing meanings if opponents of the recommendations could debate honestly and without exaggeration. If we did not have people such as our very own health minister making absurd claims that are without a scientific basis, we would not have to waste our time getting bogged down in pointless debates about whether we do or do not support the creation of half-man, half-chicken creatures.

I will now address the view that allowing SCNT research to occur would be the beginning of a slippery slope. Firstly, by admitting that they are opposed to this bill on the grounds that it may lead to undesirable consequences, aren’t opponents admitting that the recommendations before us are not in-
trinsically bad—that they are only bad because of what the results may lead to into the future? Secondly, opponents fail to explain why researchers should be put in prison for doing research, not because it is unethical but because someone may use the research for unethical purposes. It strikes me as somewhat odd that some people think that society could not enforce a ban on reproductive cloning but that it could successfully prohibit research on microscopic organisms. What does such an argument say about their faith in future members of this place?

I, for one, am confident that the community opposition to reproductive cloning will not change if techniques to help cure disease are developed. The desire to cure disease is not new. Throughout history, people have searched for new and better ways to save lives. On the other hand, there is no desire to clone human beings. It is not true that the only thing stopping it from happening is a lack of technology.

Before finalising my remarks, I want to pay tribute to a couple of people who gave evidence to the Senate committee and also to some of my colleagues on this side. I want to place on record my thanks to my Labor colleagues who do not share my view, who perhaps do not share my personal moral code, for the professional, considerate and dignified way that we have conducted our internal debate so far. We are all conscious of giving one another credit for thought and for the particular moral views that we bring to this place, and we have conducted ourselves with a great deal of dignity. I am sure that that will continue throughout this week.

There are two people who made submissions before our committee who I think one cannot help but be moved by. One was Dr Paul Brock. He gave us theological reasons why this bill should be allowed to pass, and he gave us medical and scientific reasons why this bill should be allowed to pass. He finished his submission on a very personal note, and I would like to quote from it:

I do not seek your support for this Bill merely because of my own quite devastating physical crippling nor even on behalf of others struggling to live with this mongrel of a disease.

Nor even just because of what passing this Bill could mean to those of the next-generation yet to be afflicted with—motor neurone disease—

I believe that my advocacy for this Bill rests on powerful rational argument: it is not founded on pity.

So, for a minute or two could I ask you to imagine looking fairly and squarely into the eyes of my 90 year old mother. My 43 year old wife. Our two daughters, Sophie (15) and Millie (11). And, if you would not mind, imagine looking into the eyes of the author of this submission who ten years ago had nothing wrong with him except a slightly weak forearm but who now is completely paralysed—except for two fingers, some neck muscles, and those muscles enabling him still to speak and swallow. Can you really imagine telling us that for you to support a Bill such as this would be wrong?

I mentioned earlier the contribution of Professor McCombe. She was unable to appear before the Senate inquiry but sent us a written submission outlining her thought processes in changing her view on these issues and coming to support the recommendations. She said in conclusion:

My conclusion was that those people who think that there is no moral problem with embryo research should be allowed to carry out this research, and should not be prevented from doing so by the power of the law. Those people who think this research is wrong should be allowed to say so, and to protest against what they believe to be wrong, and those who do not wish to participate in treatments that arise from stem cell research should be allowed to avoid such treatments.
One cannot ask for a more compassionate and ethical framework to guide us than that.

I would like to thank many members of the scientific community, particularly some from the Lockhart committee, for assisting me in my scientific journey of discovery to arrive at this view. As I say, like most members of this parliament, I have no scientific background. I would now regard myself as marginally scientifically literate—and therefore probably in danger of misrepresenting all science. I would like to thank them for their tolerance, their understanding and their commitment to the pursuit of this important research.

I would also like to place on record my thanks to Senator Stott Despoja for the work that she has done in the lead-up to the introduction of this private member’s bill. Whilst it is Senator Patterson’s bill that we are debating today, there is no doubt that it is Senator Stott Despoja’s commitment to advancing the cause of scientific research, the struggle to implement the recommendations of the Lockhart committee and the work she did on the exposure draft for her bill that have more than assisted us in getting to this place today. I think that is something this chamber should recognise.

In conclusion, today we are faced with a very exciting opportunity. We can choose to accept the challenge, to help Australian researchers and scientists remain world leaders in their field and to help find cures for terrible diseases as they have in the past. No, none of us here know for certain where this research will lead us. That is the very nature of scientific discovery. But we must decide now whether we will look to the future and use our vote to support progress or whether we will vote for the past, for the status quo. I hope that members will take on this great responsibility and vote for the rights of future generations to live in a world that is even better than the one we have today.

Senator STOTT DESPOJA (South Australia) (9.49 am)—It is a great pleasure to speak early in this debate. I do so as a strong supporter of this technology, in particular somatic cell nuclear transfer. I am a strong supporter of the recommendations contained in the Lockhart review and I am a strong supporter of the bill before us, so I rise in support of the Lockhart report’s recommendations as enshrined in the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006 and to encourage senators to pass this legislation that will implement the recommendations of the Lockhart review. Yes, Senator Webber is correct: we have played a role in this process. She was a co-sponsor of my exposure draft for a bill. The bill before us mirrors that private member’s bill, which was the result of many months work. Like Senator Webber, I believe it provided a springboard for the debate that we are having right now.

Scientific endeavour has been an enduring area of interest to me throughout my time in this place. I have been particularly concerned with finding an appropriate balance between allowing the cutting-edge research and technology that we have to prosper and needing to protect our community through effective regulation of scientific activity. For that reason I was particularly interested in the Lockhart review and its recommendations. Indeed, I lobbied the government pretty hard to make sure that they established that review and the recommendation of the acts that were passed in 2002. I have argued for a long time for a debate on the recommendations.

I indicated on 24 March this year that if the government failed to provide an opportunity for the parliament to debate those rec-
ommendations then I would draft a private member’s bill—famous last words, perhaps. But sure enough we did embark on the long and arduous process of drafting a bill that would actually provide some legislative and policy framework for debate. The exposure draft of that bill permitted the ongoing development of medical and scientific research using stem cells, including the strictly regulated use of somatic cell nuclear transfer, and sought to allow the development of techniques for efficient training and research and improvements in clinical practice in assisted reproductive technology. I always intended that the bill would inform the Senate about how the Lockhart recommendations could be encapsulated in legislation. I also intended it as a catalyst, if you like, for the Senate Standing Committee on Community Affairs.

I acknowledge a very clear political reality: members of the government in particular and obviously the Prime Minister would prefer to debate a bill initiated by their own side. Senator Webber and I have agreed therefore not to table a final draft of our bill. We are supporting Senator Patterson’s bill, which is before us today. But I am proud of the role that the Democrats played in this process and in bringing the debate about how the Lockhart recommendations could be encapsulated in legislation. I also intended it as a catalyst, if you like, for the Senate Standing Committee on Community Affairs.

I acknowledge that this is not just a scientific debate; it is an ethical debate as well. I understand that there will be some senators who are strong supporters of the bill and some senators who are strong opponents of the bill, and I suspect that there are some senators who are in between. I respect the right of senators to make a decision that feels ethically correct and comfortable for them. However, I would ask those senators who came to this debate without strong views either way to please understand that there has been a lot of disinformation peddled regarding the abilities and the motives of the proponents of this research, including the Lockhart committee, and Senator Webber has touched on that. I hope that they will recognise that there has been disinformation and I hope that they will take that on board and recognise the context in which it was put forward.

Virtually all people who oppose this bill are ethically opposed to the research. That is okay—I can completely accept that people have different beliefs. What I find hard to accept on occasions is that some of those who are opposed to this legislation have attempted at times to use scaremongering or bad science to try and convince others. I am less comfortable with that. I am sure that in this debate you will hear arguments, specifically from opponents of this bill, that this bill will allow the use of human eggs in the research and that this will cause unacceptable risks to women. You may hear that adult stem cells can do everything that embryonic stem cells can do, and possibly more. You may even hear that nothing has changed since the original acts were passed in 2002 and that therefore we cannot justify a change in the legislation. You may hear that the Lockhart review was biased in favour of allowing the research, or that their research was sloppy in reaching the conclusions in their report. You will hear that this bill will
start us down a slippery slope towards reproductive cloning, and who knows what else.

The Lockhart legislation review was charged with investigating the scope and the operation of the 2002 acts, taking into account a number of terms of reference, including:

... developments in medical research and scientific research and the potential therapeutic applications of such research;

Some opponents of this technology claim that there have been insufficient developments since 2002 in the embryonic research field specifically. This is misleading. Research using embryonic stem cells is in its infancy. It has been going for eight years, compared to the 50 years of research using adult stem cells. To claim that we have not seen enough development to justify legally regulating somatic cell nuclear transfer is disingenuous. This is not a field of rapidly realised cures and quick fixes. It takes time; it takes investment. Importantly, it takes a supportive legislative framework—albeit one that is strictly regulated. I see somatic cell nuclear transfer as a tool which will help Australian researchers better understand the development of some of our most intractable diseases and hopefully down the track find cures to defeat them.

The Lockhart committee conducted a literature review which provided examples of developments in research using embryonic stem cells, albeit mostly at the preclinical stage—nobody denies that. It revealed that animal embryonic stem cells have differentiated into insulin producing beta cells. Mouse embryonic stem cells injected into rats with spinal damage differentiated into neural cell types which improved function. There has been research into Parkinson’s disease, in which dopaminergic neurons in the brain are destroyed. That is a very active area of research. This has shown that mouse embryonic stem cells have the ability to differentiate into these neurons, potentially providing a source of new cells. *Time* magazine recently reported the progress of scientist Lorenz Studer, who has differentiated embryonic stem cells into:

... just about every cell type affected by Parkinson’s disease and has transplanted them into rats and improved their mobility.

United States biotech company Geron is apparently close to seeking permission to conduct the first human trials using embryonic stem cells to create cells that produce neurons. Other developments have been highlighted during the Senate committee inquiry into this legislation, and I encourage senators, particularly those who may have doubts about the amount of progress that has been made since 2002, to please have a look at that committee inquiry.

Some have lauded the seemingly less controversial adult stem cell research area as the way to go, claiming that advances in this area have made embryonic stem cell research redundant. Indeed; no-one denies that adult stem cell research is a promising field of stem cell science. It excites me to say that. However, we should be wary of advocating one type of research over the other, particularly at this early stage. Each has its strengths and its weaknesses. For example, it is widely accepted that embryonic stem cells are able to more widely differentiate into different types of cells. That is the science. I think that is an accepted part of this debate. Embryonic stem cells also have the unlimited capacity to keep dividing, which of course can tell scientists incredibly useful things about the cellular ageing process. Embryonic stem cells created through the use of techniques such as somatic cell nuclear transfer can facilitate the creation of disease-specific stem cells which will hopefully assist in investigating cures and causes.
While I note that individual scientists, particularly those who gave evidence to the committee, have their individual beliefs, it is interesting to note that the two peak scientific bodies that attended the committee hearings in Canberra—the Australian Academy of Science and the Federation of Australian Scientific and Technological Societies—both called for research into embryonic and adult stem cells. Rather than seeing embryonic stem cells and adult stem cells as competing fields, we should see them as entirely complementary. It may well come to pass that research into embryonic stem cells, particularly somatic cell nuclear transfer, will help us to understand and improve the therapies actually using adult stem cells. As Professor Peter Rathjen, Dean of the Faculty of Science at Melbourne University and an internationally recognised stem cell researcher—whom we enjoyed having at the University of Adelaide for a while—said: You need to understand how science progresses. It doesn’t progress with a single step that means that you suddenly have cures. It moves incrementally towards a goal, and you gradually put in place bits of the jigsaw and solve various technical problems that are required.

In relation to the Lockhart review, the 2002 acts included a provision that the laws be reviewed by an independent committee following three years of operation. The Lockhart review was not instigated by the scientists; it was in fact enshrined in the original legislation. The Lockhart review was appointed by the government. The legislation review was chaired by the late former Federal Court judge the Hon. Justice John Lockhart AO, QC.

Unlike some in this chamber, I do not consider the Lockhart review to be a sloppy process. They conducted an exhaustive, independent review of the laws over six months, with hearings in the states and territories. The committee analysed 1,035 submissions, met with a range of scientists and researchers and other stakeholders and conducted an exhaustive literature review. I pay tribute—as did Senator Webber—to that panel and, in particular, to Justice Lockhart. He was held in very high esteem by those in the legal and scientific communities and he made a critical contribution to this debate on stem cell research. I also acknowledge his wife Juliet and thank her for her kind words, particularly in recent times.

Perhaps the best argument against those who state that the Lockhart review was biased in favour of somatic cell nuclear transfer before the review even started is a letter from Dr Pamela McCombe entitled ‘Why I changed my mind about stem cell research’. As you heard from Senator Webber, Dr McCombe tabled that letter at the committee hearing on 20 October. Dr McCombe was in fact a sceptic of embryonic stem cell research when she joined the legislation review committee, but her participation in the review led her to conclude:

Those people who think that there is no moral problem with embryo research should be allowed to carry out that research and should not be prevented from doing so by the power of the law. Those people who think the research is wrong should be allowed to say so and to protest against what they believe to be wrong. And those who do not wish to participate in the treatments that arise from stem cell research should be allowed to avoid such treatments.

It should be made very clear that this bill does not propose any relaxation of the prohibition of human reproductive cloning. Senator Patterson’s bill makes that clear, as did Senator Webber’s and my exposure draft. Although I am one of the strongest supporters of the science that would be enabled by this bill, I have always opposed and will continue to oppose human reproductive cloning. Part of the reason that we have enshrined this law was thanks to the pressure applied by
people such as former Senator Brian Harradine, me and some others. That is clear in this bill—so don’t anyone suggest that a slippery slope is enabled by this legislation or legislation that I and others have put forward.

Opponents of somatic cell nuclear transfer have further warned that legislation of this type may lead to the commoditisation of human eggs. It is important to note that this bill—as did mine—maintains the current prohibition on the sale of human eggs, sperm and embryos. This is another slippery-slope argument—that, if we allow this bill to pass, it will not be long before women are offered financial incentives to donate eggs. Many of us in this place have been advocates for women’s issues, and we will continue to be. I acknowledge that there are risks involved in egg donation—it is an invasive and risky procedure—but I believe that this bill allows women to make an informed choice to donate their eggs for research if they choose to do so. There are a number of reasons that women may want to donate their eggs for research, and they should be allowed to do so. If it turns out that the supply of eggs is too limited for the science, my thoughts would echo those of Professor Peter Schofield of the Lockhart committee who said, ‘Tough!’

For opponents to suggest that we should not pass this bill because of what might happen or what might be sought in the future is ludicrous. We must consider the legislation and the research before it at this point in time. Around the world somatic cell nuclear transfer is a widely accepted technique for progressing stem cell research. It is not a radical agenda. Countries like the UK, the US, Singapore, Israel, Belgium, Japan, Spain, China and Sweden all permit this process. I acknowledge the difference in the US between privately and publicly funded research, but it is still allowed. We risk losing more of our best and brightest scientists if they feel thwarted from pursuing such cutting edge technology. And peak bodies fear that attracting foreign researchers will be difficult, too, if we continue to have a restrictive and uncertain research environment, which would be the case if we do not pass this legislation.

Whether or not this technology will be progressed is beyond dispute. And if it does not happen here, it will happen elsewhere. Unless opponents are suggesting that we ban all imports of therapies derived using somatic cell nuclear transfer then Australians may well ultimately benefit from this technology, regardless of what happens here. But do we not want to be part of this? Do we not want to invest in the potential and the hope that it presents us with? At stake is whether or not we want our research community to play the role that they are able to in this. If we allow this bill to pass, we can ensure that Australians benefit not only from the outcome but from the knowledge that is gained in the process and the increased speed with which progress may come about if Australia’s innovative prowess is allowed to be brought to bear on this challenge.

In the absence of federal government action on the Lockhart review’s recommendations, the Victorian and Queensland state governments have indicated that they may go it alone—they will legislate to permit somatic cell nuclear transfer. I believe a nationally consistent framework that permits research using somatic cell nuclear transfer is necessary and preferable. If we fail to broker such legislation now, we run the risk of yet again relying on inconsistent and widely varying state laws, as we did prior to 2002. The legislation being debated today gives us the opportunity to foster scientific innovation and discovery in addition to potentially providing treatments and cures—although they may be a long way off—for Australians.
As the Australian Democrats science and biotechnology spokesperson, I have come into contact with many people for whom stem cell research offers hope. Like all senators, I am sure, I have received a lot of correspondence and emails. It is critical that the potential of such therapies is not overestimated. I understand the need to be realistic. We have to allow for realistic time frames for therapeutic application to be made. But it is also essential that we allow for the potential for this to be explored. I am not suggesting that we should be unrealistic, but I believe it would be unethical not to invest in this research and the technology and possible clinical application that it will bring. I am a strong supporter of this bill, and I urge my colleagues to support the Lockhart recommendations being enshrined in law.

Senator HUMPHRIES (Australian Capital Territory) (10.09 am)—I had the privilege of chairing the Senate Standing Committee on Community Affairs during its recent inquiry into the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006. The committee’s report was tabled last week, and I hope as many of our colleagues as possible have had the chance to read it in that time.

Senators will be aware that the community affairs committee has been especially busy over the last year on a succession of references, each with a vexing and controversial moral dimension: the abortion drug RU486, the transparent advertising of pregnancy counselling services and, most recently, the cloning of human embryos for scientific research. For me, however, this last inquiry was the most challenging, the most far-reaching and the most disturbing. It was disturbing in that this legislation, the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006, redefines the ethical boundaries of Australian science more fundamentally than any decision of this parliament in recent memory.

Let me dwell on that point for a moment. It would dismay me if any senators were to sit this one out and, for the sake of other priorities, not seriously address the intellectual questions that are raised. Let me assure such senators, if they exist, that the cloning of human embryos for research, if permitted by this parliament, will generate many more debates in the future around the nature of the brave new world we have entered. It is an issue to which we will need to return again and again, with ever more complex legislative responses, as the manipulation of the human genetic sequence raises more and more intriguing and surprising possibilities.

The proponents of this branch of science believe that this line of research can lead to the discovery of cures for a host of diseases in human beings. Its opponents argue that such research around the world has to date produced no such cures, that conceptually the process cannot produce the results promised and that, even if it could, the research comes at a considerable price—that is, the destruction of human life at its earliest stage. There is no dispute that every Australian and every senator in this place wishes to see diseases like diabetes and leukaemia defeated. Nor is there any dispute about whether embryonic stem cell research should take place. That debate was held in 2002, and the research has been taking place under the current legislative regime.

The crux of this debate and, in fact, the sole question that we face in this debate is whether this parliament will authorise and enshrine in legislation the bringing forth of human life—human embryos created through cloning, in other words—in order that those human lives can be used and then destroyed in research. The proponents of the
amending bills do not and cannot point to any principle upon which this parliament can or should amend the legislative regime that has been put in place since the detailed inquiry and debates in 2002. I believe there is no principle that can justify the creation of human life in order to destroy it. But I accept that there are many senators who do not share my views about when life begins. Those senators do not equate a clump of human cells rapidly dividing in a test tube to a human being replete with rights, and I accept that the gulf between those two perspectives is probably unbridgeable.

To those senators, however, I address a further concern that I ask them to carefully ponder. Let us suppose this legislation passes and becomes law and in a few short years time, while those senators are still sitting in this place, the cloning scientists come back again and say, ‘Our research hasn’t produced the miracle cures yet, but that’s because we’ve discovered that we need to extend the life of the embryos we’re experimenting on from 14 to 28 days before destroying them in order to find the answers we need.’ What do we say to those requests? How do we distinguish between the value of an embryo at 14 days and that of one at 28 days of life—by how it looks?

Let me add a further variation on this conundrum. Scientists announce that in this not-too-distant future scenario it is possible to clone an embryo from a person with a diseased kidney, lung or eye and grow that embryo to the foetus stage, where its genetically identical kidney, eye or lung can be harvested to be transplanted into the sick donor. All that stands in our way, the scientists say, is for parliament to further extend the period during which cloned human organisms can be kept alive. And, of course, as you would understand, there quickly appears a lobby of Australians who would benefit from this great advance who clamour for parliament to do just that.

What would we say to such a clamour—that creating human embryos to become spare parts for other human beings is wrong? Indeed, I am sure we would. But what do we then say when the scientists respond: ‘But, Senator, you gave us the right in 2006 to create human embryos for the therapeutic benefit of other human beings. What we now propose is a difference of degree but not of concept.’ And, of course, they would be right. What response can there be to that argument, for in fact at that point it would be evident to anybody that the clear ethical boundary we seek will be behind us, not in front of us? We will have passed the point of no return.

The House of Lords Select Committee on Medical Ethics, in 1994, stated the obvious fact:

Issues of life and death do not lend themselves to clear definition ... to create an exception to the general prohibition of intentional killing would inevitably open the way to its further erosion whether by design, by inadvertence, or by the human tendency to test the limits of any regulation.

Indeed, what was stark in the evidence before the Senate Standing Committee on Community Affairs was the inability or unwillingness of those advocating therapeutic cloning, including the scientists actually wanting to conduct it, to explain the proper ethical limits of this research. Some even tried to deny that somatic cell nuclear transfer was cloning. This uncertainty was highlighted by Professor Kerridge of the Lockhart committee, who admitted that the proper limits of scientific inquiry may indeed change in the future as so-called community standards change.

Professor Alan Trounson, a high-profile proponent of therapeutic cloning, typified the difficulty in leaving the setting of these lim-
its to scientists themselves when, in commenting on the Human Embryo Experimentation Bill 1985, he said:

I would do anything to cure disease ... I don’t care if it is a floodgate. If it opens an opportunity to treat really serious disease and disabilities it is all right with me.

I respect Professor Trounson’s enthusiasm, but I cannot respect his ‘whatever it takes’ attitude. It is our job as parliamentarians to look over the horizon and determine where a less regulated approach to scientific inquiry might lead. We do not allow journalists to write the laws of defamation or company directors to decide the rules on insider trading. Similarly, it cannot be left to scientists to decide what experiments they can conduct on human beings.

I believe the balance struck by all sides of the Australian parliament in 2002 was right. That approach did allow embryonic stem cell research to be conducted in Australia, and indeed it is being conducted today. Not only does this legislation unravel that consensus in a way which will be deeply divisive, not just in the broader community but in the scientific one as well, but it sets us on a path for many more such debates as new and problematic applications of this technology give rise to ethical dilemmas which it will fall on this parliament to resolve. Are our moral compasses ready to deal with these complex questions? I very much doubt it. Let me make the prediction that, if this bill passes, we will again, during the political life of many present senators, be considering legislation to further widen the scope of this area of scientific research and it will not get any easier the more times we do it.

I want to respond to a number of claims supporters of this legislation have made in the course of the community affairs committee inquiry. Proponents of the bill have suggested that there is a distinction between an embryo created by the fusion of sperm and egg and an embryo created by cloning. The implication of this claim seems to be that a cloned embryo is not quite as human as a naturally fertilised one, so destroying it after experimentation is not quite as bad. Of course, the techniques or processes for bringing it into existence are different. The result, however, is the same: it is a human embryo. That was readily acknowledged by the members of the Lockhart committee. Professor Skene, the deputy chair of the Lockhart committee, said to the community affairs committee:

Other people have said to us that what we are talking about today, a somatic cell nuclear transfer embryo, is better not being called an embryo. We did not shy away from calling it an embryo because it is conceivable, as happened with Dolly the sheep, that if that entity were put into a woman, after a lot of care, it could in fact develop into a foetus. So we did call it an embryo.

That makes it quite clear that an embryo created by somatic cell nuclear transfer is not an artificial entity that can only exist in a Petri dish. It has real potential for independent human existence. After all, it was this very process that led to the birth of Dolly the sheep—a real sheep, albeit a very sick one.

Another contentious proposition is that there will be no cures for a host of debilitating diseases unless therapeutic cloning is permitted in Australia. There was a great deal of evidence before the committee concerning the potential of adult versus embryonic stem cells as the source of cures for diseases. In terms of runs on the board, it did seem to me that the evidence before the committee suggested very strongly that adult stem cell research was a long way ahead of embryonic stem cells, taking into account overseas research, where the position between the two technologies is more ‘competitive’. Adult stem cells are already being used in 80 therapies around the world. In the United
States there are more than 1,200 Food and Drug Administration approved clinical trials in relation to adult stem cells.

There are no clinical trials in relation to human embryonic stem cells. Even the Lockhart review observed that, to date, human embryonic stem cell research:

… has not reached the stage needed to start clinical trials (ie proof of principle of a safe and efficacious treatment in animal models).

There was significant medical evidence from researchers and clinicians to similar effect given to the Senate community affairs committee.

Much of the evidence put to the committee in support of the value of adult stem cell research was in fact acknowledged by the proponents of cloning. It was argued by some witnesses that adult stem cells are safer than human embryonic stem cells. They avoid all of the immune-rejection and immune-suppression problems associated with human embryonic stem cells. They are safer also because they are much less prone to the incidence of volatile cancer formation that currently afflicts human embryonic stem cell research. Another argument put to the committee was that there simply will not be enough embryos to pursue embryonic stem cell research unless we clone more. A large supply of eggs and embryos are needed, so the case goes, for these lifesaving cures to be found, and cloning is the only path for that to occur.

The NHMRC confirmed that, as at 31 December 2003, there were 104,830 embryos in frozen storage in Australia—presumably there are more today. These are left over from fertility treatment processes. However, under the regulatory regime established in 2002, the licensing committee has issued just nine licences pursuant to which embryos have been made available for research. Of these nine licences, five have been issued in relation to fertility treatment. The NHMRC has confirmed that only one licence is directed at treating a specific medical condition. There is a striking disjunction between, on the one hand, claims about the need for access to embryos so that embryonic stem cells can be procured and research conducted to relieve disease and, on the other, the fact that only one licence has been issued for such a purpose.

This led the committee to quite reasonably ask: with over 100,000 embryos available for research, how many embryos have actually been used across all areas under the current legislative regime? The answer from the NHMRC was just 178—out of 100,000 embryos. Less than one-tenth of one per cent of those embryos have been used. If embryonic stem cells are the miracle weapons to fight diseases that the proponents of the bill claim they are, why so few licences? Why only one licence to research disease and why such a small number of embryos used to date? Something does not quite stack up.

Another point that was put to the committee was that the scientific community overwhelmingly backs embryonic stem cell research and cloning for that purpose. I concede that the majority of scientific umbrella organisations did back this bill, but I dispute that those witnesses who oppose it can be painted as the lunatic fringe. The committee heard emphatic testimony challenging this legislation from the likes of Professor John Martin, Emeritus Professor of Medicine at the University of Melbourne, and Professor Alan Mackay-Sim, the director of the Eskitis Institute for Cell and Molecular Therapies at Griffith University. The opinions of such people cannot be dismissed lightly. They are respected leaders in their fields. The reality is that there is fierce dispute within the scientific community, both here and abroad, about this technology, and passing this bill will not
end that. The respected British journal of medicine the *Lancet* put it this way in 2001: ... given the large supply of discarded embryos that is available ... the creation of embryos solely for the purpose of producing human stem cells is not only unnecessary but also a step too far.

With this legislation, we stand at the threshold of a place we have not been before. I put it to the Senate that if we pass through this doorway we will inevitably be drawn to explore every room in this house, whether that enriches us as human beings or not. We can already guess what exists in some rooms, because science has taken us there in a theoretical sense: splicing the genome of human beings to enhance some characteristics and suppress others, creating organisms with more than two parents, genetically redesigning our children to suit our tastes and our pockets and creating hybrids of humans and animals for the supply of human spare parts. And when the entrances of those rooms are reached, the imploring arguments of those pioneering these developments will be the same as they are today: that science must have the right to discover what lies beyond our knowledge and that therapeutic gains outweigh any ethical considerations. Former US Chief Justice Earl Warren said:

In civilised life, law floats on a sea of ethics.

We take laws out of that environment at our peril. This legislation dramatically departs from the ethical framework which the parliament unanimously acknowledged just four years ago. Indeed, it proceeds without any clear indication of what its ethical parameters concerning therapeutic cloning actually are. What is the ethical justification for choosing 14 days as opposed to 28 days? If that sort of question has not been answered, what prevents that boundary being extended incrementally into the future? We will be taking a very large step if we pass this legislation. The question is not: do we accept that life can be terminated at this stage after 14 days? The question is, really: is it okay to destroy one form of human life for the benefit of another?

If we accept that the therapeutic possibility exists, we must countenance the many circumstances in which that might occur. I do not believe the parliament has been fully apprised of those possibilities and those implications in putting this legislation forward today. I ask senators to consider very carefully where this legislation leaves the Australian community and to reject this legislation because of the many uncertainties that surround it.

**Senator STEPHENS** (New South Wales) (10.29 am)—I concur with the comments made by Senator Humphries in his contribution on the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006 that this legislation raises as many questions as it answers. We are debating here a choice not between science and ethics but between science that is ethically responsible and science that is not. Cloning involves the destruction of human life, and the thrust of this bill is that such destruction might one day prove to be of possible benefit to others, but to reproduce human life in a depersonalised way, in a laboratory, for the purpose of killing that life indiscriminately is to reduce it to a mere means and an instrument of other people’s wishes. It is exploitation and it can never be justified, no matter what putative benefits might be claimed for humanity in doing so.

As Senator Humphries said, much of the argument about this bill concerns the language that is being used. Let us just call an embryo an embryo and killing killing. Substituting meaningless terms or unfamiliar acronyms does not help the debate. Before we change the legislation on a conflicted issue such as this, we need more information about it and a better understanding of it. Our
country’s interests are best served by well-informed legislators and policy makers and a well-educated public. There needs to be more clarity and a common understanding about the science and technology of stem cell research, even among scientists, and more understanding of and respect for the costs and risks of embarking on such a treacherous track.

I have said before in this place that I approach every piece of legislation with the same questions: what is the intent of the bill and what are its consequences? The consequences of this bill are such that I cannot support it. From a moral position, I am firmly opposed to the bill. However, there are many other reasons why, as legislators, we must not proceed down this path. The science of embryonic stem cell research is unproven and unsafe. However, embryonic stem cell research is exciting for scientists for several reasons. These cells can be propagated almost indefinitely under laboratory conditions. They can be easily genetically modified and, in principle, can be induced to differentiate into a desired cell type. However, making the embryonic stem cell convert into a specialist cell is not straightforward, and it is certainly not predictable. We hear a lot about possible cures for juvenile diabetes, for instance, but cells like the insulin-making cells of the pancreas have proved to be extremely hard to grow, and scientists believe that current islet research will provide a cure for this crippling disease, so we do not have to pin our hopes on cloned embryonic stem cells.

I am all for research that helps us to understand and arrest a disease process, but the fact is that, despite all the hype and all the media, after 20 years of research there are currently no approved treatments that have been obtained using embryonic stem cells. Why have those stem cells not been used to treat people? Because, as Senator Humphries said, there is no evidence in principle of their efficacy. They are unproven and unsafe. They have been shown to produce tumours, to cause transplant rejection and to form the wrong kinds of cells. The simple fact is that nobody knows whether embryonic stem cells will yield successful treatments or not. So, to find out and overcome the problems encountered so far, there would need to be a lot more experimentation. That is what this bill is asking us to approve, which, to my mind, is research of questionable scientific merit.

It is important to examine the practical considerations that this bill raises, and the first of those is the provision of human ova. A large supply of human eggs will be required for this. For example, to treat 1,000 patients would require in the order of 50,000 to 100,000 human eggs. Collecting 10 eggs per donor, for example, would require a cohort of 5,000 to 10,000 women. Think of the cost of harvesting those eggs, both in dollar terms and, of course importantly, in terms of women’s health. I was pleased that Senator Stott Despoja acknowledged that there are risks to women’s health in harvesting their eggs for stem cell research.

We heard of plenty of evidence at the inquiry of the Senate Standing Committee on Community Affairs that the process of harvesting a woman’s eggs for stem cells places that woman at risk. In order to obtain women’s cells, superovulation regimes or the higher dose hormone therapies used in fertility treatments would be applied, with subsequent health risks. While there is some debate about the degree of risk involved, there is none about the fact that there is risk involved. A growing body of evidence shows that these practices, when used for standard IVF treatments, can cause a wide spectrum of problems, including memory loss, seizure, stroke, infertility, cancer and even death.
So there are two issues to consider here. There is the extent to which superovulation used in IVF programs has been greatly decreased as developments in ART have moved to what is called ‘minimum stimulation’ and a necessity for fewer ova. As the availability of so-called ‘excess eggs’ decreases—despite the fact that there are over 100,000 eggs still in storage—the options of researchers become limited and lead to a dilemma: more eggs are needed for research but fewer are required for ART. Where are those eggs now going to come from?

Should women be put at risk to produce more eggs than either nature or their particular choice of ART intended, or should there be commercial inducements for women to produce excess eggs knowingly for research purposes? Some people might think that the latter choice sounds like futuristic fiction, but that is exactly what is happening, right now—not, as you might fear, in the underdeveloped world but in the UK. In July this year, the Human Fertilisation and Embryology Authority in the UK issued a licence to the North East England Stem Cell Institute allowing it to offer a 50 per cent discount on IVF treatment to women who were willing to donate ova for embryonic stem cell research. So the commercial exploitation of women is another ethical issue that we as legislators must be aware of and be prepared for.

We know that over the course of her reproductive years a woman releases about 400 ripe eggs. Given that at puberty a woman has approximately 300,000 ova, the crude arithmetic suggests that her surplus requirements are in the order of 750 to one. Researchers told us they prefer fresh ova to frozen ones, as these often die, so there will inevitably be financial pressure on women, particularly poor women, to sell their eggs for experimental purposes.

But ultimately the issue is not about whether the eggs are gathered from women who are paid or from those who give them altruistically or from women who are forced to give them or from cadavers, which is also being proposed. The practice of using them for cloning purposes is just not acceptable. The Australian parliament came to this decision in 2002, and nothing has happened to change that. One thing that has happened to reinforce that 2002 decision, however, is that the Lockhart report has upped the ante to include interspecies fertilisation. The Lockhart committee suggests:

... under limited circumstances, human-animal hybrid or chimeric embryos could be used, under licence, for preliminary investigations of nuclear transfer technologies.

Why would they want to allow such practice even under the strictest guidelines: because it would solve the problem caused by ‘the need for human egg donation’. Oh, what a tangled web—we find a way out of one ethical dilemma by creating another, and it is all done in the interests of the pursuit of knowledge!

And what about recommendation 28 of the Lockhart report? This goes even further, approving for research the use of embryos which have more than two genetic parents—under licence, of course, and in order ‘to advance knowledge and investigate specific diseases and conditions’. The justification offered for this kind of activity is of course research—the curiosity factor—hence the distinction is made between so-called ‘therapeutic’ cloning and the ‘reproductive’ cloning, which opens up the possibility of genetically engineered human beings. A clone is a clone is a clone and neither language nor semantics can disguise that fact.

To an educated and intelligent audience, such as we have here, it might seem alarmist and sensationalist to bring up the matter of genetically engineered human beings. But
while we may find the idea of human clones unthinkable and abhorrent, we should be aware that there are individuals—other than the discredited Korean researcher—such as Severino Antinori in Rome, and several organisations including Clonaid and Human Cloning, that are totally committed to this end. This is not just in the realms of science fiction. And the technology which would allow them to clone embryos for therapeutic reasons can equally be applied to reproductive cloning. A cloned embryo is an embryo and once the technology is there it can be used to create life. We need look no further than the Dolly the sheep exercise to see that this is fundamentally true. And it has been done. Experimentation with human beings is not just confined to the fictional world of Dr Frankenstein, or George Orwell’s *1984*, or the *Brave New World* of Aldous Huxley. For those who say that could not happen these days, I ask you to think about some of the other inconceivable things that are happening these days at the hands of so-called educated and enlightened people—for example, people being imprisoned for years without trial and people being tortured in the name of democracy. I do not really need to go on.

There are scientists who oppose reproductive cloning but who nevertheless believe that it is inevitable. Why should we as legislators be more optimistic than these professionals? It is our duty to ensure that cloning does not happen by enshrining that in law.

There is another issue that raised huge concerns in my mind during the Senate inquiry, and that was the issue around oversight and monitoring. There are those who argue that the cloning techniques would be safe from such abuse because they would be strictly monitored. Senator Patterson is confident that we can go down this path because, as she said in the committee hearing:

... there will be strict guidelines the NHMRC will put in place.

I have two problems with this. Firstly, the NHMRC evidence to the inquiry did not give me a great deal of confidence. We heard that the NHMRC has not met to consider the implications of the Lockhart bill on its resources or its mandate despite the fact that the Lockhart report was tabled last year. Secondly, guidelines have no value unless they can be enforced. The NHMRC has neither the capacity nor the power to ensure those guidelines are followed, nor does it have any rights to act if it finds the guidelines have been ignored. Are we seriously being asked to envision NHMRC staff descending like health inspectors on various laboratories? Will they be expected to see immediately what is going on and seize any offending Petri dish? The NHMRC’s submission to the Lockhart review highlighted the tensions around accreditation and licensing of ART centres and where their responsibilities lie. There is no registration and licensing system with proper enforcement powers, and there are no plans for one. So I cannot see how the government can ensure that, if embryonic stem cell cloning techniques were developed here, they would not be abused. We are being asked to put our faith and trust in scientists and in doing so we are abrogating our responsibility as legislators.

We need to support the alternative viable options. We can do this without dashing the hopes of people who suffer debilitating illnesses. Remember that there are three sources of stem cells. As well as embryonic stem cells there are adult stem cells and neonatal cord blood stem cells. What the advocates of embryonic cloning do not publicise is the fact that we do not need embryonic stem cell research. Treatments that do not require the destruction of human life are at least as promising as any approach using embryonic stem cells.
Adult stem cells can be readily obtained, usually from the bone marrow of patients. They have been used clinically about 30,000 times, so claims made about their effectiveness or otherwise are based on evidence, not dreams. It is a fallacy that adult stem cells are unlikely to be as effective. They have some disadvantages—that is true. There are risks to the donor during extraction; there is significant risk of transmission of infectious disease from donor to recipient; and these cells are, at present, more difficult to propagate en masse under laboratory conditions. The fact that they have the potential for fewer divisions is also seen as a major limitation to their use.

On the plus side, fewer divisions may be advantageous from a safety point of view because it reduces the chances of inadvertent stem cell proliferation in a part of the body where it is not desired. When taken from the patient, there is no problem with rejection. A positive finding from many years experience in bone marrow transplantation is that adult stem cells are not prone to teratoma formation and they appear to retain their self-replicating capacity while contributing to tissue development or regeneration.

Thousands of lives have been saved by adult stem cells. Campaigns that divert attention and resources away from adult stem cell research to focus on embryonic stem cell research run a real danger of slowing down and even stopping the progress toward cures that is being made in this field. They also draw attention away from the discoveries and success achieved using neonatal cord blood stem cells. More than 6,000 patients and 66 diseases have been successfully treated with stem cells from cord blood. They too have many advantages: they can become many different tissue types; they have the capacity for many cell divisions; they involve no donor risks; and they cause less graft versus host disease, in which the donor cells attack the tissue of the patient’s body, than adult bone marrow stem cells. So let us not turn away from this progress in our pursuit of new goals by methods which are unacceptable and for results which are unknowable.

In areas of public policy, the precautionary principle is used where there are deep differences of opinion. I believe what is needed here is a precautionary principle. Why the need to hurry down this path? I have thousands of emails and letters from Australians who do not want to legalise destructive embryonic research because it is destroying life—I have to say I do not have thousands of emails from people imploring me to support this legislation. Adult and cord blood stem cells create potential for regenerative medicine in the future. Even if the research on embryonic stem cells were successful, it is never acceptable to use a good end to justify an evil means. Cloning commodifies human tissue and endangers human life. I believe that as legislators we must say no to the bill now before there is no turning back. Senator Humphries in his comments started us thinking about where we go if we start down this path. It is an issue that is being reflected in many of the pieces of correspondence that I have been receiving over the last few weeks about this bill.

I think there are some people that need to be acknowledged in all of this: the unsung heroes of course are the secretariat staff who deal with the complexities of this kind of legislation. I want to place on the record the thanks of the Senate to the secretariat, particularly to Elton Humphery for the work that he has done, and to the witnesses for the quality of the submissions on both sides of the debate, because the public engaged in debate on this legislation.

As a final word of caution, Senators Polley, Hogg and I made some additional com-
ments which are contained in the report. We believe that, despite all the evidence we heard from witnesses on both sides of the debate, this debate is about crossing an ethical line. Deliberately creating or cloning human embryos expressly for destruction in order to obtain stem cells for a wide range of research should not be possible, and we condemn this legislation for proposing that.

Senator Nettle (New South Wales) (10.48 am)—This is the second debate on stem cells that I have been involved in in this parliament and I am pleased to see that so far people in their contributions have managed to remain calm and reasonably rational. My recollection of four years ago was that there was some pretty passionate debate. It is good to be passionate but it is important that we respect that people have different and legitimate views on this issue.

For those people who oppose the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006, one of the primary drivers is a view about when human life starts. I do not share the view of many who oppose this legislation that every egg, every sperm and every embryo is a human being. I think that everyone who is involved in this debate, as well as the legislation and the Lockhart review, recognises that human embryos have special status. Indeed, the whole basis behind this legislation is that it sets up a special regulatory regime which has a ban on using egg-sperm embryos for research. It has limits on how long research on embryos can proceed for. It has got bans on the implantation of research embryos into women and it has a continued prohibition on therapeutic cloning. All of those are measures that recognise that human embryos have a form of special status. This point has been made clearly by the members of the Lockhart review.

Central to the view of people who support the legislation is that embryonic stem cell research may offer possibilities for treatment of disease that will help people. The submission of the members of the Lockhart review to the Senate inquiry talks about the need to care for the sick and vulnerable and the wishes of individuals as also being morally important.

It is important to be realistic about any successes that come from this research, and I am pleased that the scientists I have heard speaking about this issue have been realistic. The deputy chair of the Lockhart review said when she was at the Canberra hearings that members of the committee have been very careful to say that the community should be fully educated on how long it takes for this kind of research to develop. She said:

It is not going to be us or our children; it is going to be our grandchildren by the time the research is done.

A number of scientists who appeared before the Senate committee looking into this legislation talked about the process of scientific discovery being a continual journey. It goes in stop-start methods and it means sometimes you just do not know if there is a significant breakthrough around the corner. A number of scientists talked about almost daily new developments that are happening in the area of stem cell research. The Federation of Australian Scientific and Technological Societies in their submission to the Senate inquiry noted:

…the high level of research activity and publication in stem cell and related sciences and believes it is premature to close off research options or make determinations on what approaches—eg adult and embryonic stem cell research—will be the most useful …

One of the witnesses that the Senate committee heard from was Professor Phil Waite from the University of New South Wales, whose research group is comparing the effec-
tiveness of adult and embryonic stem cells in repairing spinal injury. She described her research as being unique in Australia and, she thought, internationally. She spoke about the fact that a lot of laboratories have an interest in a particular type of stem cell research, whether it be embryonic or adult, and have expertise in that particular area, and that, quite frequently, their funding is linked to a recognition by the broader community that they are achieving milestones and breakthroughs in that area of research—thereby highlighting the possibility that many of the people who are advocates for research of a particular cell type do so because it enables them to get funding for their research. That is what is unique about her research: she is funded to look at which cells are more effective when it comes to spinal cord injury. This is what she told the committee about the area that she is looking at:

… it is clear that differentiation of embryonic cells and their effectiveness is leading the field. Adult cells have been tried. Adult cells taken directly from the adult are not effective. Adult cells de-differentiated to become progenitor cells are much less effective than the embryonic cells and to be effective have to be put in with other trophic factors.

She was saying that, just in her area of research, at the moment the people who are leading the research are those looking at embryonic stem cells.

The concerns that the Greens and I have with this legislation are the same concerns that Senator Bob Brown and I spoke of in 2002. They relate to the privatisation and the commercialisation of this research. Much of the stem cell research that is being done around the world is in private hands, and it is currently generating massive profits for the biotech industry. Part of the reason why this has occurred is that stem cell lines are patentable entities. That brings with it the controversy regarding the commercialisation of human reproductive material; some people interpret that as the commodification of human life. Because stem cell lines are patentable, they create an opportunity for the biotech industry to increase their profits. That is central to the concerns that the Greens and I have in relation to this legislation.

Senator Bob Brown and I moved a series of amendments in 2002 that tried to ensure that stem cell research stayed in public hands. Those amendments were defeated, and we have seen the research in Australia continue in a mixture of public and private hands. I understand that the federal government’s injection of funding into stem cell research has been in the order of $200 million, both committed and already spent. I cannot tell you how much private money has been put into it, but I imagine it would be a substantially higher figure.

During the Sydney hearing of the inquiry into this legislation, I met a researcher by the name of Catherine Waldby, who has co-written a book on this called *Tissue Economies*. In that book, she goes through and looks at the different models around the world under which stem cell research has occurred. Like the general manager of Stem Cell Sciences, she recognises that, in the US, embryonic stem cell research is largely unregulated, while in Europe there are a range of different models for funding and regulation. In the book, she and her co-author conclude:

… these systems of public, national funding for embryonic stem cell research sit alongside significant transnational, commercial investments…

And:

… in most cases, public funding for stem cell research is designed to work together with commercial research rather than replace it, and public sector researchers also secure patents on their stem cell lines.
They write—and it is true here in Australia as well:
… transnational biotechnology companies dominate the research field and trade cell lines around the world.

They do point to one particular example, and that is the United Kingdom:
… the United Kingdom is at the forefront of the public sector research program, in part because of a history of public debate—

and the way in which that debate has occurred in the UK. The debate around stem cell research in the UK has had far more of a focus on these issues of commercialisation and privatisation than the debate here in Australia. It has been disappointing to me how little emphasis has been given to this issue, which is central to the debate. In the community, support for embryonic stem cell research would be far easier if people could be assured that there was a public system of regulation and that the research would be held in public hands. This would allay some of the concerns that people have about embryonic stem cell research. In Tissue Economies, the authors write:

This success in keeping embryo research within acceptable social limits and under well-managed governance has given the United Kingdom a strong position in the international research arena.

These are concerns that have been touched on in Australia. Indeed, the Lockhart review looked at these issues, and its report states on page 140:

People are concerned that these benefits and profits remain in the public domain, through public ownership, and that therapies remain available within the public health system.

There is a system of public licensing set up in Australia around stem cell research—and that is what we are dealing with in this legislation—but there is no system of public ownership, which is essential for how it is proposed this research will operate in Australia.

In the UK, the Stem Cell Bank is the central mechanism for ensuring that embryonic stem cell research stays as much as possible in the public domain, and it maintains public control over it. All the laboratories licensed for embryonic stem cell research in the UK must deposit a viable stem cell line with the bank. I will be moving an amendment in the committee stage of the debate, on behalf of the Greens, to require the same conditions in Australia, so anyone who gets a licence must deposit a viable stem cell line with a public bank. The idea behind the amendment and behind the whole concept is that researchers gain access to stem cell material through a bank and in return they contribute their innovations back into the public domain. This also helps to lower the barriers between commercial and public sector research in a variety of ways. I will go on to explain how the UK Stem Cell Bank does that.

To describe how the stem cell bank works in the UK, I will quote from the book Tissue Economies:

… as an obligatory passage point for all stem cell lines derived in the UK, the bank can accumulate master cell banks and provide ethical oversight to an entire field of tissue that would otherwise disperse throughout the globe and into an unknowable future. It provides a stable site of governance and brings all the stem cell lines under a single bioethical gaze. As a public institution, the bank will help to locate the stem cell research effort in public, national space, even when commercial firms carry it out. It will try to ensure that British research is not diverted away from national health boundaries by global markets. To this extent it is well situated to manage, although not resolve, the potential conflicts over embryonic value arising from stem cell circulation. While the bank cannot fundamentally alter the structural inequity built into the giving of tissues to increasingly commercialised research bodies, it may ameliorate and dissipate some of its worst effects.
Another way in which the stem cell bank in the UK does this is by giving public researchers access to the stem cell lines at marginal cost rather than at full market price. This helps to keep the research in public hands and within the budget of public sector funding.

The importance of a national stem cell bank in the Australian context was raised by Senator Bob Brown and me in 2002 and also in relation to this latest bill. Associate Professor Wendy Rogers, from Flinders University, stated in her submission to the Senate inquiry into this legislation: Finally, some of the key issues in the Lockhart Report have not been addressed in the proposed legislation. In particular the establishment of a stem cell bank and conditions for benefit sharing are not considered. Some of the reasons for these omissions have been explained, but in my view there is a serious ethical issue of equity that arises when tissues donated by Australians for the benefit of the Australian community (including both researchers and patients) are then used to develop commercial products for private enterprise. The products and profits from the research involving SCNT and the development of stem cell lines including a stem cell bank (should they proceed in Australia) should remain in public control, and equally available within the public healthcare system. The current climate of competition between the states for commercial biotechnology investment raises concerns that there will not be public ownership of many resources donated by Australian women for stem cell research. It is appropriate that any legislation recognises the interest of those groups who provide the basic resources for the development of potential therapeutic treatments in having access to those treatments.

The Greens see the establishment of a national stem cell bank as a fundamentally important way of ensuring that embryonic stem cell research is well regulated, that it remains in the public domain and that it delivers public health benefits.

I moved amendments to the 2002 bill on behalf of the Greens that required the government to establish a national stem cell bank, and they were not supported by the Senate. Instead, the Lockhart review committee was required to look at ‘the applicability of establishing a national stem cell bank’. The Lockhart review came back, and recommendation 47 of the report states:

A national stem cell bank should be established.

In the Prime Minister’s press release of 23 June 2006, he indicated that the government supports a national stem cell bank, but it is not in the legislation. I heard Senator Stott Despoja say that this is because the establishment of a stem cell bank does not require legislation, but it can be set up by legislation. The bill before us requires the minister to report to parliament within six months on the establishment of a national stem cell centre.

The Greens say that we should not put off the establishment of a stem cell bank. To proceed with the research and then look at setting up a bank in the future is to do it the wrong way around. What we should do—especially since everyone who is involved in this debate seems to agree that we should have a national stem cell bank—is to say, ‘We are going to have a national stem cell bank.’ We do have a de facto national stem cell bank operating at the moment, run by the Australian Stem Cell Centre, and it is functioning similarly to the way you might want a national stem cell bank to operate. However, it is a private institution and so it does not have the same capacity to ensure that the public interest is protected that a publicly run institution would have. During the Senate inquiry into this legislation, I asked the CEO of the Australian Stem Cell Centre about this issue. He gave an example of a stem cell bank that had been developed overseas, and it had taken 18 months to two years to establish. I will be moving an amendment to this
The central focus for me is to look at the issues of privatisation and commercialisation to see how this legislation can be amended to ensure that the public interest becomes central to the way in which research is carried out and that it is done in the public domain. These three amendments provide mechanisms that will assist us to ensure that the research has public oversight, that it occurs in the public domain and that any benefits are delivered to people across the board. That is my central focus. The Greens’ contribution to this debate, as it was in 2002, will be to look at issues of privatisation and commercialisation and to ensure that the public interest and public concerns are considered. This research will deliver benefits, and we want those benefits delivered through the public health system. We want the research done in the public domain and we want the public to have oversight, which includes looking at what is in the public interest when decisions are made about this research.

Senator TROETH (Victoria) (11.08 am)—I inform the Senate that I will support the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006. I applaud the work of the Lockhart committee, which is composed entirely of extremely respected scientists. I have taken the central point of my argument from the committee’s point on page xvii of the executive summary, which said:

The Committee therefore agreed with the many respondents who thought that the moral significance of such a cloned embryo is linked more closely to its potential for research to develop treatments for serious medical conditions, than to its potential as a human life.

This is the question that we must consider. I have been very gratified by the support from the Victorian scientific leaders forum on stem cell research, chaired by Sir Gustav Nossal, and I will have more to say later.
about the position of Victoria. In answer to
the very many who have said in opposition
to this bill that there is no point in passing
this bill because the advances in embryonic
stem cell research have been very few, I
would like to give them the words of the sci-
entific leaders from Victoria. They say that in
recent years there have been great advances
in embryonic stem cell research and that suf-
ficient evidence exists in animal models to
justify the adoption of recommendations
from the Lockhart review to enable the pur-
suit of this work in human systems. Page 16
of the Lockhart review committee’s recom-
mendations says:

... while embryonic stem cell research findings
have not yet translated into any clinical trials or
treatments, the use of excess ART embryos to
derive embryonic stem cell lines has contributed
to progress in the derivation and culture of the
cells and in methods of promoting the growth of
different cell types ...

Broadly speaking, my view is that we should
use embryonic stem cell research for greater
medical research into serious human disease.
That is my position. I am not a scientist,
therefore I do not propose to go into complex
scientific questions, but I believe it is the role
of the scientists to do that.

Much has been made of what might hap-
pen if we pass this bill. As other senators
speaking in favour of the bill have done, I
will put onto the record what this bill does
not support. In the recommendations which
are mooted to be passed, this bill continues
to prohibit reproductive cloning. It continues
to prohibit implementation into the reproduc-
tive tract of a woman of a human embryo
created by any means other than fertilisation
of an egg by a sperm. It prohibits the develop-
ment of human-animal hybrids. It prohib-
its the collection of a viable human embryo
from the body of a woman. It prohibits the
sale of sperm, eggs or embryos. It prohibits
trade in embryos.

I regret to say that much of this debate has
been made up of scare scenarios, which have
been pushed to the absolute limit of science
fiction, to try to persuade those who are in
favour of the bill not to vote for it. As an
educated member of parliament I resent that.
I also think that many members of the public
have been led astray in their thinking on this
by somewhat wild statements. So, once and
for all, we should put this to rest. As to what
this bill does not do, I have just given you
some indications of what is specifically pro-
hibited.

There is no doubt that there is a long time
frame for product development in the medi-
cal field, and 20 years from the development
of an idea to its place in clinical research is
not unusual, but the amount of progress that
has been made in eight years with human
embryonic stem cells is amazing. Australian
scientists have been very prominent in this
global endeavour, and I fail to see why they
should be excluded from the next chapter. I
am aware that my home state of Victoria has
a particular level of excellence in this field of
science, and I am very keen to see Victoria
maintain this expertise. So often our scien-
tists have to leave Australia to pursue their
area of research, and I would want my coun-
try and my state to be a leader in this re-
search.

Most members of parliament are not sci-
entists, and we can only make a decision
based on our idea of the common good and
our perception of what will advance our
country. Looking at the evidence that has
been given by eminent scientists through the
Lockhart review and by many other bodies
of opinion through the country, and looking
at the recommendations of the Lockhart re-
view about what should be allowed and what
should be prohibited, I can only come to the
conclusion that we should pass this legisla-
tion. I will vote for this bill.
I would like to congratulate the Lockhart review committee on their many hours of interviewing committees and other constituents, taking evidence and sifting through it to make their recommendations. It is a wonderful body of work which I believe will set the blueprint for research in this area for the next 10 or 20 years. I would also like to congratulate Senator Natasha Stott Despoja for the lengthy attention she has devoted to this issue and the way in which her work has contributed to this bill.

I would also like to thank Dr Mal Washer for the work he has put into the development of the bill. Not only was his general medical knowledge of great assistance in explaining scientific concepts; he was only too willing to share that knowledge with any member or senator who needed more information. I can only hope that the bill will pass the Senate and proceed to the House of Representatives for further reasoned debate.

Senator FIFIELD (Victoria) (11.15 am)—I rise to contribute to the second reading debate on the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006. At the outset I would like to commend Senator Patterson for bringing this bill to the parliament. I deeply admire Senator Patterson’s compassion and commitment to the health of Australians. This bill is yet another demonstration of that commitment. I would also like to commend Senator Stott Despoja for the work that she has put into drafting her own bill; she is similarly motivated. In light of Senator Patterson’s and Senator Stott’s Despoja’s announcements of their intention not to recontest their seats, I would like to take this opportunity to acknowledge their contribution in this place. They will both be remembered as substantial figures of the Senate.

This is a difficult issue for many of us. We are all, I am sure, united in our desire to cure disease. We are all united in our desire to ensure that medical research is ethical. None comes to this legislation with anything other than a desire to make good decisions. The Prohibition of Human Cloning Act 2002 and the Research Involving Human Embryos Act 2002 each required an independent review two years after the respective acts received royal assent. This was as it should be. Consequently, the legislation review committee chaired by the late Hon. John Lockhart QC undertook a review, as required by law, with people chosen by the government and with the agreement of the states. The members of the committee deserve congratulations for wrestling with some extremely difficult and complex issues.

In presenting this bill to the Senate, Senator Patterson is discharging her responsibilities as a legislator and is giving the parliament the opportunity to decide on the recommendations of the review, as I believe was the intention of the provisions in the 2002 act. In considering this bill and the Lockhart recommendations, we each need to determine our own framework for making a decision. We all need a frame of reference against which to judge the issues. We need to determine what our criteria are and what the threshold issues are. It is our duty to do so as legislators. Given the public interest in this legislation, we have an obligation to explain what informs our decisions. I will endeavour to do so.

The report of the Senate Standing Committee on Community Affairs does a very good job of accurately presenting the arguments on both sides. Senator Humphries brought his usual calm reasonableness to bear on this task as chair. There are 54 recommendations in the Lockhart committee review. Not all of them are contentious and not all of them require legislation. I will fo-
cus my comments primarily on recommendation 23. This proposal recommends that human somatic cell transfer should be permitted to create and use human embryo clones for research, training and clinical application, including human embryonic stem cells.

Much of the debate has focused on this particular recommendation. I found entirely unconvincing many of the arguments put both for and against this legislation. I reject the view that the legislation review committee was, to quote one side of the debate in the Senate committee report, 'stacked'. This claim reflects on the motives and professionalism of the members of the Lockhart committee. The committee comprised people with immense integrity, such as Professor Peter Schofield, whom I was fortunate to have as a scout group and church youth group leader as a teen growing up in Sydney.

I was also unimpressed by arguments which sought to cite quantitative measures of the public mind on these issues, such as reference to the volume of submissions against the legislation. The number of submissions on a subject is more an indication of passion and organisation than of community sentiment. Submission numbers are a very poor indicator of community view. Likewise, arguments on the other side of the debate which quoted research or opinion polls in favour of the recommendations do not sway me. As senators, we are elected to lead debate, to have opinions, to be advocates and to argue our case. It would be sad if our decision on these matters was informed by polling.

Then there is the category of argument on both sides which is, at best, debating points and, at worst, designed to cloud the debate. In this category of argument fall claims such as the risks to women of egg donation. I have no doubt that there are some risks, but they are acknowledged. All medical procedures come with risk. All procedures should be, and I hope are, accompanied by informed consent.

Also in this category of argument is the spectre of cancer formation through the use of embryonic stem cells. Again, this is recognised; it is acknowledged. It is a hurdle to be overcome. But overcoming hurdles in the pursuit of cures is what medical research is all about. On the other side of the debate, I have little time for the argument that embryos created by human somatic cell transfer are not really like other embryos because they are not fertilised by sperm. This line of argument seeks to obscure the fact that the new type of embryo is as much a human embryo as one created with sperm, albeit one that if implanted would be less likely to survive.

Many arguments on both sides are unconvincing and peripheral and are merely used as tactical distractions. As I indicated in the debate in this place on RU486, I very much regretted that in that debate there were some aspects which had taken on the characteristics of a constitutional referendum campaign—there was a 'yes' and 'no' referendum style approach with associated campaign tactics. Sadly, this has again been the case with this bill, particularly on the part of some of its opponents, and this is regrettable. Such an approach to important legislation does not inform, edify or illuminate debate.

The more useful debate has been around the relative potentiality of embryonic versus adult stem cell research. I have listened to the proponents of both talk about the promises of each, and I have little doubt that both lines of research contain reason for hope. But I have not been convinced that one holds out any more hope or promise than the other. Indeed, even if I had been convinced that one held out more hope or promise than the other, I do not think that this would have
informed my decision. Adult versus embryonic is a false choice. The truth is that none of us know which offers the greatest hope and no-one can until hypotheses are proposed, scientifically tested and proved or disproved. The relative potentiality of the lines of research is not a factor in my decision for two reasons: firstly, the potentialities are unknown at this stage and, secondly, there are threshold issues which for me are more fundamental than the utilitarian argument—as important as that is—as to which form of research holds out the greatest prospect for cures. For me, the threshold issues are whether it is right to create embryos with the intention of destroying them through research and whether it is right to clone humans even if they are only allowed to progress to embryonic stage.

Before moving to the substance of the bill, I should place on the record that, had I been in the parliament at the time, I would have voted for the Research Involving Human Embryos Act 2002 to allow excess embryos created for couples undergoing ART to be used for research. It was an imperfect but a practical and ethical response to a morally fraught issue. Those excess embryos ultimately would have been destroyed whether that legislation passed or not. The view put by opponents of the 2002 legislation—that the embryos would not be killed and that they would merely succumb—was a piece of sophistry. But the reason for creating an embryo in the first place does matter. Excess ART embryos were created with the intent of giving life. The embryos proposed to be created for embryonic stem cell research would be created in all cases with the intention of destruction.

However, Professor Schofield, in a briefing for members and senators, posed a valid question. He asked what the practical and ethical difference was between the destruction of excess ART embryos through research and the destruction through research of embryos created through what is proposed in this legislation. Both are destroyed in the pursuit of good life-giving outcomes. On one side, there is the creation of life; on the other, there is the maintenance of life and the improvement of its quality. The intent at the creation of both sorts of embryos is similar. In one case, it is to give life; in the other, it is to give health outcomes that may maintain life. It is a strong argument. And I can see the ethical inconsistency in opposing one and supporting the other. Having said that, I believe that intent does matter. And I must confess to being troubled by the creation of an embryo specifically for experimentation and destruction rather than as a by-product of a process designed to bring life. I am not indicating that I believe an unimplanted embryo has or should have the same status as a developing foetus in utero. But it is human tissue with the same theoretical potential as any other embryo.

My misgiving on this point, however, is probably not enough in itself for me to vote against the bill, as I can see the moral inconsistency in supporting the use of embryos excess to ART for research but not supporting it in the circumstance proposed in this bill. What troubles me more and what for me is the threshold issue is the fact that the proposal is to create human clones. I understand and accept that no-one is proposing that any of these new sorts of embryos be implanted into a woman. I understand and accept that even if they were they would be unlikely to thrive. But I cannot cross the line to create cloned human embryos that have the theoretical potential to become cloned human beings. I am not convinced that it is right to create human clones even if they are only allowed to progress to embryonic stage.

I am also troubled by recommendations 24, 25, 26 and 27 in the Lockhart review, which seek to allow: the creation of human
embryo clones by transferring human somatic cell nuclei into animal oocytes, the creation of human embryos by means other than fertilisation by an egg, the creation of a human embryo by using genetic material from more than two people, and the creation of an embryo using precursor cells from a human embryo or human foetus. Given that I have misgivings about these issues, I cannot in good conscience vote for the bill in its current form. I take no delight in this because I know that the proponents of this bill are well motivated and only want to help those who suffer. I thank my constituents who have taken the time to contact me to share their perspectives, particularly those who are motivated by a strong sense of what it is that makes us human and those who shared with me their hope for research that could cure their disease or repair damage to their bodies. I know that there are many looking for cures who will be disappointed by my vote. I understand that. I commend the mover of the bill and the motives of all who support it, but I regret that I am unable to do so.

Senator ADAMS (Western Australia) (11.30 am)—I rise to speak on the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006. In doing so, I would like to thank all those people who have taken the time to write to me or email me with their support for or concerns about the bill. The decision I have made to support this bill has not been taken lightly. It is my decision, and I thank the Prime Minister for allowing all members of parliament to have a conscience vote on this issue. I can assure those who have contacted me that I have thoroughly researched both sides of the debate in order to come up with my decision.

I have probably had an added advantage in gaining more information on this issue. As a member of the Senate Standing Committee on Community Affairs, I participated in the three-day inquiry which examined the legislative responses to the recommendations of the Lockhart review. I thank those who prepared submissions for the inquiry and those who appeared before the committee as witnesses. As we have heard, almost 500 submissions were received for this inquiry, and many presented a personal perspective of the issue. I was disappointed that a number of submissions chose to cast aspersions on my colleague Senator Kay Patterson for changing her position on the issue and for her decision to introduce this private member’s bill to the Senate. The Senate community affairs committee report on the legislative responses to recommendations of the Lockhart review was tabled in the Senate out of session—so senators have not had an opportunity to speak to the report. The evidence on which my support for this bill is based is contained within chapter 3 of the committee’s majority report, and I would urge those interested in this debate to read it.

It is necessary to understand the history of the Lockhart report and why the Patterson bill has been introduced to debate the issue again. Parliament last addressed the issue in 2002 when it voted to allow excess embryos from in vitro fertilisation to be used for research but to ban the creation of embryos for the sole purpose of scientific research. Since then, 18 new senators have been elected to the Senate and 21 new members have taken their place in the House of Representatives. These people were not involved in the 2002 vote but, as individuals, they have their thoughts as well. So when people say, ‘Nothing has changed since 2002; why should we have another vote on the issue?’ it is important to note that we now have 39 new members of parliament, and I think they are entitled to their view.

The Prohibition of Human Cloning Act 2002 and the Research Involving Human Embryos Act 2002 each contained a provi-
sion that, two years after the act received royal assent, an independent review of the operation of the act had to be undertaken by persons chosen by the minister with the agreement of each state. In June 2005 the then Minister for Ageing, the Hon. Julie Bishop MP, who had portfolio responsibility for human cloning and stem cell research, appointed a six-member legislative review committee to independently review the Prohibition of Human Cloning Act 2002 and the Research Involving Human Embryos Act 2002. The committee was required to report by December 2005, as stated in the 2002 legislation. The membership of the committee comprised a group of six eminent Australians. It was chaired by the late Hon. John Lockhart AO, QC. He was a highly regarded member of the international legal community and had expertise in chairing high-level committees that deliberated on contentious issues.

Other members of the committee were Associate Professor Ian Kerridge of New South Wales, a highly regarded clinical ethicist and specialist haematologist; and Professor Barry Marshall, Research Professor of Microbiology at the University of Western Australia—a highly awarded scientist of international renown who is also a successful community advocate both in Australia and overseas. It is important to note that Professor Marshall and his colleague Dr Robin Warren were recognised in October 2005 when they received the Nobel Prize in Physiology or Medicine for discovering the link between the bacteria Helicobacter pylori and gastric ulcers.

Also on the review committee were Associate Professor Pamela McCombe—a consultant neurologist and visiting medical officer at the Royal Brisbane Hospital, who holds the position of Associate Professor, Department of Medicine at the University of Queensland; Professor Peter Schofield—a renowned neuroscientist, whose skills and expertise are in a highly relevant scientific discipline to the review subject matter; and Professor Loane Skene, a renowned lawyer, ethicist and academic who has highly relevant skills and expertise demonstrated through her work and publications in the fields of health law and ethics.

I was most disappointed that those who opposed the Lockhart review recommendations chose to call into question the credibility of the review members and their work. After listing all of those credentials, it is hard to accept the description by Professor James Sherley that the members were a ‘poorly outfitted group’. Professor Sherley’s comments were rejected by five of the eight-member Senate Standing Committee on Community Affairs, rejected outright by the majority of witnesses appearing before the committee and rejected by members of the Lockhart review committee, who described the comments as unwarranted criticism. I think his comments sound very similar to shooting the messenger.

The purpose of this bill is to make amendments to legislation last debated in 2002. These amendments reflect the 54 recommendations made in the Lockhart review. One of the most significant changes is to the title of the bill, to the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006. The change to the title reflects the fact that the bill no longer prohibits the creation of embryos for research purposes using techniques such as somatic cell nuclear transfer, or SCNT. SCNT is a process commonly called ‘cloning’—a term that I feel brings very negative connotations and leads people to believe that we want our scientists to clone human beings for introduction into our society. That is simply not the case.

It is important to remember that the word ‘cloning’ is used to describe replication of
single cells and genetic material as well as whole beings. It is most essential that the different outcomes are clearly acknowledged. In the SCNT process the nucleus of an egg is removed and replaced by one taken from a donor adult cell—for example, a skin cell. This is then stimulated and it behaves like an embryo produced by sperm and egg. While the basic SCNT technique is the same as that used to clone whole animals, there are several reasons why this will not happen. Scientists believe that the current indications are that the chances of these SCNT embryos developing beyond the blastocyst stage are very remote.

The Lockhart recommendations are very clear in stressing that reproductive cloning is unacceptable, and the bill proposes very serious penalties for anyone attempting to do so. All technologies bring with them the risk of misuse, but the National Health and Medical Research Council members are highly qualified to enforce the laws and ensure that community standards are adhered to. The creation of an embryo other than by human sperm and egg will only be permitted under licence and only for up to 14 days. Embryos created using sperm and egg may only be created for achieving pregnancy. Embryos created by any other means will not be able to be created unless under licence. Creation of an embryo by human sperm and egg and involving genetic material from two or more people will be prohibited.

Creation of an embryo by other means, where it includes genetic material from two or more people, will only be permitted under licence. Using precursor cells from a human embryo or a human foetus to create a human embryo will only be permitted under licence, for up to 14 days of development. Creating and developing a hybrid embryo of up to 14 days will only be permitted under licence and in very limited circumstances. If the Patterson bill is passed, the strict prohibition on SCNT embryos being implanted in the body of an animal or a human shall remain. They are also prohibited from being developed beyond 14 days. Under the proposed legislation, attempting to do either of those things, with intent or otherwise, will attract a penalty of up to 15 years imprisonment for the person or persons who tried to do it. If the genome of a human cell is altered in such a way that the alteration is inheritable by descendants of the human whose cell was altered, the person or persons responsible will receive 10 years imprisonment.

Scientists will face 10-year penalties if they act inappropriately with human cells. Some of these offences include: collecting a viable human embryo from the body of a woman; creating a chimeric embryo; intentionally placing a human embryo in an animal; intentionally placing a human embryo in the body of a human, other than in a woman’s reproductive tract; intentionally placing an animal embryo in the body of a human for any period of gestation; intentionally importing or exporting an embryo into or from Australia knowing that the embryo is a prohibited embryo or being reckless in not questioning as to whether it is; creating a human embryo by a process other than the fertilisation of a human egg by a human sperm or developing a human embryo so created where the creation or development of the human embryo by the person is not authorised by a licence; and using precursor cells from a human embryo or a human foetus to create a human embryo or developing such an embryo. I believe those elements should be prohibited, and they will continue to be prohibited under this bill.
It is very important that we differentiate between adult stem cells and embryonic stem cells. Embryonic stem cells have the capacity to develop into virtually any tissue in the body, given the right conditions. This means that embryonic stem cells could turn into pancreatic insulin-secreting cells, curing diabetes; cardiac muscles, eliminating heart attacks; cells capable of laying down the insulation that surrounds nerve fibres, treating spinal cord injuries; cells making neurotransmitters, curing Parkinson’s disease; and cells that regenerate the immune system, treating immunodeficiencies. The committee received many submissions arguing that adult stem cells have achieved much success in 50 years of research, which is true. But embryonic stem cells offer a world of possibilities like those I have just mentioned.

Research on embryonic stem cells has been under way for just eight years, compared to 50 years for adult stem cell research. A number of scientists agree that the progress made since 1998 in the field of embryonic stem cell research has been nothing short of startling. Rudolf Jaenisch MD, of the Whitehead Institute, wrote to the community affairs committee last week refuting Professor James Sherley’s statement on embryonic stem cell research. Dr Jaenisch stated:

It is fundamentally wrong and disingenuous to claim that adult stem cells are an alternative to embryonic stem cells because they may, at some point in the future, be useful for therapy. Rather, we need to support research in both of these areas as they complement each other.

I strongly believe that we will have to understand the biology of both embryonic and adult stem cells to make progress in transplantation medicine.

It is important to note that Professor Frazer, the Australian of the Year, started his research on the papilloma virus 20 years ago, but it was just recently that his findings were registered to produce a vaccine which is now available to young women and schoolgirls.

One of the review committee members, Professor Barry Marshall, whom I have mentioned previously, while working with Dr Robin Warren, discovered the link between the bacteria *Helicobacter pylori* and gastric ulcers. This bacteria was first discovered in 1982. It took 22 years for the link between the bacteria and gastric ulcers to be confirmed. Professor Marshall and Dr Warren were recognised in October 2005 when they shared the 2005 Nobel Prize in Physiology or Medicine. In presenting the award, Professor Staffan Normark, a member of the Nobel Assembly at Karolinska Institute, said:

Ulcers are one of the most common afflictions of humanity. For a long time, ulcers were regarded as being a result of stress and improper diet. Barry Marshall’s and Robin Warren’s discovery that ulcers are caused by a bacterial infection was therefore completely revolutionary and was initially met by great skepticism.

... ... ...

This year’s Nobel Prize in Physiology or Medicine goes to Barry Marshall and Robin Warren, who with tenacity and a prepared mind, challenged prevailing dogmas.

Galileo is the most celebrated example of where society savagely persecuted those who held views that swayed away from dogmatic views of science. There are numerous examples throughout history that show that if people had not sought to satisfy their own curiosity we would not have cures for some of the most devastating diseases and infections that we have today.

The year 1996 marked the 200th anniversary of Edward Jenner’s first experimental vaccination: inoculation with the related cowpox virus to build immunity against the deadly scourge of smallpox. His research was based on careful case studies and clinical observation, more than 100 years before scientists could explain the viruses them-
selves. His innovation was so successful that by 1840 the British government had banned alternative preventive treatments against smallpox.

Science must be allowed to progress. Stem cells are not a miracle cure and one will not be found overnight. It will probably take decades rather than years to achieve results. Therefore, the effect of our decisions here this week will take many years to reach fruition. We are not giving people false hope for a miracle cure. Time is an intrinsic factor.

I would now like to focus on the progress made and the changes in technology which have occurred since this debate was initiated. The Senate Standing Committee on Community Affairs received a letter from Foursight Associates Pty Ltd. I would like to highlight a few passages from this letter. The authors, Dr Graham Mitchell and Sir Gustav Nossal, state that as chief scientists they have provided commentary on technological developments over the past few years in the field of human stem cells in regenerative medicine. It is their firm opinion that recent advances in this technically challenging, highly regulated field have been very substantial and are worthy of notice.

Dr Mitchell and Sir Gustav Nossal highlighted four main technical developments in the field of embryonic stem cell research since it was first created in 1998 from very early human embryos: a discovery of better methods for growth and maintenance of human embryonic stem cell lines in vitro, including major advances to ensure regulatory good manufacturing practice compliance and even commercial scale production; advances in methods to more reliably drive embryonic stem cells along particular pathways of specialisation—for example, they can develop into cells of muscle, brain or pancreas, a process known as differentiation; demonstration of the medically relevant capabilities of human embryonic stem cells and their differentiated progeny in at least five animal models of human disease; and the isolation of many new embryonic stem cell lines and establishment of international, collaborative cell bans and networks for the sharing of lines and techniques. I seek leave to incorporate the rest of my speech. (Time expired)

Leave granted.

The incorporated speech read as follows—

They also note that:

“The Lockhart Report is a wise, considered, balanced report and its recommendations should be accepted and broadcast.”

SCNT is already permitted in a number of countries, including the United Kingdom, Singapore, Japan, Belgium, Sweden, Israel, Spain, China and some States of America.

I fear that if research on SCNT is stymied in Australia, we will lose many of our brightest and best scientists in this field to these countries. Indeed, some high profile Australian scientists have already left to pursue this cutting-edge technology overseas.

Another report titled “Key Recent Advances in Human Embryonic Stem Cell Research—A Review of Scientific Literature” commissioned by the Department of Innovation, Industry and Regional Development of Victoria confirmed that:

“for a field as new and as complex as this, the rate of progress has arguably been dramatic”.

Advancements over the last four years do not need to be limited to medical science. Look at your mobile phone—how different does it look and how many extra features does it have now, that you didn’t even think was possible four years ago?

At the committee’s hearings in Sydney, we heard from Dr Paul Brock, a witness who was diagnosed with Motor Neurone Disease in 1998.

During his 15 years in the religious order of the Marist Brothers in the Catholic Church, Dr Brock spent six years of solid formal studies in philosophy, theology and ethics.
Dr Brock stated that a large proportion of society is against embryonic stem cell research because of the simplistically asserted grounds that the ‘ends never justify the means’.

Indeed quite a number of submissions the committee received had based their arguments against the Bill on this issue.

Dr Brock said:

Embryonic stem cell research is not the be-all and end-all of hope for this disease; it is but one of a whole range of potential research areas and therapies that may help us understand the cause, help us prolong the quality of life that we have and eventually find a cure. I am a public supporter of adult stem cell research and of all sorts of research which is ethically valid and scientifically justifiable.

Can you imagine looking my 90 year old mum, my 43 year old wife and our 15 and 11 year old girls in the eye and looking me in the eye, a bloke who 10 years ago was running around like a lunatic, playing golf, playing cricket, playing the piano and doing all the things in my life, now reduced to two fingers that move a bit, a brain that still works, a voice which obviously works too much and telling us—using embryonic stem cells is evil? I think you need to support this because it is the right thing to do.

With an example like this, how could one not support this Bill? I fully support this Bill.

Senator BARNETT (Tasmania) (11.50 am)—I stand today to oppose the bill that is before the Senate, the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006. I welcome the debate and the Prime Minister’s willingness for MPs to have a conscience vote on these important matters. It is healthy and appropriate for each of us in this parliament, and indeed in the community, to dig deep into our hearts, our minds and our consciences. In fact, since I came into the parliament in February 2002, this is the third time a conscience vote has occurred—the first being in 2002, with the stem cell research and cloning bill of 2002, and the second being in the last 12 months, with the RU486 bill.

As a participating member of the Senate committee inquiring into this bill, I appreciated the opportunity to learn more about the science and the ethics of the cloning process. I want to thank Senator Gary Humphries for his chairmanship of that inquiry. My views are essentially set out in chapter 4 of the Senate report. I want to thank all those who made submissions and, indeed, all those who forwarded letters, emails, advice and views. That feedback is appreciated. My summation of the inquiry is that the science does not add up in support of cloning and that the ethics—I think it is pretty much agreed across the board—are controversial. In short, the case for change has not been made.

Dolly the sheep is now dead. Dolly was created using the same cloning techniques to be legalised under the cloning bill currently before the Senate. Good science requires good ethics. It is accepted practice that new scientific experiments are proven in animals before applying the proven outcomes on people. Animal cloning has delivered no safe health therapies.

This week our federal parliament is being asked to take the gigantic ethical and scientific leap which would allow the creation of a cloned human embryo for the purpose of being destroyed—destroyed in the pursuit of knowledge. The knowledge is for the study of disease and not knowledge directly for the creation of therapies or cures. Professor Loane Skene, the acting chair of the Lockhart committee that has reviewed the existing laws, said that cures may not arrive until our grandchildren’s time.

The promise of cures from this new legislation is a false and, at best, flimsy hope that can only compound the misery of those with debilitating illness. All members of parliament are at one in their desire to see the de-
feat of debilitating diseases. I want to strongly emphasise this point and acknowledge the heart and the desire of each MP to achieve this outcome. This applies to those in favour of the bill and those against the bill. As a person with type 1 diabetes and with a father who died of motor neurone disease, I can relate to this issue.

I want to particularly empathise with the many organisations that represent people who suffer from chronic disease or other debilitating disease who presented before our inquiry and who operate in Australia today. It is because of this empathy and concern that I support adult stem cell research. As many would know, I already have much to do with many of these organisations that help and support people, for example, with type 1 and type 2 diabetes, and indeed people with motor neurone disease.

In terms of the adult stem cell research issue, a key finding of the recent Senate inquiry into the proposed cloning legislation was that adult stem cell research avoids the destruction of a human embryo and is actually delivering, in spades, therapies and cures. Queensland scientist Dr Peter Silburn said:

If you have a galloping horse like adult stem cells, why not pursue that? ... cloning is not necessary.

Professor Bob Williamson, from the Australian Academy of Science, conceded that therapeutic cloning is not of importance in giving cells to treat patients and that these are far more likely to come from so-called adult stem cells. In addition, in his evidence to the Senate inquiry, Professor Alan Mackay-Sim of the national adult stem cell centre confirmed:

It is probable that such (adult) stem cell lines as these will render therapeutic cloning irrelevant and impractical.

Why pursue the contentious practice of cloning when an entirely ethical source of stem cells, superior for both treatment and research, is readily available in our own tissues and in the blood of a baby’s cord?

It was on 14 November 2002 that the Senate voted without dissent to pass the Prohibition of Human Cloning Act 2002. This act prohibits the creation of a human embryo cloned for any purpose, including destructive research. By passing this act, the Senate affirmed the view expressed by the government minister of the day, Senator the Hon. Kay Patterson, who said:

I believe strongly that it is wrong to create human embryos solely for research. It is not morally permissible to develop an embryo with the intent of truncating it at an early stage for the benefit of another human being.

Given this unanimous vote of the Senate just under four years ago, the onus is on the proponents of change to justify why the Senate should abandon this moral principle by allowing in 2006 what it held to be wrong and prohibited in 2002. I accept that there are many members of parliament in both houses who are in fact new to the debate since 2002. Indeed, for them, the proposition is new and fresh, and I acknowledge that.

The Lockhart review, set up in accordance with section 25 of the Prohibition of Human Cloning Act, was required by its terms of reference to consider and report on developments in medical and scientific research and the potential therapeutic applications for such research, and on community standards. Three of the six members of the Lockhart review were already on the record as supporting human cloning for research.

The period of the Lockhart review unfortunately coincided with the six-month period during which a major scientific fraud was perpetrated on the world by Korean scientist Hwang Woo Suk. Submissions to the review
from Australian scientists were coloured by the belief that human embryos had been successfully cloned and that patient-specific stem cell lines had been derived from these cloned embryos. Understandably, the Lockhart review accepted these claims and accordingly reported that there had been significant developments in human cloning since 2002. After the Lockhart report was concluded, the Korean research was exposed as fraudulent.

The independent MP Consulting report was prepared for the Department of the Prime Minister and Cabinet and released by the Prime Minister on 31 August 2006—just a few months ago. It found:

… on each of these issues—

that is, the definition of ‘human embryo’, the creation and use of embryos for ART research and the creation of embryos for stem cell research—

there has not been any significant change in the state of play since 2002.

That point supports again the argument that a case has not been made for change. Nevertheless, the argument has been put that community standards have changed. But it is curious that the Lockhart review failed to report on an in-depth research study carried out by Critchley and Turney which found that a majority—63.4 per cent—of Australians were not comfortable with obtaining stem cells from cloning human embryos.

In 2002, the federal parliament legalised the use of excess embryos from IVF for research on the basis that those embryos were going to die anyway. But, as noted, we unanimously opposed all forms of cloning because we saw that it was wrong to create a human embryo solely for research. Interestingly, since 2002, although nine licences have been issued authorising research on excess embryos, only one has been issued for research aimed at treating a specific disease.

In 2002, political leaders and others told paraplegics, ‘We’re going to do something for you,’ and had photo opportunity shots taken in spinal injury wards. But there has not been one cure, one therapy or even one clinical trial involving embryonic stem cell research. Over-promising is, of course, a ubiquitous sin in politics. What is the rush to cloning when scientists have not reached first base? If embryonic stem cell research were delivering and cloning in animals were proven safe and effective, the arguments in favour of human cloning might be more persuasive. In short, the ends do not justify the means. In the case of this bill, the desired ends are at best doubtful.

But there is more. The bill not only allows the creation of human embryos for laboratory experiments but also legalises the creation of a human-animal hybrid using eggs from a rabbit or a pig. Thankfully, Australia’s Chief Scientist, Dr Jim Peacock, and many others have opposed this procedure. The bill also legalises the creation of human embryos using ova from cadavers and aborted baby girls. In my view, these proposals turn human dignity on its head.

The bill’s proponents have argued that the human embryo to be created is different because it is not derived from a sperm and an egg implanted in the body of a woman. It is true that the technique for creation is different; however, all scientists agree that the embryo is human, is alive and could, if planted in the body of a woman, become an Australian like the rest of us—remembering that we were all once a human embryo.

We will have two classes of human embryo—an A and a B team. The proponents of the bill say that the B team will be only the size of a full stop, will live in a Petri dish, will bring benefits to the world through research and, yes, will be killed after 14 days. So the usefulness of the human embryo to
society outweighs the dignity and respect that all other humans and human embryos deserve. That is a sad, utilitarian argument which sends a terrible signal to the frail, aged, disabled and vulnerable in our society. To say that one life is intrinsically more valuable than another is problematic at best. Once this legislation is passed into law, it is almost a certainty that parliament will be asked in just a few years to extend the life of the embryo from 14 days to 60, 90 or 180 days. Where do you draw the line if it is delivering ‘benefits’ in society?

To achieve the research outcomes, not one scientist could say how many eggs would be needed to clone successfully—and this was the course of discussion for much of the inquiry. There are health risks to women in egg harvesting, as well as the risk of exploitation of women to gain access to more human eggs. Although the bill provides that it is illegal to commercialise the market for human eggs, it is legal under the bill that reasonable transport and other costs can be recouped. It is also noted that, in the UK, discounts at IVF clinics are offered to women who donate eggs and that, in the US, eggs are bought and sold. The exploitation of women for a range of reasons is clearly an issue.

I now turn to two matters that have had little, if any, attention in the course of the public debate on this legislation. The legislation passed by the Senate in 2002, including the Prohibition of Human Cloning Act, was part of a scheme of uniform national legislation agreed to by COAG. The Australian government is a signatory to a COAG agreement that this legislation will not be changed without the unanimous agreement of all the parties. At the most recent COAG meeting, in July, any change to the legislation to allow cloning was not supported by the Australian government or by the New South Wales, Tasmanian, Western Australian and South Australian governments. If the Australian parliament unilaterally amends this legislation to allow cloning, we will certainly have the beginnings of a legal and constitutional quagmire developing. This is not a matter that has gained much attention. Maintaining uniform national legislation in this area is, in my view, definitely preferred. Despite a shared consensus in 2002, there has been instead a sharp divide in 2006 between pro-cloning and anti-cloning premiers. This demonstrates that there is no national consensus to change the ban on cloning universally agreed to in 2002.

In terms of international affairs, although some of the arguments put in the Senate may suggest otherwise, Australia is not alone in its current prohibition on human cloning for any purpose, including research. Over 30 other countries have similar legislative bans, including Argentina, Austria, Brazil, Canada, Colombia, Costa Rica, Cyprus, Denmark, Estonia, Finland, France, Georgia, Germany—I particularly take note of Germany and allow other members and the public to come to their own conclusion as to why they have made that decision—Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Norway, Panama, Peru, Poland, Portugal, Romania, Slovakia, Slovenia, South Africa, Spain, Switzerland and the Netherlands.

During its 82nd plenary meeting on 8 March 2005 the United Nations General Assembly approved the United Nations Declaration on Human Cloning. Australia voted in support of this international instrument which solemnly declared:

(a) Member States are called upon to adopt all measures necessary to protect adequately human life in the application of life sciences;
(b) Member States are called upon to prohibit all forms of human cloning inasmuch as they are incompatible with human dignity and the protection of human life;
(c) Member States are further called upon to adopt the measures necessary to prohibit the application of genetic engineering techniques that may be contrary to human dignity;

(d) Member States are called upon to take measures to prevent the exploitation of women in the application of life sciences;

(e) Member States are also called upon to adopt and implement without delay national legislation to bring into effect paragraphs (a) to (d);

The Prohibition of Human Cloning Act 2002 complies fully with this international instrument. If the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006 were enacted, it would, from my reading of the United Nations declaration, cause no end of concern and would put Australia in breach of our commitments under this United Nations Declaration on Human Cloning. This is not a matter that has been discussed publicly or debated during the Senate inquiry or to date. In conclusion, my views remain the same as they were in 2002 but my concerns have increased, and with respect to the bill I say this: the kill-to-cure proposal is the foundation of this bill. Passing the bill will launch Australia into a brave new world.

Senator HUTCHINS (New South Wales) (12.09 pm)—I rise to speak on the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006 and I rise to speak against it, which probably would not surprise Senator Patterson. I spoke against it in 2002 and nothing that has been presented from that period until now leads me to change my mind in relation to the decision that I will be called upon to make later this week.

Like Senator Barnett, I have had my own journey through a difficult period of health. I am a cancer survivor and I have seen the fragilities of life. I have spent time in palliative care wards and I have seen people who have come to the realisation that they are no longer going to live—that they are going to succumb. So I am aware of the difficulties confronting many senators with this legislation. Even though I was unable to attend the inquiry because I had made previous commitments, I did attempt to read as many of the submissions and as much of the literature as I could, and indeed I did read all of the Hansard of the three days of the inquiry.

One of the things that immediately struck me from the inquiry was a quote from Senator Moore. Early on in the inquiry she said:

The degree of strongly held views about scientific evidence is a surprise to us who are not scientists. During the conduct of the inquiry that view was expressed on a number of occasions. Like Senator Moore, I am not a scientist and, as I went through and read as much as I could in the time I had, a few things struck me. The first was that there were a significant number of scientists, biologists, biotechnicians and engineers who were unaware of each other’s work. The second thing was that they were not prepared to acknowledge each other’s work—and Senator Patterson is looking quizzical there—and that goes for people who were involved in adult as well as embryonic stem cell research. The third thing that struck me was that, if there were scientists who held moral or ethical objections to what was being proposed in addition to their own scientific views, they were somehow to be ridiculed.

Also, during the conduct of the inquiry there was significant debate about the membership and recommendations of the Lockhart inquiry. Many scientists challenged the membership and the qualifications of those reviewers. They challenged the evidence on which Lockhart made its recommendations. A number of eminent scientists claimed time and again that the committee was not qualified to draw the conclusions that it did; that it chose evidence that was subsequently dis-
credited, such as that in South Korea that has been mentioned on a few occasions today; that it relied on an inquiry that was conducted in India; and that it did not, indeed, refer to—and I think I am right in this—the US presidential commissions into bioethics in 2002, 2004 and 2005. It could be argued that, as a result of the membership and the evidence, the Lockhart inquiry would come up with the recommendations that are the basis of the legislation we are dealing with today.

Of course that has been debated somewhat and I am sure that Senator Patterson and others who are proponents of this bill will have the opportunity to get up and refute what has been put forward. But in my reading I did not see any substantial refutation of the points that I have made. They did rely on some inquiries—one discredited, and one in India—and disregard the ones that were in fact not supportive of the position that they would put forward. So of course they would come up with the answer that they came up with.

I also tried to look through the literature, the submissions and the Hansard for what might come out of this. The first point I make—and it has been made today already—is that adult stem cell research has had breakthroughs. Embryonic stem cell research—and it has been questioned—has not been sufficiently tested on animals yet, let alone transferred to humans. In fact, embryonic stem cell therapy produces what are called teratomas—tumours—and is likely to be rejected. In the US Senate, when it was debating a bill similar to this only a few months ago, a proponent of embryonic stem cell research said:

Lord Winston, the most prominent foetal embryonic stem cell researcher in England, said ‘I view the current wave of optimism about embryonic stem cell research with growing suspicion.’

A lot of false hope, pending cures and breakthroughs have been peddled in this debate. Professor Skene admitted in the inquiry that the benefits of this type of research will not be available in her children’s lifetime but might be available in her grandchildren’s lifetime. The proponents of adult stem cell research argued that it presented the best hope for cures. This was presented to the inquiry and it has not been refuted.

During the inquiry, I read Senator Nettle’s concerns. The first of her concerns was whether any breakthrough as a result of this legislation coming into law would be publicly available. The second was whether there would be exploitation of vulnerable women. One of the submitters to the inquiry, Professor Khachigian, under questioning as to what might occur as a result of the bill going through, admitted that it would lead to health and wealth creation in Australia. Mr Acting Deputy President, do you for one minute believe that any breakthroughs that come as a result of this will be widely available? I do not believe it at all; I believe we will see them become the province of the rich and powerful. I believe this legislation will inevitably lead to the opportunity in a few years time for proponents of this research to come in here and say that the only way we can really do this properly is to clone ourselves—to clone humans. They will say, ‘I need that kidney,’ or ‘I need that liver,’ or ‘I need that heart,’ or ‘I need that pancreas.’ It will eventually happen if we pass this legislation. It may take more than four years, Senator Patterson, but it will be here.

Senator Nettle’s second concern was the exploitation of vulnerable women. Evidence was given and not refuted that to successfully conduct the experiments that are required thousands of fresh eggs will be needed. In fact the discredited South Korean scientist, Dr Hwang, used 2,061 eggs from 129 women. Dr Renate Klein, the Australian
Chamber coordinator of a group called FINRAGE, which stands for the Feminist International Network of Resistance to Reproductive and Genetic Engineering, gave evidence that frozen material—that is, embryonic material—is always second-rate, that women on IVF programs are usually older and they or their partners have chromosomal abnormalities. She said:

This is not good starting material for your foray into the unknown land of embryonic stem cell research.

She went on to say that the embryonic stem cell researcher needs:

... Petri dishes full of young, freshly harvested eggs from teenage women who have had very few divisions of their egg cells.

In the UK, as has been put forward in today’s debate, women are already selling their eggs at a discount to get access to IVF programs. At the hearing on 24 October, Katrina George, the director of Women’s Forum Australia, said:

... the Daily Mail recently exposed a situation where east European women were actually selling their ova to fertility clinics and some of them had been rendered infertile as a result. So it would not just be the disadvantaged women within our own country but very likely women from developing nations or poorer nations who would be the ones to take up the offer ...

Dr Klein on the same day said:

We know from America, where women can get paid for egg cell donation for IVF, that there are whole websites where eggs from beautiful women fetch thousands of dollars.

These statements were not refuted. As I said earlier, I believe that at the end of the day only the rich and powerful will have access to what may come as a result of the research outlined in this legislation. I am not sure that we are ready to make this momentous decision to leap into the future. I am very concerned about the moral and ethical lines that we will cross as a result of passing this legislation. I am not sure that science and technology should be trusted to allow this to occur.

We are already starting to see the results of putting our trust in science and technology, whether it is global warming or the inquiry that I have just come from, which was into the issue of the men and women who were exposed to British nuclear tests in Australia. We did not know what was going to happen to those men and women, their families or their descendants. It seemed like a good thing at the time, but we did not give it enough consideration.

People may say that this is some sort of contest, as has already been hinted at, between the Dark Ages and the Age of Enlightenment. We do not know what the future holds. We do not know what door we are opening if we pass this legislation. I am very concerned—and Senator Patterson will have the opportunity to refute this—that we will be presented with the ability to clone ourselves in the future, because that is inevitably where this is leading us. I am very concerned that nowhere is it advised that some of the things available under the legislation are in the legislation. I have asked many people if they are aware that, under this legislation, hybridisation—the cross-fertilisation of humans and animals—is being proposed as well as access to human cadavers and, ultimately, the ability to create embryos for research. Many Australians are not aware of what is being proposed here, and no amount of public opinion polling or indeed lobbying of officers would make that available to them.

I feel that old faiths may no longer suffice, but I think we should have new fears about where we are going with this. I have said that, if we pass this bill, in a few years we will be asked to approve reproductive cloning on the same grounds as we are being
asked to approve this bill now. I believe our humanity, how we view ourselves, what is important to our being and this dismissal of values as mere products of emotion will return in a terrible, psychological way to haunt us if this legislation is carried.

Senator CROSSIN (Northern Territory) (12.24 pm)—I rise this afternoon to provide some brief comments about the legislation currently before us, the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006. I do so because, when a lot of us walk out of this building for the last time and look back on our careers in this place, I think there will be very few watershed moments, signposts of ideas or innovations in this country in which we have been so actively able to participate, and I view this week as one of those moments. Whether or not this legislation succeeds in passing through this chamber is yet to be seen, but I do think that this will be one of the weeks that we look back on and say, ‘I was part of that, and I was able to perhaps influence the outcomes one way or another.’

Although I was the first woman to be elected to the federal parliament from the Northern Territory and I am one of only two senators representing the Northern Territory in this place, I do not come to this debate with a Northern Territory perspective. I do come here, though, representing the views of people in my constituency who have lobbied me in respect of this legislation.

We did deal with these issues in 2002. The question here today, though, I think, is whether or not we take the next step forward with this scientific research. In 2002, the Prohibition of Human Cloning Act outlawed any form of human cloning, whether it was for reproductive or therapeutic reasons. The second act, the Research Involving Human Embryos Act, allowed researchers to access surplus human embryos that were created through assisted reproductive technology, albeit under strict conditions. This allowed embryos created before 2002 and surplus embryos created for IVF purposes to be used with consent.

As we know, the Lockhart review committee arose as a result of the requirement for this legislation to be reviewed independently and for that review to be submitted to COAG within three years of the legislation receiving assent. The Lockhart committee, which of course we have heard lots of comments about this morning, was appointed in June 2005 and presented its report in December 2005. It had 1,035 submissions and, if you have a look at the work that the review undertook, there were extensive consultations around this country.

It was known, and there were comments made at the time, that the Lockhart committee was conservative in its make-up and in its views of the ethics around this matter, and there have been claims of bias. My colleague Senator Stott Despoja outlined some of the criticisms that have been made of the Lockhart committee. Nevertheless, the committee has made significant recommendations, proposing that the research in this area should not only continue but be extended. The legislation framed by Senator Patterson seeks to address the recommendations of the Lockhart review, which have required extensive examination by those of us in this place who take such reviews seriously and seek to translate such a review into legislation and into reality.

The decision I have come to today has not been easy, despite the expectations of some of my colleagues. I have taken quite a long time to come to an understanding of exactly what this legislation would mean both scientifically and ethically. I have taken the time to actually read the Lockhart review report. I
did not participate in the work of the Senate Standing Committee on Community Affairs, but I have certainly read, where I could, most of the transcripts of the hearings and the report of that committee.

I want to take the opportunity to thank the Parliamentary Library for the work that they have done. Those of us who operate in this place on a day-to-day basis know exactly what work the library does and what it means to us, but I think that in this case their work deserves a significant reference. I want to mention Roxanne Missingham and the lecture series that was undertaken by the Parliamentary Library, including the cases for and against this legislation. Having the ability to download those lectures and stick them onto an MP3 player assisted people like me. I spent many of my journeys between here and Darwin in the last couple of weeks listening critically to both sides of the argument. Also, the papers titled, ‘The pros and cons of therapeutic cloning’ have assisted me in coming to the decision that I have come to today. I also want to mention the staff in Julia Gillard’s office and recognise the work that they did in providing us with time lines and descriptions of some of the scientific terms that we have encountered on this journey.

I do not intend to go into the scientific details of what is being proposed; nor do I want to be emotive or irrational about the issues that are under debate. These are not simple matters to come to grips with, and this legislation does have vast complications and ramifications. But for me, in the end, it is a matter of deciding whether the next step in the scientific research is warranted and whether or not we should allow the advancement of science to unlock another mystery or a discovery about future prospects relating to people’s health.

Senator Judith Adams outlined in her speech a whole range of areas where, in the past, scientists and probably the general population have questioned whether they were on the right road. The Galileos and the Aristotles of the world have asked questions like, ‘Is the world round or flat?’ Smallpox vaccinations and the work related to vaccinations for cervical cancer must have, at some stage, caused scientists and the community to ask themselves: ‘Are we doing the right thing here? Are we investing in scientific research that is actually going to provide a benefit?’ Of course, you do not know until you take the first step. But for me this is about providing some medical hope or experimenting beyond our means. Should we allow that to happen? The conclusion I have come to is that I should not be the person who stands in the way of this scientific advancement.

I do not think this is about control or empowerment. I know exactly what the ethical considerations are now, although I have to say that it has taken me some time to get my head around exactly what the opponents of this legislation are arguing in not supporting it. I do know that there are ethical questions in this legislation that need to be considered, and I know that colleagues of mine in this chamber have thought long and hard in arriving at decisions.

The Lockhart review showed that the legislative and regulatory regime is working well. The controversial recommendations allowing therapeutic cloning and a range of new procedures for the creation of embryos recognise the role of these technologies today and in the future and the need to bring them all under an effective national licensing and regulatory regime.

I believe that the central question today is: exactly what is an embryo? Perhaps the whole debate centres on this definition.
Those whose ethical beliefs and strong religious convictions are different from mine will no doubt have a different definition from mine, and I respect this variance of views. I understand that, for some, an embryo is an embryo. But for me, a cell that is fertilised using somatic cell nuclear transfer is intrinsically different from one that is fertilised by a sperm. Some would not see any difference in the embryos, which they would regard as having a moral potential to be a human life. As we know, this legislation does allow the deliberate creation of embryos, and I believe that the use of this term scientifically, not ethically or morally, should be considered.

Professor Bob Williamson argues that somatic cell nuclear transfer does not create an embryo. He would argue that it has no genetic identity or social context and so does not represent an ethical hazard. I believe that the potential research warrants serious consideration about the use of embryos. Embryonic stem cells have two important properties in that they are generic and any cell type can be produced reasonably easily, and they have the capacity to multiply indefinitely. Some people argue that we should continue to use adult stem cells and that we should, in fact, have more use of adult stem cells before we embark upon this path, but I believe that this is limiting. My understanding is that these embryos do not have the same potential as other embryos. Professor Williamson gave as an example the fact that they do not have the ability to form heart muscles. I think that Senator Adams outlined some of the benefits of embryonic stem cells and the limitations of adult stem cells. There is potential to find out more about how early embryos are created, and these need to be created if we want to look at diseases, rather than using healthy embryos created for IVF purposes.

I am convinced that this legislation contains enough safeguards for retaining the existing prohibitions on the use of this research. We know that you need a licence in order to continue or to commence this research. We know that since 2002 only nine licences have been granted, and most of those have been for fertility treatments. We know that researchers must report on and justify why there is a need for these embryos. We know that in this country you are not allowed to buy and sell human organs and tissues, and that will remain. We know that there is a ban on human cloning and duplicate people. In other words, these cells will not be implanted in a woman, and there is not—and I do not think there ever will be—an intention to do that.

We do not know how many eggs are needed, and scientists have raised this issue when arguing for this legislation. Whether we need one, 10, 100 or one million, that question cannot be answered because they simply do not have the key to unlock that mystery. In my heart, I do not believe we would need an excessive number but, if we did, there would be a means to use them. I do not believe that women would be coerced into providing their eggs for money, and it would be prohibited under this legislation anyway. However, there may be women who would willingly donate their eggs to further this research. As a woman I feel that, if that is their choice, if they know the risks and they want to do it, so be it. They should have the choice to put up their hands and say, ‘I want to donate my eggs for that purpose,’ just as I may want to donate my organs when I die so that someone else can benefit from them. That is my choice, and I believe that into the future that will also be a woman’s choice.

I believe that the safeguards are there to the extent that scientists will have too much to risk if they fall outside the regulations and the safeguards. Fifteen years imprisonment is a lot to risk if you have put your life into studying this sort of research and you are
keen and enthusiastic to make changes and improvements.

In the past Australia has taken a leading role in this area of research—for example, in the IVF discoveries in previous years. Our scientists should be able to participate at an international level. If we leave this debate where it is now and we do not move forward, we will be left behind internationally. However, that is not the one and only reason to support this legislation. I will refer to some of the comments of a man I highly respect, Sir Gustav Nossal. The Victorian government has commissioned a report into further legislation to facilitate stem cell research, entitled *Key advances in human embryonic stem cell research: a review of literature*, which was commissioned by the Department of Innovation, Industry and Regional Development. In the report, the Chief Scientist, Sir Gustav Nossal, and Professor Mitchell made the following recommendations:

In the opinion of these reviewers, and in the current and appropriate cautious and regulated environment, a broad SCNT approach is required for stem cell based regenerative medicine to achieve its undoubted promise. On the specific question of whether the field has actually progressed in a technological sense, we can respond unequivocally in the affirmative.

They continue:

Australian scientists have been prominent in this global endeavour [research with human stem cells] and should not be excluded from the next exciting chapter involving SCNT-ES [embryonic stem cells from cloned embryos].

The essential question lies in the potential use of this research. We know that medical research has a long lead time and that community attitudes do change. Unlike my colleagues, I have not been lobbied to a great extent to vote against this bill—to be honest, the lobbying has been particularly minimal compared with what we receive on some of the legislation we deal with in the Senate—but, surprisingly, in the Northern Territory I have been urged to support this legislation by people I meet at the football and in the supermarket, by doctors, medical professional people, constituents and those who have been affected by lifelong or life-threatening debilitating diseases.

I received a letter from a woman who I will not name here—she knows who she is—whose granddaughter has cystic fibrosis. I met a couple on the weekend whose child died from leukaemia. I see images of Michael J Fox struggling with Parkinson’s disease and making an effort to campaign in the US elections to be held this week. I see people who are suffering. I cannot vote against this legislation, which provides them with a little chance or hope. They know there will not be a cure for them. They realise that— they know that cures are probably decades away, maybe even half a century away—but they are all saying to me: ‘You have to take this next step. You have to give scientists the key to unlock this door so that they can try to make life for people on this earth just a little better than it is currently.’

This research will possibly be useful—we do not know—but I feel that I need to give the scientists the key that can unlock the answers that we are all looking for today. I do not believe the legislation will create false hopes. I do not believe it makes promises to people that cannot be kept. I believe that those people who are suffering understand that cures may never come or may take years, but I know they are looking for some sort of future and some sort of hope.

Different views can coexist, but the bottom line is whether scientists should be stopped from doing this research. The answer for me is, no, they should not. I do not believe, after examining the research and having talked to people who oppose or support this legislation, that I can come to any
other conclusion. I am well satisfied that very safe regulations and safeguards will ensure that this scientific research cannot be abused or misused. I support this legislation. I do not seriously believe I can look somebody in the eye who is suffering or has a child or grandchild who is suffering and say to them, ‘I stood in the way of scientists possibly finding an answer and a cure to your lifelong debilitating disease.’ This is a very exciting week. If we give scientists in this country the chance to take the next step, I trust the scientists will do so wisely and genuinely. I think we should allow that to occur.

Senator FERRIS (South Australia) (12.44 pm)—This week the scientific eyes of the world are focused on Australia as we grapple with a question as important to them as it is to us. That question relates to whether we are to take a very important scientific step forward which will keep Australia at the forefront of stem cell research. For American scientists, a pandemic of politics was enough to cause some of their eminent researchers to abandon their laboratories and their lives’ work. As Christopher Scott revealed in his book *Stem Cell Now*, it took scientists with a steely resolve to remain and to try to find a way around the barriers.

Without doubt, in Australia we have some of the most talented researchers supporting this new and exciting scientific work: Nobel prize winner Ian Frazer, eminent international scientist Sir Gus Nossal, Professor Bernie Tuch and the very talented young scientist Dr Megan Munsie, who conducted the first proof of the principle of therapeutic cloning in an animal model in 2000. Each of these eminent men and women, together with Australia’s Chief Scientist, Dr Jim Peacock, unanimously agree on the fundamental issue that we are debating here today—that is, that our country’s researchers should be given the scientific support and legislative protection needed to take the next step in stem cell research.

This is not a simple issue. It is not an easy issue. I certainly respect those in the chamber who have a different view. Few of us are scientific experts. Notwithstanding my five years as an employee with CSIRO, many of us need to rely on others to fully inform us and to clarify our thoughts as we work through the difficult issues arising from this bill. However, one thing is for sure: the Australian community is ready to take the next step. More than 80 per cent of them, when asked in a recent Morgan poll whether they approved of stem cells being extracted from human embryos to be used in the treatment of many diseases and injuries, answered with a resounding yes. In fact, 87 per cent of those aged between 14 and 17, and 25 and 34, answered yes. They were, of course, answering a hypothetical question because we currently do not carry out research on embryos unless they are surplus to IVF requirements and have the appropriate family consent. Until now our scientists have not created fertilised eggs specifically for research purposes, unlike at least seven other countries where this work is now undertaken and where, unfortunately, some of our scientists are now working.

I am unashamedly a supporter of the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006. Over the past year, like so many witnesses to both the Lockhart committee and the Senate inquiry, I have benefited from medical research which has developed new treatments for illnesses and diseases. However, there were witnesses appearing before the committee who were less fortunate. Their appearance and their contribution on the debilitating injuries and chronic diseases that have affected them were particularly courageous and especially moving.
This is, of course, a debate about an important scientific principle and whether our scientists are responsible enough to be given the task of unravelling it—of building a new research platform in this country, equally as important as the discovery of penicillin, the transplant of organs or the mapping of the human genome. I ask the chamber: is there any recent evidence of scientific misadventure in Australia under our framework of careful regulation and with our scientists, like most of those around the world, driven by a fine balance of curiosity and acting for the greater good of mankind? Sadly, some opponents of this view have allowed the debate to be largely taken over by interest groups and the religious, often generating more heat than light. To suggest, as some of them have done, that supporters of this bill cannot at the same time be Christians is deeply offensive to both those who support and those who oppose this legislation. In any case, different religions have diverse views about when life actually begins. It is not any group's exclusive territory. It is not a matter that is in the exclusive realm of any of them.

There are other key arguments associated with this bill, and I propose to deal with each of them very briefly. First, the slippery slope: the suggestion that animal-human hybrids will be the next inevitable step, that babies will be born on laboratory benches or that, as a newspaper advertisement disgracefully claimed last week, there will be 'cloned foetus farming'. This is abhorrent. These baseless accusations against our scientists are, of course, easily answered. The proposed legislation allows only for the use of the outer case of an unfertilised embryo to create stem cells; there is no sperm involved. The process is not the same as IV. This legislation will ensure that any of the illegal scary science remains a criminal offence punishable by a lengthy prison sentence.

Then there is the ‘adult versus embryonic’ argument about which of the stem cells will have the greatest potential for stem cell application. The truth is: nobody is sure. This journey of scientific discovery has just begun and it would be quite irresponsible to rule in or out either pathway. To borrow the words of Sir Gus Nossal, we must ‘leave all the cell doors open; the two lines of research should progress together’. The British Nobel laureate Sir Paul Nurse told me in a recent interview: ‘It would be utterly irresponsible not to investigate both options when the research is at such a tentative stage with very significant potential.’

Another line of opposition suggests that embryonic stem cells have been oversold as a possible remedy for a range of diseases and illnesses, and that those who support their use are filled with hype and hubris and giving hope to the hopeless. How dare we tell thousands of Australians who suffer from inherited diseases that they know will be their grandchildren's tragic legacy that they have no hope and that they should live each day in the knowledge that their disease will have no early cure. How dare we say that even a glimmer of hope, however fleeting, should be denied to them. Or worse still, how dare we say that, if a treatment or therapy is developed in Singapore, they should move there, or to Britain or Sweden or California, so that the treatment can be delivered to them there—at whatever cost. What audacious arrogance; what selfish simplicity. How pathetically patronising it is to these debilitated people. If we deny hope, why do any medical research? Surely to offer hope is to offer the chance to look forward with desire and reasonable confidence and it should never be denied.

Last but not least is the argument that the process embodied in this bill creates life to destroy life. As I said earlier, this is not an egg that becomes a baby as we know it.
There is no sperm involved and the law will not allow the egg to be implanted. It cannot by law be allowed to exist for more than 14 days. Let me emphasise here the questions asked by one of the team at Stanford University working on stem cells. He said:

Do you truly believe that these eggs, which despite dire predictions have not been developed into a human, are the same as a living person, deserving of the same level of treatment? Do you truly believe that these eggs, which cannot be used after 14 days and are banned from implantation, enjoy a human status?

I do not. I accept the human status of an IVF embryo because it could develop into a baby, but I also accept the right of those families to determine the future of these IVF embryos. Informed consent is as important to those men and women as it is in the transplant issue.

Since Christiaan Barnard’s groundbreaking transplant work, thousands of lives have been saved or improved by the generosity of individuals and their families who have taken part in this selfless program of organ transplantation. This ethical issue we are debating today is, to me, incomparable with that. To me, an egg, which is not fertilised by sperm, will not be implanted, will not be used after 14 days and has not been scientifically demonstrated as being able to become a human baby, does not enjoy the status of a living human being.

Finally, let me briefly canvass the utterly abhorrent suggestion that women will ‘sell their fresh eggs’ or the even more objectionable suggestion that ‘female cadavers will have their eggs removed’. These arguments are as patronising as they are specious. They suggest that a woman has no control over her body, is driven by money and greed, will willingly take medication to stimulate egg production in return for payment and will jeopardise her health and potentially endanger her life. There will be no opportunity for this. The law will prevent it in this country and those opponents well know it. Moreover, these accusations are deeply offensive to women—indeed, they should be to men too—and it is particularly unfortunate that they were put to some of our most eminent research teams to try to substantiate a very offensive argument. Surely we think more of the intellectual capacity of our scientists and of our female population.

In conclusion, can I once again make my position clear: this bill, carefully developed by colleagues Kay Patterson and Natasha Stott Despoja, and reflecting the sensible recommendations of the eminent group known as the Lockhart committee, is worthy of my support. Let me quote the words of that very courageous Australian Dr Paul Brock who in evidence to our committee said:

Can you imagine looking my 90-year-old mum, my 43-year-old wife and our 15- and 11-year-old girls in the eye, and looking me in the eye, a bloke who 10 years ago was running around like a lunatic, playing golf, playing cricket, playing the piano and doing all the things in my life, now reduced to two fingers that move a bit, a brain that still works, a voice which obviously works too much and telling us it is evil?

I cannot, I will not, and the Senate must not.

Senator CARR (Victoria) (12.58 pm)—I want to say a few words about the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006. I reject the notion that has been put to us in so many different forms that only the religiously devout are able to operate in a moral or ethical framework when it comes to considering questions of this type. As a humanist, I am not much impressed by the more extremist religious hysteria that has been associated with opposition to this bill. The emotive and often irrational anti-scientific fundamentalism that has been thrown up at members of this Senate is
not a fair basis for assessment of the merits of this particular bill, which seeks to legalise medical research and in my judgement may well do more than any other piece of legislation that we have considered in recent years to enhance human dignity.

In my view, the passage of this bill is crucial to the future of health and medical research in Australia. More importantly, the passage of this bill is essential so that Australian researchers can lend their internationally renowned excellence and expertise to the humanitarian task of finding cures for serious and debilitating diseases that affect children and adults all over the world. So it is not only a national obligation but an international obligation.

I want to begin with that latter point, because finding cures for disease is what I believe this legislation is all about. In Australia, almost 92,000 people suffer from type 1 diabetes. That is 0.5 per cent of the total population. It is a very serious disease and, at the moment, lasts for life. It severely affects the quality of life and it can lead to many grave complications and poor health outcomes. It is the type of diabetes that often strikes in childhood. In 2004 almost 1,000 Australian children under the age of 15 years were diagnosed with type 1 diabetes. At the moment, they will have that disease for life. It will, on average, shorten their lives by 10 to 15 years. Of course, around the world, these figures are magnified many times over. In Australia, around 3,000 people are living with the severe disease cystic fibrosis. The average life expectancy for someone with this disease is the mid-30s.

I could go on with details about cancer, heart failure and the many other life-threatening diseases that potentially can be cured through therapeutic cloning. Type 1 diabetes is the fastest growing chronic disease amongst Australian children. The incidence has almost doubled in the last 20 years. I do not know about other senators, but I want to be able to say to the thousand kids who are diagnosed with type 1 diabetes every year that we as a society are doing our best to help them find a cure. I want the scientists to be given the best opportunity to fulfil that moral obligation. As legislators, we have to make it possible for them to be able to do that.

Some people argue that we do not need stem cell research or, more particularly, research into somatic cell nuclear transfer—dubbed by its opponents as human cloning—to find cures for these serious diseases. They point to research into adult stem cells and say that it has shown equal potential. There are a couple of things that I would like to say about that argument. Firstly, there are currently significant limitations on the potential for adult stem cells to do what the use of embryonic cells seems to be able to achieve. A report recently commissioned by the Premier of Victoria, Steve Bracks, and his Minister for Innovation, John Brumby, makes the point quite succinctly. Professor Gus Nossal and his colleague Professor GF Mitchell—both extremely eminent scientists in their field—concluded:

In regard to adult stem cells, some studies have demonstrated greater developmental potential than previously thought but generally with more limited potential than [embryonic stem cells] ... Growth to required quantities is a major limitation in adult stem cell R&D.

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the suffering. The world needs stem cell research, including that involving and refining somatic cell nuclear transfer. I say that because we need it to ensure that its significant potential for success is realised. Professors Nossal and Mitchell, the experts who advised the Victorian government, spoke about this. It needs to be remembered that they are sober scientists who are highly regarded internationally—and they are very careful in the words that they use. They say:

We have mentioned the long time frames for product development in the medical field; 20 years from discovery to clinical practice is not unusual. In that context, the amount of progress that has been made in a scant 8 years with human [embryo stem] cells is breathtaking.

They used the word ‘breathtaking’. In that context it is important to appreciate that, firstly, they are making a comparison with progress in adult stem cell research and, secondly, they are comparing somatic cell nuclear transfer, SCNT, with other forms of embryonic stem cell science. These other forms use the technique of transplantation of embryonic stem cells into laboratory animals or, theoretically, into humans. The big problem here is rejection. That is the major hurdle. There is also the issue of guiding the stem cells down the right path to become the kinds of specialised cells that we need.

The stunning thing about somatic cell nuclear transfer, or SCNT, is that it overcomes these problems. Effectively, it has the potential to personalise the cells by using the patient’s own skin cell. There is already much evidence that this can work in laboratory animals. The technology required for this procedure is similar to that used in reproductive cloning, but we are talking about therapeutic cloning and not reproductive cloning. The distinction has to be made, both legally and scientifically. In my assessment, this legislation does that. We do not permit reproductive cloning of humans. I think that the idea would be morally repugnant to everyone in this chamber. But a firm prohibition on this kind of cloning should not stand in the way of developing a field of research that bears the potential to save so many lives and improve the quality of so many lives. As Professors Mitchell and Nossal pointed out:

... in the current and appropriate cautious and regulated environment, a broad SCNT approach is required for stem cell-based regenerative medicine to achieve its undoubted promise.

Diseases that take life and chronic diseases that severely restrict people’s quality of life ought to be fought with all the resources that we have available. This is the 21st century, and I think we should take a 21st century approach to these matters. We are fortunate enough to have a basis of medical and scientific knowledge that has been built up over a thousand years. It is now time to move that forward. Some of that knowledge has led to the development of exciting new techniques and processes that carry the potential to rid the world of a great deal of suffering. To say that we cannot follow that particular path simply because it shares some features with another path which we do not want to follow—that is, reproductive cloning—is, quite frankly, superstition. I would have thought that in the 21st century, superstition is not a basis for legislation. And, given what is at stake, it is cruel and life-denying superstition.

Scientists in several other countries are already working on the development of clinical treatments based on therapeutic cloning, or somatic cell nuclear transfer. They are doing so in the United Kingdom, Singapore, Japan, Europe and some states of the United States. Australia has been in the vanguard of research in the broad field. We have in the past been able to lead the way. Now it is time for us to ensure that we are part of international developments in this area. It is now time for Australian scientists to be able to tell
the rest of the world that we are going to play our part in ensuring the dignity of life for human beings. It is not appropriate to say, ‘Sorry; we cannot continue to make a contribution.’ It is not the time to do so because, now that this field is beginning to take off and to gain strength, we need to be part of the new frontier of world medical science.

Steve Bracks in Victoria and Peter Beattie in Queensland have said that they are prepared to go it alone if the Australian parliament votes to ban therapeutic cloning. These Labor premiers understand the potential of this research in terms of its value to human life. Both understand the potential of Australia’s outstanding scientists to contribute to this great international humanitarian endeavour. I, for one, am with them all the way. All power to them. But I want to see Australian scientists in New South Wales, Tasmania and elsewhere also able to make a full contribution to this work. Nothing could be clearer than the fact that it is desperately needed. Nothing is more important than the saving of lives and finding an end to suffering. That is why I am wholeheartedly supporting this particular bill and therapeutic cloning. That is why I urge my colleagues on both sides of the chamber to do likewise.

Senator LUNDY (Australian Capital Territory) (1.11 pm)—I will be supporting the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006, as I believe the public benefits of regulated research utilising therapeutic cloning will have a positive benefit for society. I also believe that it will improve the chances for finding a cure for a range of diseases afflicting many people. I believe that the medicinal and health benefits that this research will provide are undoubtedly in the best interests of all Australians. Limited embryonic stem cell research in countries such as Britain and the United States has shown immense potential for curing diseases that, until now, have had no known cure.

Research has shown that further development in therapeutic cloning may lead to cures for diabetes, osteoporosis, Alzheimer’s, Parkinson’s, multiple sclerosis, heart disease and many other conditions. When one takes into consideration that approximately one million Australians suffer from diabetes alone, the merit of further research in this field becomes readily apparent in our own domestic circumstance. In coming to my decision, I have also taken into account the report of the Lockhart review. As senators are probably aware, the Lockhart review committee was formed in 2005 to assess the Commonwealth legislation that regulates human embryonic research. The committee report recommended that human embryonic stem cells be allowed for research purposes under supervision and a strict ethical code.

There are concerns that research involving the insertion of human tissue into an ovum from another species could lead to human-animal hybrids. This is just not true. The process used in therapeutic cloning begins with the removal of genetic material from the donor egg. All that is left is like a shell. The patient’s own genetic material, or somatic cells, is then inserted into the space vacated by the original genetic material. This is the somatic cell nuclear transfer. This new environment then ‘resets’ the cell so it can begin to behave as though it were a cell in a newly forming embryo. It ceases to be a skin cell—or whatever the genetic material of it came from—and replicates as a stem cell. In this way, the use of the word ‘embryonic’, as I see it, is like an adjective describing the cell’s behaviour, not its ultimate potential or form. This is a method of tissue culture used for copying cells that must be used or destroyed after 14 days.
I would also like to address specifically the issue of permitting the use of animal ova in research. This seems to be causing some concern. As I have described, the egg environment is what is used—not the genetic material. I will share a little history for the information of senators. I thought it useful to list some of the original sources of hormonal or endocrinal treatments to demonstrate the extent to which animals have benefited scientific advancement in the treatment of human ailments. Corticosteroids were extracted from ox and sheep bile and the adrenal glands of slaughtered animals. Insulin was originally extracted from the pancreas and liver tissues of slaughtered cows and pigs. Thyroid extract came from the dried and ground thyroid glands of cows and pigs, and oestrogen came from premarin extracted from pregnant mares’ urine.

In 1796, the first vaccinations were being experimented with. Tissue from cowpox was used to inoculate against the smallpox virus. I quote from information provided by the Jenner Museum:

People quickly became fearful of the possible consequences of receiving material originating from cows and opposed vaccination on religious grounds, saying that they would not be treated with substances originating from God’s lowlier creatures.

Indeed, the term ‘vaccination’ actually comes from the Latin word for cow, ‘vacca’, and is used in reference to the origins of this form of treatment. I cannot imagine a world without vaccinations.

The fact is that bio-engineering has led to the development of safer, cleaner, affordable and consistent medicine. The use of animal ova in the context that we are currently debating is not so new and different. It is important to regulate—of that I am certain—but it should not be regarded as something to be feared or reviled.

I would also like to make some points about embryonic stem cells vis-a-vis adult stem cells. Embryonic stem cells behave slightly differently to adult stem cells, such as those collected from bone marrow. These latter, more mature stem cells have been shown to have the potential to treat various conditions, but they may not always be a treatment option. For example, a leukaemia patient may have had all their own bone marrow ‘killed’ by chemotherapy, and, while it is possible for this patient to undergo a bone marrow transplant, there is the very real possibility of developing graft versus host disease. This condition sees the bone marrow rejecting the body into which it has been transplanted. GVHD can be, and often is, fatal. The use of the patient’s own tissue to create embryonic, or embryo-like, stem cells does away with the risk of rejection and GVHD. This is a very important development.

I would also like to discuss the issue of juvenile diabetes. In the years before 1921, a diagnosis of juvenile diabetes, or diabetes mellitus—type 1 diabetes—was a death sentence. Those with the condition could expect to live no longer than 18 months, while their families watched them slowly starve to death in the midst of plenty, their bodies unable to metabolise the food they consumed.

In 1921, insulin was finally identified and isolated at the University of Toronto. It was then that work began to extract it from the pancreatic tissues of animals and transform it into a product that could be administered to human patients. This was an enormous achievement in the field of medicine and one which would later earn the Nobel prize. However, it was not enough to treat the global population of diabetics. The challenge was to purify the treatment, mass produce it and then distribute it to all those who needed it—a massive task for both the state-of-the-art technology and the logistics of the period.
In early 1923, the University of Toronto granted pharmaceutical companies licence to produce insulin free of royalties. This generation of insulin was extracted from the livers and pancreatic tissue of slaughtered livestock, mostly cattle and pigs. It worked well and saved millions of lives. However, it was not an exact match for human insulin and could cause side effects, which occasionally resulted in the loss of tissue at the injection sites. It was also an expensive process and the quality of the extract was not consistent.

In 1978, a start-up American bioengineering firm began experimentation with recombinant DNA. Their work saw the design and creation of an *E. coli* bacterium which produced human insulin as one of its natural by-products. This was the first patented living organism. This insulin product was released onto the market in 1982, some 2,500 years after the disease was first described in ancient Egypt. In comparison, the period of research into stem cells in Australia—the last four years—does not seem terribly lengthy.

It is important to note that insulin, with its interesting story of development, is not a cure for type 1 diabetes. It allows diabetics to live, but patients are still at risk of blindness, kidney failure, loss of limbs, impotence and infertility, amongst other negative outcomes. All of these eventualities require treatment in addition to the use of insulin and all have a substantial impact on the quality of life.

Parliamentarians were starkly reminded of the daily pain and suffering of type 1 diabetes sufferers when parliament hosted the now annual Kids in the House event. Hundreds of type 1 diabetes sufferers converged on Parliament House and implored their elected representatives to make a commitment to finding a cure. I feel that by supporting this legislation I am making good my commitment. I will never forget their stories. If therapeutic cloning can help to find a way to cure this tragic disease then every opportunity must be provided to facilitate it. This is the real hope with therapeutic cloning. It offers us the possibility of cures. Current treatments may ameliorate an existing condition and perhaps slow its progression, such as using interferon treatments for multiple sclerosis. What they do not do is repair the damage that has already been done to the patient or prevent further damage from occurring. While it cannot be promised that such cloning research will yield cures, it cannot be said that there is no such potential. That is why this research needs to be able to proceed.

I would like to focus just for a minute or two on the cruel disease of multiple sclerosis, or MS, for which there is no cure. Senator Humphries and I are co-patrons of MS here in the ACT and we co-chair the parliamentary supporters group for people with MS. According to an Australian website about this disease, there are 12,000 to 15,000 Australians with MS.

I would like to read an extract from an article published by the Research Defence Society, or RDS, which is the UK organisation representing medical researchers in the public debate about the use of animals in medical research and testing. The article concludes with this paragraph:

A completely new type of therapy may be possible using stem cells, possibly produced by cloning techniques. Stem cells are embryonic cells that have the potential to develop into all cell types found in the body. Transplanted into the brains of mice lacking myelin-producing proteins, these cells developed normally and secreted myelin, which began to cover nearby nerve fibres. The characteristic tremor disappeared in over half the treated animals.

Similarly, frozen human cells taken from nerve tissue have restored the nerve function in rats with the disease. This research is on-
going and clearly makes a positive difference to people’s lives. I believe it would be negligent not to continue and, for many, such neglect would constitute moral decline. If there is knowledge and understanding in scientific research, how can you choose not to help?

I note with interest the concern expressed regarding the potential exploitation of women. One senator cited a story of a woman being offered a discount for IVF treatment in return for donated ova in the UK, if I heard correctly. This example was used to illustrate how vulnerable women were to, I presume, being enticed into parting with their eggs. Under this legislation, women will not be permitted to sell their eggs. They can choose to donate them. This is akin to deciding to donate one’s organs—a practice I also fully support.

I also note that many senators who claim the rights of women are undermined by this bill are the same senators who have opposed the use of IVF and indeed the right to choose to terminate an unwanted pregnancy. There was no such respect for the rights of women in either circumstance when the opportunity was provided via other legislation debated in this place. The hypocrisy is noted.

I have listened carefully to the contributions of others so far who have formed a view to oppose this legislation. I am surprised at the level of reliance on thin end of the wedge arguments that evoke fear of the unknown. I obviously disagree and believe that the level of regulation this bill puts in place is both practical and workable. I do trust that the NHMRC will ensure that the prohibitions are adhered to. I reject arguments that this law will not be able to be enforced, as some senators have claimed. There are strong penalties and they are clearly described. Our health and medical researchers deal with complex ethical and moral issues concerning treatments and fields of study on a daily basis. They are professional and are experienced in the standards and behaviours expected of them. We should allow them to get on with their job.

I was saddened to hear some wildly inaccurate and sensational speculation about this legislation—that it will lead, somehow, to genetic designer children, the growing of foetuses to harvest human body parts and the prospect of creating chimeras, or half-animal, half-human entities. It is disgusting to mislead and create fear in this way, through some imagined extrapolation of where this research may end up in years to come. It is highly irresponsible and completely unhelpful to the tenor of this debate. This is precisely why the Lockhart review was commissioned: to ensure that there was a credible perspective on the real science behind therapeutic cloning. I do respect that religious and ethical views will differ. There is no shame in saying, as many have done, that it is outside your realm of beliefs, religious or otherwise, to permit this kind of research. Creating irrational fear does not have to be part of it.

I would like to acknowledge the work of my colleagues through the Senate inquiry process, particularly Senator Patterson and Senator Stott Despoja for taking the initiative. This bill has my full support. I would like to thank everyone in the ACT who contacted me about this issue. Predictably, there are wide-ranging views across both sides of the debate. I have tried to reply to most of them—although I think we are still working through our emails, so it might take a little while yet.

I think a great deal of work has been put in place on this issue. I would like to acknowledge the very hard work of scientists from all over Australia who have helped us, as legislators, to get a greater understanding of the scientific implications of this bill. Like
most of my colleagues, I am not a scientist. I do not purport to be one. I have relied on the work of others in making my contribution today. I hope that in the course of this debate we become a little more enlightened as to what the scientific reality is when it comes to the use of therapeutic cloning. I commend the bill to the Senate.

Senator FIELDING (Victoria—Leader of the Family First Party) (1.25 pm)—Family First wants cures as much as anyone else. Family First wants scientists to find cures to all manner of debilitating diseases. I cannot stress that enough. However, it is wrong to peddle false hope to some of the most vulnerable members of our community that cures are imminent. And it is disturbing that so many people are doing so. As world-renowned stem cell expert Professor James Sherley said recently:

The idea that research on human embryos will yield an amazing medicine chest of new cures for debilitating diseases of children and adults is a myth. Nothing could be further from the truth.

To properly examine this issue we need to focus on the scientific facts. It is clear from evidence presented to the Senate committee that cloning human embryos will not produce the cures we all desire. A number of scientists gave evidence that embryonic stem cells from cloned embryos will not be able to be used for cell therapies. Only adult stem cells can repair adult tissue.

Another aspect of this debate is the ethics around cloning. It is right for parliament to set ethical boundaries around science to reflect medical standards and community concern. In summary, Family First strongly opposes cloning human embryos for research for three reasons: firstly, the science, which tells us this will not produce the much hyped miracle cures; secondly, the exploitation of Australian women where there are health dangers for women whose eggs will be needed for cloning; and, thirdly, the fact that cloning human embryos crosses a major ethical line because, for the first time, we would be deliberately creating a human being with the intention of destroying it.

I will now expand on these points. Firstly, the science tells us that cloning human embryos will not produce the cures we all desire. Scientists revealed to the Senate inquiry that to use human embryonic stem cells in therapies you first have to turn them into adult stem cells so that they can work in an adult or a child. Professor Sherley says:

... embryonic stem cells cannot fulfil the job of adult stem cells and mature tissues because they were designed by Mother Nature to work in the embryo and not in the adult.

Not only is there a lack of evidence that embryonic stem cells from cloned human embryos can produce cures; here we have evidence that they cannot be used unless they are turned into adult stem cells. Surely the best option is to put all our effort and all our money into adult stem cell research, which we know works.

Speaking of adult stem cells, Professor Sherley also tells us that they are:

... the only type of stem cells for which there are current clinical treatments. Transplantation of bone marrow ... to restore blood cell production is a well-known adult stem cell therapy.

It is worth noting that the advice to government from MP Consulting was that, since changes to the law in 2002, there have been no scientific advances that would justify the
ban on cloning being lifted. The only advance the Lockhart committee could point to was the embryo cloning work done in South Korea, which was later found to be a complete fraud.

To those who claim Australia will go backward if we do not allow cloning, I again turn to Professor Sherley, who said: Stopping the production of cloned embryos for research will not deny Australians the opportunity for benefits in the form of new cures... because embryonic stem cells provide no path at all.

Frank Brennan, a Jesuit scholar and professor, emphasised that nothing has happened since 2002 to justify a change. Professor Brennan said:

The science has not changed, the moral arguments have not changed, community standards have not changed. It should take more than a handful of scientists seeking out more value free research environments for our politicians to change their conscience vote.

I will now turn to the issue of the exploitation of Australian women. To clone embryos, you need a supply of eggs. The only source of human eggs in Australia is from the ovaries of Australian women. I must stress that we are talking here about the need for thousands and thousands of eggs. The discredited Korean cloning research team used more than 2,000 eggs for no result. It took 277 attempts to clone Dolly the sheep, who then had to be put down because she was defective. Clearly, taking large numbers of eggs from Australian women poses dangers to their health, and we must remember that such invasive procedures have no direct benefit for the women involved.

As the Women’s Forum Australia told the Senate inquiry:

It is irresponsible and premature to allow research cloning without identifying a viable source of ova that is safe for women.

Only a few years after the legalisation of research cloning in the UK, the licensing authority has begun to authorise commercial incentives for supplying ova for research...

In other words, we know that deals are being done in the United Kingdom—deals between scientists and women—to extract women’s eggs in return for all manner of rewards. Surely we cannot say yes to such a trade in Australia. Family First acknowledges that our legislation prevents payment for women’s eggs, but the UK started out that way as well. It would be so wrong for this parliament to give a green light to a process that will inevitably lead scientists to bargain for Australian women’s eggs.

Finally, I will turn to the ethics of the cloning debate. As Dr Megan Best explained: Ethical boundaries in medical research have not caused medical research to stop progressing, but instead have moved it forward by promoting creative solutions...

While we know that politicians have a habit of quoting polls that suit them, we might have expected more from the Lockhart committee, which was established to provide what we had hoped would be unbiased advice. It is unfortunate that members of this committee ignored the only poll on Australian attitudes about cloning published in an academic journal, which showed that a majority of Australians did not want embryo cloning, and instead focused on polls which supported cloning.

While our media have featured stories of sick people living in hope of cures from cloning, it is important to point out that not all people suffering from illness have swallowed this pill. James Kelly, a US man who is wheelchair-bound following a spinal injury, opposes cloning. He said:

I’m paralysed from the chest down, with my life and dreams depending on the successful, efficient use of medical research resources. So it’s not in my interests to grab at straws instead of looking
at scientifically proven facts ... The simple truth is that therapeutic cloning is a colossal sham designed to draw crucial research resources down a fruitless path with no end in sight.

The case for overturning the ban on cloning embryos has no scientific legs. Family First urges senators to vote against this legislation.

Senator McEWEN (South Australia) (1.36 pm)—I thank the senators who brought this debate to the parliament. In particular, I thank Senator Webber, Senator Stott Despoja and Senator Patterson, whose bill, the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006, we are considering today. The bill arises from the Lockhart committee review of the Prohibition of Human Cloning Act and the Research Involving Human Embryos Act. I also thank the members of the Senate Standing Committee on Community Affairs, who conducted the inquiry into the Lockhart review, the exposure draft bill and related documentation and who presented us with the comprehensive and thoughtful report entitled Legislative Responses to recommendations of the Lockhart Review.

The report and the process that led to it are yet another example of the immense benefit of the system of Senate committee inquiries into important issues and legislation. I am sure that the committee would have preferred to have more time to conduct its work and I appreciate what they have done in such a short time. As we know, the majority decision of the Senate committee was to support the so-called Patterson bill which gives effect to the recommendations of the Lockhart committee by either maintaining prohibitions recommended by the Lockhart committee or making alterations to the current legislation as needed to implement the recommendations of the Lockhart committee.

In making its decision, I believe the Senate committee reflects the views of most Australians who also support the intent of this bill, which are, broadly, to allow scientists who may apply to undertake certain types of research using embryonic stem cells, and that persons undertaking that research must be licensed to do so and must do the research within a strict legal framework that reflects community standards of responsibility and accountability in scientific endeavour.

Obviously some people do not support this bill and probably did not support some or all of the original legislation that this bill now seeks to amend. Like all senators, I have read the arguments and submissions of those opposed to this legislation, and I thank them for taking the time to contact me with their views. Clearly, for some people this is a very emotive issue. That has been demonstrated by the well-organised campaign against this bill and it has also been recognised by the fact that senators and members will be exercising a conscience vote on these amendments. I respect the views of those people who are opposed to these amendments and acknowledge that, in the main, opponents of the bill have put their views in a measured and respectful way, although unfortunately that has not been the situation in all cases. I do not think those opponents of this bill who resort to hysterical and inflammatory language do their cause any good.

But as I said, this is an emotive issue for some people. There are, I believe, more important and potentially more ethically challenging issues that the parliament and parliamentarians have to deal with—issues that are definitely, immediately and forever going to change the lives of most Australians—and our children—for the worse or for the better. For example, there is climate change and its effects. What do we need to change in our way of life to stop the devastation of our en-
environment and the potential detriment to our economy as a result of that devastation? What should be the role of the government in that and how far do we interfere in the freedom of the individual in order to ensure the wellbeing of the majority? When and how do we extract ourselves from the war in Iraq and what will be the consequences, if any, for the Iraqi people? How do we resolve the world’s energy needs, knowing that nuclear energy can be used to generate power but also to kill people and cause genetic mutations in future generations? Where is the moral borderline between respect for and the protection of human rights and the restrictions and laws that we need to put in place to protect our nation from acts of terrorism? Why is it that last year 3.1 million people died from AIDS related illnesses, more than half a million of them children under 15 years of age? These are just some of the issues that bring into play our individual moralities, our different religious and ethical viewpoints, our need to consider the immediacy of action, the results of inaction and what we will forgo or reap if we are too timid or too bold in our legislation.

These are some of the considerations relevant to this debate too. By saying these things, I am not trying to diminish the importance of the debate we are having on this bill. I am certainly not wishing to diminish the work of the Senate Standing Committee on Community Affairs, the Lockhart committee or the senators who brought this matter here. I do believe we need to get things in perspective given that every day there are many issues of great import, of far-reaching and immediate impact, that the nation’s parliament could well justify spending a whole week considering, but time to debate those issues of national and international significance is a rare thing.

With regard to this bill, I can comfortably make my decision based on the findings of the Lockhart committee review, the facts presented to the Senate community affairs committee, the presentations I have attended and representations from both supporters and opponents of this bill. I will give my reasons why I support the bill shortly, but I have not been swayed by the opponents of this bill because I do not think they have made their case, and what case they have made is, in the main, based on beliefs and convictions that I do not share.

Some people say this bill enables scientists to create life with the intention of destroying it. I disagree with that proposition. I do not accept that this legislation creates what we can properly consider a living being. Of course, we already do create embryos with the intention of creating a human life, and I am sure there are many senators who, like me, have shared the joy of people who have become parents through participation in assisted reproduction programs. We have also seen participants in those programs who have had to make the decision about what to do with their unused embryos, and I am sure for some people that is a difficult decision. But it is a fact that we have allowed science to develop to a stage where we create and destroy, or experiment upon, human embryos already and the world has not descended into a maelstrom of immoral scientific extremism because of the ability to create human life in a test tube.

Others say this bill will lead to cloning human beings in the sense that we can replicate or make a person that has predetermined features or attributes. This bill does not allow that. The legislation in place specifically precludes that. It is a repugnant idea and it is disingenuous to try to claim that this bill will somehow or other lead to reproductive cloning.

One argument espoused by opponents of this bill is that research using adult stem cells
is sufficient for our needs and that we therefore do not need to amend the current legislation. That is not a view supported by the objective scientific literature which explains clearly, even for a layperson like me, that different types of stem cells—adult and embryonic—are different and have different potentials. This bill is about giving science the opportunity to realise that potential.

Some people say that this bill will open the door to unacceptable scientific experimentation and that scientists will be lured into commercial arrangements and find it irresistible to conduct research that is outside the bounds of what the community approves. It is a fact of life that private for-profit organisations fund scientific research with a view to making money. It is what happens in a capitalist economy. It is one reason why we need to regulate scientific endeavour with legislation such as the current legislation that this bill amends. This bill has punitive provisions—up to 15 years in jail—to prevent unacceptable use and abuse of the privilege of undertaking scientific research. Apart from those punitive legislative provisions, we should remember that by far the majority of scientific researchers and practitioners are honest, ethical people with a genuine commitment to using their talents and opportunities to improve the lives of all people. This is what science has done for centuries and I am confident that noble and ethical pursuit will continue to be the imperative for our scientific community.

Some opposition to this bill has been along the lines that women will somehow be coerced or forced into giving up or selling their ova to satisfy the needs of unethical science. Apart from the fact that there is no evidence at all to support that proposition, we should acknowledge we already donate all manner of body parts for science and medical procedures. We already donate organs, tissue, blood and sperm, amongst other things. I am unaware that this has led to any unethical or exploitative trade in body parts in this country. On the contrary; it has been conducted under rigorous government control and has contributed to alleviation of illness, remedy and prevention of disease, and has provided children for infertile couples.

The committee report notes that the bills:

... prohibit the commercialisation of human egg donation and insertion of any cloned human embryo into the body of an animal or human.

Possibly the crux of this debate is as described in chapter 3 of the committee report where it says there are those:

... who believe that the intrinsic value of the SCNT embryo is equal to that of an embryo created through natural fertilization using egg and sperm.

The report goes on to say that people in favour of this bill:

... did not think that this belief should outweigh the potential to help living people with the possible understanding of disease process, therapies or drug testing the resultant SCNT cells—that is, embryonic stem cells—... may be used in finding.

And that is the reason why I support this bill—that is, it may bring about further medical advances, changes for the better, and changes that have the potential to improve the health and wellbeing of not just Australians but people all over the world. The benefits of scientific discovery do not have to be confined within the borders of the country where those discoveries are made. Beneficiaries of scientific endeavour that produce vaccinations, therapies or other solutions to problems can be anywhere. It will only be science that halts the deaths of those half a million children each year from AIDS related illnesses.

But as the committee notes, and as the Lockhart committee noted in its findings, the proponents and supporters of this bill are not
promising any miracle cures—especially no miracle cures in the near future. All proponents of this bill caution that we should be realistic about what to expect if changes to the legislation are allowed by this parliament. We know, from the measured advice given to us by scientists and experts in this field, that nothing may come of the research techniques that this legislation may allow. SCNT may be superseded by some other technology or may not deliver any useful result. But how can we forgo the opportunity to find out what the potential is? How can we know what the potential is if we do not allow the research to occur?

This bill will give Australia’s scientists that opportunity. It will give them the opportunity to conduct work collaboratively with scientists in other nations where embryonic stem cell research work is already being undertaken. It will give them the opportunity to apply for a licence to do that research in their own country instead of having to relocate to countries where such research is allowed.

As I said earlier, this bill implements the recommendations of the Lockhart committee review of existing legislation. That review was undertaken by a group of eminent Australians, experts in various fields, who worked to the review framework set by the parliament in 2002. In their own terms, the Lockhart committee came up with a range of middle-of-the-road recommendations that took into account developments in technology in relation to assisted reproductive technology; developments in medical and scientific research and the potential therapeutic applications of such research; community standards; and the applicability of establishing a national stem cell bank. As also required, the Lockhart committee consulted widely within the Commonwealth and the states. There has been some criticism of the members of the Lockhart committee—unfair criticism—but, unfortunately, it is typical that when critics do not like the message they attempt to shoot the messenger. I am confident that the committee’s recommendations were rational, objective, informed and sensible.

This bill and the legislation it amends reflects the sensible and cautious approach of the Lockhart committee. It maintains the restrictions that the parliament agreed to in the original legislation and includes punitive measures for breaching those restrictions. It requires a further review of this field of scientific endeavour, and that is an entirely appropriate and responsible legislative mechanism. Most importantly, it gives our scientific community the opportunity to undertake research that has the potential to improve the lives of all Australians. Surely there can be no better goal for a member of parliament than to do what we can to improve the health, wellbeing and future of our people and therefore, as a member of parliament, I am pleased to have been given the opportunity to support this bill.

Senator WATSON (Tasmania) (1.50 pm)—In 2002, I voted for the Prohibition of Human Cloning Bill 2002 and supported the Research Involving Embryos and Prohibition of Human Cloning Bill 2002 as, I remind the Senate, did the majority of the members in this place. At the time, given some high-powered and persuasive arguments, my reasoning for supporting the research involving human embryos bill in 2002 was that I felt that important research could be undertaken that would benefit human society.

I remind the Senate that the system the parliament put in place in 2002 is still working. Scientists who wish to undertake research on embryos in excess to the IVF process can do so under licence from the National Health and Medical Research Council. The scope of allowable research is quite generous. But creating a human em-
bryo for research is a significantly different matter, and I believe that this should remain prohibited.

I remind the Senate that an opportunity was given in 2002 for limited experimentation with human embryos. Unfortunately, the recommendations made in the Lockhart report opened that door far too wide so that the negatives would outweigh the benefits and, in so doing, would introduce wider fundamental ethical issues.

I would now like to acknowledge Mr Jim Wallace AM of the Australian Christian Lobby, a person who has a close association with the Parliamentary Christian Fellowship, of which I am a member. Mr Wallace has been working very hard in this area, and I think his efforts are commendable.

I remind the Senate that one of the better comments in the Lockhart report is this:

… the higher the potential benefits of an activity, the greater the need for ethical objections to be of a high level and widely accepted in order to prevent that activity.

The absence of any demonstrated potential for cloned embryonic stem cells except in the discredited Korean results, on which I believe the Lockhart report is based, means that the 2002 decision should really stand. The fact that some are seeking to do cloning not four years after the original legislation is evidence in itself, I believe, that the ‘slippery slope’ is very real. From a practical point of view, stem cells can be obtained from the umbilical cord of newborn babies and either used immediately or stored for further research. The diseases that scientists claim they will research using embryos in the first 14 days will not manifest themselves in that time, making a subsequent request to extend the experimentation time inevitable—in the same way this request has come so quickly on the heels of the last, less than four years ago.

It is interesting to look at what the Lockhart report said about the creation of human-animal hybrids:

The Committee noted that there was strong community objection to the implantation of such prohibited embryos into the body of a woman or to their development in any other way beyond 14 days. The Committee sees no reason to depart from this strong community objection.

I would imagine that this strong community objection would apply to their creation and development at all, not just whether they were allowed to develop beyond 14 days.

I take some inspiration from the Catholic Health Australia chief executive, Francis Sullivan, who said the report showed that scientists were ‘far from settled on even the need to clone embryos’. A Catholic Health media release states:

The Report does canvass many issues but fails to face head-on the fundamental issue at stake: … that scientists wish to deliberately create human life to directly destroy it.

The Lockhart report itself acknowledges:

The creation of such embryos is widely accepted for helping people who would otherwise have difficulty having a family, but there is little general support for the creation of such embryos for research purposes—which this bill wants. The report also deals with another cogent argument, saying:

… because the technology is the same as that used for reproductive cloning, allowing cloning to extract stem cells would inevitably lead to its use for reproduction.

Finally, I do not feel that these additional changes to the act are justified. We gave scientists the ability to do limited research involving embryos, as I said earlier, just four years ago. I do not think they have exhausted all avenues, nor do I think it is prudent to continually relax legislation in this area just to keep up with other, less ethical societies. For these reasons, I will not support the legislation before the Senate.
Debate (on motion by Senator Minchin) adjourned.

Ordered that the resumption of the debate be made an order of the day for a later hour.

Sitting suspended from 1.56 pm to 2.00 pm

MINISTERIAL ARRANGEMENTS

Senator MINCHIN (South Australia—Leader of the Government in the Senate) (2.00 pm)—by leave—Senator Coonan, Minister for Communications, Information Technology and the Arts, will be absent from question time today until Thursday inclusive. Senator Coonan is on an official visit to Israel, leading an Australian trade mission to Telecom Israel 2006, as well as attending a series of meetings with the Israeli Prime Minister, industry and regulators. During her absence Senator Kemp has agreed to take questions on behalf of the Communications, Information Technology and the Arts portfolio and questions on behalf of the Minister for Revenue and Assistant Treasurer. Senator Vanstone has agreed to take questions on behalf of the Minister Assisting the Prime Minister for Women’s Issues, and I will take questions relating to the Foreign Affairs and Trade portfolio.

In addition, Senator Ian Campbell, the Minister for the Environment and Heritage, will be absent from question time from today to Wednesday inclusive due to family reasons. During Senator Campbell’s absence Senator Abetz has agreed to take questions on the portfolios of Environment and Heritage, Defence, Veterans’ Affairs, Transport and Regional Services and Local Government, Territories and Roads, for which we thank Senator Abetz very much.

QUESTIONS WITHOUT NOTICE

Economy

Senator SHERRY (2.01 pm)—My question is to Senator Minchin, the Minister representing the Treasurer. I refer the minister to the latest inflation figures, which show that the headline rate has increased to 3.9 per cent for the year to September and is growing. Are not the latest inflation figures now well outside the Reserve Bank’s target range of between two and three per cent? Why did the Prime Minister describe the inflation rate as extremely low by historical standards? How could the Prime Minister, Mr Howard, be so out of touch that he thinks that growing price rises across the economy, including almost a 10 per cent increase in the cost of food, are extremely low rates of increase for families to have to cope with?

Senator MINCHIN—I thank Senator Sherry for the question. He is right: inflation is a significant issue and one that we certainly take very seriously. I think the answer should be set against the fact that under our government inflation has averaged 2.6 per cent, and under the previous government it averaged 5.2 per cent. To that extent the Prime Minister is quite right to say that, over the period of our time in government, inflation has actually been half the rate of inflation that occurred under our predecessors, the Labor government, when inflation got completely out of control.

Senator Sherry—What happened when Howard was Treasurer?

The PRESIDENT—Order! Senator.

Senator MINCHIN—Mr President, Senator Sherry asked the question. I would like an opportunity to answer it. As to the question of the rate of inflation and the target set by the Reserve Bank, the last inflation rate on an annual basis was a 3.9 per cent figure, influenced most particularly, as Senator Sherry knows, by the significant increase in the cost of food, which has had a number of impacts upon it, not least the drought and the cyclone, and also by the costs of transport fuels which, as he well knows, have in-
creased substantially for reasons totally beyond the control of the Australian government.

The Reserve Bank’s target is to keep inflation between two and three per cent over the course of the economic cycle. It always looks at underlying inflation and inflation across the cycle; it does not just take one period of inflation and react immediately. The great policy virtue of the current settings is of course that the Reserve Bank has been granted independence in the setting of monetary policy, and it does so on the basis of keeping inflation in the band over the course of the economic cycle. It is one of the most significant policy decisions this government has made and one of the most important. The Reserve Bank is credited throughout the world with having managed monetary policy in this country extremely well against the backdrop of all the things we have done as a reformist government to ensure that we keep to a minimum inflationary pressures in the economy.

So inflation is a serious issue. It is critically important that the Reserve Bank observes its charter and acts in relation to monetary policy to ensure that the inflation genie never gets back out of the bottle, as it has in the past in this country—and, I concede, not only under the former Labor government but under former coalition governments that predated the former Labor government. The great thing about our period of government is the independence of the Reserve Bank and the fact that we have reformed the economy in such a fashion that there is less pressure on inflation. The record speaks for itself: average inflation under our government is at 2.6 per cent; under our predecessors it was 5.2 per cent.

Senator SHERRY—Mr President, I ask a supplementary question. If the government has not lost control of inflation, why have there been seven successive increases in interest rates since May 2002, including three since October 2004, when the Liberal government promised to keep rates low? Why does the government try to blame everything and everyone but itself? Why doesn’t it take some responsibility for rising inflation and rising interest rates?

Senator MINCHIN—The premise of the question is utterly absurd. As I just said, inflation under our government has averaged 2.6 per cent and under the government of the party which Senator Sherry belongs to it averaged 5.2 per cent. The government has not lost control of inflation. The government is determined to ensure that inflation remains under control. Interest rates under our government have averaged some 7.17 per cent compared with 12.75 per cent under the former Labor government. Australians are much better off after 10 years of our government than they ever were under 13 years of Labor.

Drought

Senator FERRIS (2.05 pm)—My question is to Senator Minchin, the Minister representing the Prime Minister. The drought is having a terrible impact on the Murray-Darling Basin in particular. What role can the Commonwealth and state governments play in dealing with this dreadful drought?

Senator MINCHIN—I thank Senator Ferris for that timely question. Of course, like me and others in this chamber from South Australia—the driest of all the states—Senator Ferris has a very good understanding of the impact of this drought. Senators such as Senator Bill Heffernan are experiencing firsthand this drought’s effects on rural Australia. It is not the first time Australia has had a serious drought, of course. Many have referred this week and last to the infamous Federation drought, which I think is still our worst in recorded history.
Given the significant increase in agriculture in the Murray-Darling Basin and the increased number of people living along the river and, of course, in my home city of Adelaide at the end of the river, the impact of such a severe drought is magnified and it does raise very serious and difficult policy questions. If the cake is diminishing, how do you, as a responsible government, slice it up in a fair and reasonable fashion?

Our government has been focused on this issue and the related issues for quite a while. That concern culminated in 2004, when the National Water Initiative was agreed with the states and territories. Under that initiative, six tenets of water reform were agreed upon focusing on the conversion of water rights into secure and tradeable access entitlements, allowing for open trading arrangements and improved water pricing. The basic principle is that water users themselves are best placed to determine the most efficient use of water. If water rights can flow to the most efficient uses and if the price signals exist to encourage water efficiency then users themselves can make the tough decisions about how to allocate the available water fairly.

It is regrettable and disappointing that the states have not moved to water trading as quickly as they had agreed. But at COAG earlier this year all states agreed that a comprehensive water trading system should be in place by 1 July next year. Of course the prolonged drought has made these reforms much more necessary, and that is one of the reasons why the Prime Minister, very sensibly and responsibly, has convened a summit of premiers and water ministers to be held here tomorrow. The summit is an opportunity to discuss these aspects of water policy.

Unlike Adelaide, the other state capitals are not dependent on the Murray for their drinking water. They can have more water available if tough decisions are made. More water infrastructure—be it dams, grey water schemes or other innovative solutions—does need to be built. Unfortunately, the public sector’s record on building this infrastructure is not good. State governments have been taking large dividends out of water utilities, thus limiting the capacity of those water utilities to invest sufficient money in their infrastructure. By way of example, the Sydney Catchment Authority has paid 97 per cent of its returns as dividends for the past three years and Yarra Valley Water has repaid 90 per cent or more of its returns as dividends for the past four years. I think state governments need to reassess their dividend policy and, as the parliamentary secretary Mr Turnbull has so sensibly pointed out, they need to examine the opportunities for the private sector to invest in water infrastructure.

The summit will be a chance for the Commonwealth to reaffirm our very strong commitment to providing funding to support water-saving projects right across Australia, and we will keep that focus very much on our $2 billion Australian government water fund and other significant initiatives. We live on the driest continent on earth and probably the one with the most variable climate, but we are a prosperous nation and we have a proven ability to innovate when it comes to water and to adapt to our variable climate. The government hopes tomorrow’s summit can demonstrate that, by working together with the states, we can find fair ways of dealing with this very serious drought.

Economy

Senator WONG (2.10 pm)—My question is to Senator Minchin, the Minister representing the Treasurer. I again refer to the recent inflation figures, which rose to 3.9 per cent for the year ending September. Is the minister aware that the Prime Minister, in response to this increase, said:
What you have to consider is that if you don’t have an interest rate rise ... there will be a further boost in inflation ...

Can the minister explain why the Prime Minister has given the green light to the Reserve Bank to increase interest rates? Haven’t there already been seven increases since May 2002, including three since October 2004, when Mr Howard said that interest rates would not increase under his government?

Senator MINCHIN—I refute the assertion that the Prime Minister has given the green light to the Reserve Bank. The Reserve Bank is fundamentally independent in its policy settings. That is absolutely clear in the charter that the government has with the Reserve Bank. The Reserve Bank is entirely independent in its monetary policy settings. That is not to say that no Prime Minister or Treasurer should ever say anything about interest rates.

Senator Sherry interjecting—
Senator Carr interjecting—

The PRESIDENT—Senator Sherry and Senator Carr, come to order!

Senator MINCHIN—Of course, as those responsible for fiscal policy and the responsible managers of this economy—one of the best-performing economies of the Western world—we are going to comment on all issues that pertain to people’s welfare and the state of the economy. Interest rates cannot be immune from comment by the Prime Minister and the Treasurer, but that does not go to say that the Reserve Bank is not independent. Of course it is independent.

The Labor Party seem keen on going back over the entrails of the last election. I would have thought they would not wish to do so, given the embarrassment of that election to them and given what a thrashing they got at that election. At the last election we made the proper, reasonable and sensible claim—and one that I see is still supported by the Australian people—that interest rates would be lower under our government than they would be under a Labor government, and history establishes that fact. As I said in my answer to a previous question, home mortgage interest rates averaged 12.75 per cent under the previous Labor government, peaking at 17 per cent. Home mortgage interest rates under our government have averaged 7.17 per cent. When we came into office at the end of Labor’s period in office, home mortgage interest rates were 10.5 per cent. Today they are 7.8 per cent. The Australian people understand that coalition policies are always more likely to produce lower interest rates than the policies of the Labor Party.

Senator WONG—Mr President, I ask a supplementary question. I again refer Senator Minchin to the Prime Minister’s comments. Can Senator Minchin explain to Australian families who are struggling with rising costs just why the Prime Minister has given the green light to an increase in interest rates? Isn’t the government’s failure to keep inflation under control directly responsible for the seven successive hikes in interest rates that have been suffered by Australian families?

Senator MINCHIN—The supplementary question is not a supplementary at all: it just asks the first question again. The government has not given any green light. The Reserve Bank is entirely independent.

Senator Sherry—Answer it this time.

The PRESIDENT—Senator Sherry, come to order.

Senator MINCHIN—The Reserve Bank will properly observe its charter, which is to keep inflation under control, and we are not going to let the inflation genie out of the bottle the way the Labor Party did, putting a million people out of work and destroying businesses right across this country in one of
the worse recessions this country has ever had.

*Senator Sherry interjecting—*

**The PRESIDENT**—Senator Sherry. I have continually asked you to cease interjecting. If I have to call you again, I will warn you.

**Skilled Migration**

*Senator JOHNSTON* (2.14 pm)—My question is to the Minister for Immigration and Multicultural Affairs, Senator Vanstone. Will the minister advise of the details of any labour market agreements signed recently affecting the meat processing industry’s ability to recruit temporary overseas skilled migrants? Is the minister aware of any plans to extend the agreement, and is the minister aware of any policy alternatives?

*Senator VANSTONE*—I thank the senator for his question and his obvious interest in the meat industry in Western Australia in particular, but also around Australia, having the labour supply it needs in order to do its job. Last week, two departments within the Australian government—the Department of Employment and Workplace Relations and the Department of Immigration and Multicultural Affairs—signed an agreement with the Western Australian government. It is an important agreement. It relates to just one company—International Exporters—but it allows them to recommence recruiting from overseas the people it needs. Without this agreement, the company believes that it would have had to lay off a number of Australians. We can debate the number—the company’s view is that it would have been around 70—but the important point is that this is a company that wants to be competitive domestically and internationally. It needs extra workers, it says it cannot get them in Australia and so it wants to bring people in from overseas.

The importance of the Western Australian government being a part of this agreement is that the state governments have responsibility for occupational health and safety, for example. They have an impact when a significant number of workers come in from overseas and are newly arrived to a local government area. Those workers have issues in relation to the services that they offer. So it is important for state governments to understand what the federal government wants to do in cooperation with industry so that industry has the skills that it needs. Clearly, the Western Australian government understands that it has a role and a responsibility in this area.

The agreement provides for strict skills assessment requirements, a minimum salary of over $41,000, minimum English language requirements and training of more Australians. What I think is important and of great interest, and which has not been achieved in the past to my knowledge, is that it is an agreement that encourages the company concerned to take on Indigenous Australians, humanitarian entrants—who are best settled if they can quickly find a job—and the long-term unemployed. This agreement protects Australian jobs and builds more. The meat-processing industry is one of our key export industries, it is worth billions of dollars a year and it is important that it has the skills that it needs. This agreement will help secure the economic viability of Gin Gin, north of Perth, where the company is a particularly key employer.

The Western Australian government is going to ensure under the agreement that all state laws are followed, including occupational health and safety. Apparently, Mr Beazley thinks that the immigration department should do that. We are not equipped to do that. That is not what we are charged to do. It is the responsibility of state governments and I congratulate the Western Austra-
lian government on recognising its responsibilities and working in cooperation with us to achieve them.

The other important aspect of this agreement is that the Western Australian Minister for Small Business, Norman Marlborough, said he likes the agreement so much that he wants to use it as a benchmark. I welcome that and I encourage my colleagues opposite to have a look at it and see if it is a good benchmark for a national agreement. Norman Marlborough also said that he is more than willing to work with us on securing a national agreement. We are currently negotiating similar agreements across a range of industries, including the finance sector, the logistics industry and the medical industry. So, while Mr Beazley is telling Australia, ‘Watch out, foreigners are coming to take your jobs,’ this government and the Western Australian government understand that we sometimes need to bring people in to protect and build Australian jobs and make Australia more secure.

Interest Rates

Senator STEPHENS (2.18 pm)—My question is to Senator Minchin, the Minister representing the Treasurer. I refer the minister again to the view of the Prime Minister that the best thing that the Reserve Bank can do to curb inflation is to raise interest rates again this week. Aren’t families with an average mortgage already paying an extra $248 a month compared to what they were paying before interest rates started going up in May 2002? Won’t a further interest rates rise this week add another $37 a month to those payments? Why does the Prime Minister believe that making families pay an extra $285 a month is the best thing to do to get inflation under control?

Senator MINCHIN—There is a concerted attempt by the Labor Party today to verbal the Prime Minister on his remarks on interest rates. The Prime Minister was quite properly pointing to the responsibility of the Reserve Bank to conduct monetary policy in an independent fashion that will ensure that inflation never gets out of control in the way that it did under the former Labor government, when Paul Keating proudly boasted that he had the Reserve Bank in his pocket and which resulted in interest rates of 17 per cent. It is quite proper for the Prime Minister to make the point that the last inflation figure was 3.9 per cent. That was heavily influenced, as we all know, by the increase in food prices that has resulted from the drought and Cyclone Larry and also heavily influenced by the price of transport fuel. Again, that is something beyond the government’s control entirely.

Senator Carr—Blame bananas!

The PRESIDENT—Senator Carr, come to order!

Senator MINCHIN—It is the responsibility of the Reserve Bank to ensure that inflation remains under control. We know that if the Labor Party ever gets into government we will see inflation get out of control once more. The recentralisation of wage fixing would be devastating to inflation in this country. It would ensure that, if there was a wages increase in the resources area, it would flow right through the economy, as it did under the former Labor government, threatening every Australian family in the way that it did when Mr Beazley was the Minister for Finance of this country. His budget was out of control and interest rates were out of control. We do not want to see a return to that and we will ensure that inflation and interest rates remain at the record lows that they have been under our government.

Senator Chris Evans—Record lows? Seven increases—
The PRESIDENT—Order! When you stop talking, Senator Evans, I will call your colleague.

Senator STEPHENS—Mr President, I ask a supplementary question. Isn’t the new interest rates reality crushing the aspirations of Australians who are desperately trying to buy a house? Where does the minister expect a low- or middle-income family to find the extra $285 a month they now need to pay off their home? How can the government have breached the trust of Australian families so badly?

Senator MINCHIN—The only crushing that has occurred in the last 15 to 20 years in this country was when the Labor Party was in office and inflicted 17 per cent mortgage rates on Australian families, put a million people out of work and created one of the worst recessions we have ever had. Under our government, the reduction in mortgage interest rates since 1996 has saved a typical family $495 per month in interest payments on an average $220,000 home loan. Australians understand the difference between 7.17 per cent under us and 12.75 per cent under Labor.

Workplace Relations

Senator FIERRAVANTI-WELLS (2.22 pm)—My question is to Senator Abetz, the Minister representing the Minister for Employment and Workplace Relations. Will the minister inform the Senate how the Howard government’s workplace reforms are delivering higher wages and more jobs for Australian workers? Is the minister aware of any threats to future wage and job growth?

Senator ABETZ—I thank Senator Fieravanti-Wells for her question. She really is an excellent contributor to this place and is always willing to ask the probing questions. Since the introduction of Work Choices we have seen over 205,000 jobs created—184,000 of those full time. And real wages continue to grow while disputes continue to decline. This has delivered real benefits for the people of Australia. For families it means improved wages and salaries, more jobs and more opportunities. And school leavers today are practising their job applications, not unemployment benefit applications as they did under Labor.

The Howard government is about incentives. It is about giving people the chance to earn more and about people being able to determine their own future. It is about reward for effort. It is not about Labor’s lowest common denominator approach which saw one million unemployed and wages stagnant. Yet at every turn Mr Beazley and Labor opposed our reforms that have turned Australia into the economic and job-creating powerhouse that she is today—be they industrial relations reform, tax reform, waterfront reform, every single budget, the abolition of Labor’s $96 billion debt or the abolition of the unfair dismissal laws. In every case the Labor Party have been wrong.

It is the racing season, I understand, and I would just ask honourable senators to consider if Mr Beazley were to be saddling up for the Melbourne Cup tomorrow. He would undoubtedly be riding some nag with the name No Ticker out of the union stable.

Opposition senators interjecting—

Senator ABETZ—And you could just imagine it: halfway down the straight, looking for riding instructions, Mr Beazley would be looking into the stand for Mr Combet, who would be waving his arms. So he would pull up the nag, look over to Mr Combet, get his instructions and—do you know what he’d do?—he would turn the nag around and run it back in a different direction. And I will tell you why: in November last year, when Mr Beazley was asked about his view on Work Choices, this is what he said:
... using the corporations power to do industrial relations legislation, that’s all wrong.
No ifs and buts:
... that’s all wrong.
But on Friday, the Leader of the Opposition said that using the corporations power would be okay.

*Opposition senators interjecting—*

**Senator ABETZ**—I wonder why he has had this turnaround halfway down the track. You know why—because a fortnight ago Greg Combet said that it would be good—

**The PRESIDENT**—Order! There is too much noise on my left. I remind senators that shouting across the chamber is disorderly.

**Senator ABETZ**—Halfway through the ride, as I was saying—

**Senator Carr**—I rise on a point of order. In terms of the procedure of this chamber, surely it would be appropriate to draw the minister’s attention to the fact that he is required to speak to the chair, not that end of the chamber.

**The PRESIDENT**—There is no point of order.

**Senator ABETZ**—You can tell they are very sensitive, can’t you? Halfway down the track Mr Combet gave the instructions. One fortnight ago—only two weeks ago—Mr Combet said that the use of the corporations power in industrial relations would be a good thing. That is the reason—no other—that Mr Beazley has done this U-turn. This shows the Australian people clearly, yet again, that Mr Beazley will take all and every one of his policy directions from the ACTU. If he wants to be the Prime Minister of this country, he has to govern for all Australians and not just the ACTU.

**Australian Water Summit**

**Senator BARTLETT** (2.27 pm)—My question is to the Minister representing the Prime Minister, and it relates to the water summit being held tomorrow. I note that the Queensland government has now, also, belatedly, been invited to that summit. My question goes to the approach the federal government is taking into the summit. Does the federal government believe that water is currently seriously over allocated—and is it prepared to do something to tackle that problem—and that unless water is properly priced it will not be used and allocated efficiently? Will the federal government ensure that there will not be a reduction in allocation for environmental flows, as has been called for by some local government authorities in the area?

**Senator MINCHIN**—As I said in my answer to an earlier question, the government does treat the issue of the drought, and particularly the pressure on the Murray-Darling Basin system, as very serious, and therefore has called a meeting with the relevant premiers and water ministers to discuss what options are open to governments jointly to seek to ameliorate the worst impacts of the drought on water supplies, essentially to irrigators and towns along the river and those who rely on the Murray-Darling Basin for their livelihoods.

It must, of course, be remembered, that there are interesting constitutional issues at stake here—given that the fact of the Constitution is that the Commonwealth does not have the primary responsibility for water—but increasingly, because of the obvious fact that rivers and water involve more than one state, the Commonwealth has been taking a role in seeking to ensure as cooperative an approach as is possible is taken to the careful stewardship and management of our water resources within the constitutional restraints.

I think it is accepted on all sides that, over the course certainly of the postwar period, there have been excessive calls upon our
The Murray-Darling Basin has been too great. The reality is that any number of communities have now developed around those arrangements and many livelihoods are dependent upon those arrangements. Unwinding those arrangements sensibly and in a mature fashion in the interests of the communities, the industries and the Murray-Darling Basin itself is going to take very careful management and, no doubt, the investment of resources on the part of taxpayers at the Commonwealth and state levels. From our point of view, we are doing that.

The Commonwealth has committed substantial sums of money to that. So far—I stand to be corrected—we have put in place arrangements to enable irrigators to seek to sell back into the system their trading rights to water. We are not contemplating compulsion in this area but we are very conscious of the demands on the river and its incapacity to meet those demands at the moment. This is a terrible situation facing many communities along the Murray River and the industries that are dependent upon it. I am glad all the Labor state premiers are attending the meeting tomorrow in a spirit of goodwill so that we can attempt to fashion some sensible responses to what is really a crisis.

Senator BARTLETT—Mr President, I ask a supplementary question. Could the minister clarify the part of my question which he did not answer, which was whether the Commonwealth would ensure there is no reduction in environmental flows as a consequence of tomorrow’s meeting, as has been called for by some local government authorities? Would the minister also indicate whether the water trading regime, which is planned to start from mid next year, will require realistic pricing of water? Can he also indicate, given that climate change will almost certainly lead to more prolonged droughts, high evaporation and reduced rainfall, whether tomorrow’s water crisis summit will include discussion about the need for state as well as federal governments to do more to meet the threat of climate change?

Senator MINCHIN—Tomorrow’s meeting is to be about the current drought that Australia is experiencing and the pressure that is putting on the Murray-Darling Basin, and what forecasts of very low water levels in storage dams will mean for those dependent upon them. It is not a general summit about climate change. As to the specific questions that preceded that last reference by Senator Bartlett, I think it better that I get some information for him as soon as I can and report back to him.

DISTINGUISHED VISITORS

The PRESIDENT—Order! I draw the attention of honourable senators to the presence in the President’s gallery of a parliamentary delegation from the National People’s Congress of the People’s Republic of China led by Mr Wang Yunlong, Vice-Chairman of the Agriculture and Rural Work Committee. On behalf of all senators, I welcome you to the Senate and particularly to Australia.

Honourable senators—Hear, hear!

QUESTIONS WITHOUT NOTICE

Airport Security

Senator McGAURAN (2.33 pm)—My question is to the Minister for Justice and Customs, Senator Ellison. Will the minister
Senator ELLISON—I thank Senator McGauran for what is a very important question and of concern to all Australians, that is, the safety and security of our aviation industry in this country. Airports are a very important part of that. In September last year we delivered our response to the Wheeler report, which is a comprehensive study of aviation security in this country. I am pleased to say that today, as part of our response to that report, we are announcing that 30 police officers have been seconded to the AFP from Victoria to perform the uniformed policing role at Melbourne airport. Another 25 are expected in December this year and that will bring the total to 55. We already have at the airports of Adelaide, Hobart and Canberra police seconded to the Australian Federal Police who have been carrying out a community policing role. Further to the response we announced in September last year, we also have our new joint airport investigation teams up and running. We are implementing our intelligence teams and we also have airport commanders in place across the 11 designated airports. The Wheeler report stated, as a starting point in its recommendation, that we should have a single line of command at our airports in relation to security, so we put in place 11 airport commanders at all the designated airports.

Senator Ludwig—What about Devonport?

Senator ELLISON—For the benefit of Senator Ludwig, all are in place and they have been operating very well. We have always said that it is an issue which is dealt with successfully only by a partnership between the private sector and government. In this regard, we have state, territory and federal governments involved, along with the private sector, being those involved in the airlines and the ownership of airports. With that single line of command, we have our police aviation liaison officers in place to ensure the smooth intersection between the private sector on the one hand and government on the other.

The commencement of the Victorian police seconded to the AFP today is a big step forward in the unified policing model. This announcement, which we made in response to the Wheeler report, involves in excess of $900 million across the board in relation to aviation security. Indeed, over the last five years, the Howard government has spent $1.1 billion on aviation security. It is essential that Australia have a reputation for safe and secure skies. That is something which will not only increase tourism in this country but also reassure the travelling public in relation to today’s environment of security threats—we saw them recently in the United Kingdom, especially at Heathrow Airport.

These recent announcements and implementations build on the great record that we have established in relation to aviation security. We have put in place air security officers. Recently, for the first time in Australia, the international conference was held here in recognition internationally of the great air security officer program that we have in place. We now have air security officers flying domestically and internationally. We have in place a range of measures across regional airports and major airports. All of this spells good news for the travelling public and increases air security in this country.

**Nuclear Energy**

Senator CARR (2.37 pm)—My question without notice is to Senator Minchin, the Minister representing the Prime Minister. Does the minister recall claiming in question time on 17 October:
I am the only one in the history of this country who has been responsible for every part of the nuclear fuel cycle, so I do think I have some knowledge of this issue.

Does the minister also recall his expert view of 21 May that nuclear power would not be viable in Australia for 100 years? Given the minister’s knowledge, can he indicate whether he was surprised to hear that the nuclear task force thinks that nuclear power could be viable in 15 years? Hasn’t this added to the confusion caused by the industry minister when he said that Australia could get nuclear power in 10 years? Can the minister now clarify: what exactly is the government’s policy on the viability of nuclear power in Australia?

Senator MINCHIN—As usual, there were a lot of questions there, but I will faithfully attempt to answer all those questions. My experience with the nuclear fuel cycle is not one I boast of but simply a function of having been the Minister for Industry, Science and Resources—the only time those portfolios have all been together—which meant that I did have responsibility for the research reactor at Lucas Heights, I had responsibility for uranium mining and I also had responsibility for waste disposal. Despite the trenchant opposition of the Labor Party to acquiring a repository for low-level waste, we are gradually approaching the position that Simon Crean first sought in 1992, in that we will have a national low-level repository for our low-level waste. So I think I can say I have some experience on this matter.

The great difference between our two parties is that we are prepared to debate the question of whether nuclear power should form part of Australia’s energy future. The extraordinary thing about the Labor Party is that they are engaging in the most amazing amount of scaremongering on the question of climate change—‘The end is nigh,’ says Mr Beazley, ‘but don’t worry, elect a Beazley Labor government and we’ll fix it.’ If there is one sentence that has been enunciated this year that has been subjected to parody, that is it—and quite properly. That statement by Mr Beazley has been subjected to quite an appropriate parody throughout the media, because it is utterly nonsensical and idiotic of Mr Beazley to suggest, to the extent that he believes that climate change means ‘the end of the world is nigh,’ that he can fix it.

Senator Chris Evans—Mr President, I rise on a point of order. It goes to relevance. We supported the minister’s claims about his expertise in the area. The question went to whether he was now supporting the 100-year scenario, the 15-year scenario or the 10-year scenario.

Senator Abetz interjecting—

Senator Chris Evans—Despite Senator Abetz’s making a mockery of question time, I would ask you to draw the minister’s attention to the question.

Senator Heffernan—Bloody blame-gaming bullshit!

The PRESIDENT—Order! Senator Heffernan, will you withdraw that statement. It was unparliamentary.

Senator Heffernan—I withdraw.

The PRESIDENT—Senator Minchin, you have two minutes and 20 seconds left and I remind you of the question.

Senator MINCHIN—Mr President, Senator Evans is rather too impatient. I was getting to an answer. But it does require the prelude that the opposition are making much of the threat posed to this country by climate change. In complete contrast, they are determined to keep their heads in the sand on the question of nuclear power. They will not even engage in a national debate on the question of nuclear power. The Labor Party have absolutely ruled out any future for nuclear power in this country, while saying at the
same time that greenhouse gas emissions are the greatest threat that we face.

The most substantial and obvious source of greenhouse gas-free power, provided at baseload capacity that the world has available to it, is nuclear power. That is why much of Europe relies upon nuclear power and that is why greenhouse gas emissions in Europe are far less than they would otherwise be if they relied on conventional power to the extent that they rely on nuclear power. France relies on nuclear power for some 70 per cent of its total baseload power. So nuclear power must be contemplated if you are serious about the issue of greenhouse gas emissions effecting climate change. But the Labor Party cannot even agree yet on uranium mining. Unbelievably, they are still arguing about uranium mining—after 20 years of debating the subject!

Senator Chris Evans—Mr President, I rise on a point of order. Again, it goes to relevance. The minister has had another couple of minutes to have a crack at it. He has traversed the world; he has traversed the Labor Party’s opinions.

The PRESIDENT—What is the point of order, Senator?

Senator Chris Evans—My point of order is that he was asked a specific question. He has made no attempt to answer it. I would ask you to protect question time and require ministers to at least have a go at the question.

The PRESIDENT—The question was regarding nuclear energy, and I believe that is what the minister is answering. If he continues to be interrupted—he still has 53 seconds left to answer his question.

Senator MINCHIN—In the 53 seconds available to me I will make the point that the question was about nuclear power. The obvious retort to the Labor Party’s questions on this matter is to say that they refuse even to engage in the debate on this matter. The government has made it clear that we think this country should debate the question of nuclear power. In debating nuclear power, there will be a variety of views as to the point at which nuclear power may become economically viable in this country. Of course there will be a range of views on that, because there are so many variables that go to the question of the economic viability of nuclear power. But at least we are prepared to engage in that debate rather than sticking our heads entirely in the sand, like the Labor Party—who cannot even agree among themselves on uranium mining.

Senator CARR—Mr President, I ask a supplementary question. My question goes to the original point again. Minister, will you now indicate to the Senate whether or not your expert opinion on the viability of nuclear power has altered from 100 years to 10 or 15 years? Is the minister aware that the Treasurer has said that he does not support paying subsidies to nuclear power plants to make them viable? Will the minister also rule out using subsidies to make power plants viable in Australia? Why should taxpayers have to pay the massive costs of the Prime Minister’s ideological obsession with nuclear power?

Senator MINCHIN—The ideological obsession is in the Labor Party, which refuses to even countenance nuclear power despite the fact it provides 16 per cent of the world’s power and 70 per cent of France’s power. Nuclear power is a reality and it is saving the world substantial quantities of greenhouse gas emissions, about which the Labor Party seems so concerned. We are prepared to debate nuclear power in this country; the Labor Party refuses to even engage in that debate.

Nuclear Energy and Climate Change

Senator BOB BROWN (2.45 pm)—I follow those questions to the Minister representing the Minister for Industry, Tourism
and Resources by asking: has the government legislated to prohibit nuclear power stations in Australia and, if so, why did it do that? Secondly, I ask the minister: is the government considering a price signal on carbon in this country both to address climate change and to help ensure that the Australian economy is able to compete with economies overseas with a carbon price built in?

Senator MINCHIN—My understanding on this matter is that indeed there is no legislative or regulatory regime in existence governing the construction and operation of nuclear power plants. That is a fact of life, and that is one of the reasons why the Switkowski committee has been established—to advise the government of what legislative arrangements would need to be put in place to enable a nuclear power industry to develop in this country. Of course you would have to develop the appropriate regulatory regime through legislation to ensure the safe and responsible operation of nuclear power plants in this country. We have regulatory arrangements regarding the operation of the research reactor at Lucas Heights, regarding the disposal of waste in this country and through the appropriate regulator that currently exists for those matters, but obviously for Australia to contemplate the establishment of nuclear power as a source of electricity the appropriate regulatory regime would need to be put in place and it does not currently exist.

I do not know that it is true to say that nuclear power has been legislatively banned—I will get further advice on that—but I think the proper construction of the situation is that there is simply no legislative or regulatory regime in place for someone contemplating an investment in nuclear power to be able to operate within. If you were going to enable the establishment of nuclear power in this country, you have to put such a regime in place to ensure the safe and effective operation of nuclear power. My clear view is that as and when that may occur—and may I, in responding to the previous question, say that it would certainly be my prima facie position that the Treasurer is right and that it should be based on the economic viability of nuclear power—the government can establish the appropriate regulatory settings, but from that point forward it should be a matter for the commercial power generation sector to determine whether nuclear power is economically viable. That will have to take into account a whole range of other settings and the cost of power generated by conventional means.

We have consistently said on the latter part of your question, Senator Brown—through you, Mr President—that we think it would be economic vandalism, to quote Mr Paul Kelly from Insiders, for Australia to put in place a separate carbon tax or the equivalent of a carbon tax which is the cap and trade system for carbon emissions. If we were to do that unilaterally, all we would be doing is exporting energy intensive industries and the jobs that go with them to countries not so inclined to put such a tax or trading system in place. We think that would be, as Mr Kelly said, economic vandalism and it is not something we would contemplate. However, the Prime Minister has indicated that, if a global arrangement were to be established that involved everyone participating in some sort of emissions-trading system, Australia would be prepared to contemplate such an arrangement because it would by definition mean that Australia would not be cutting off its nose to spite its face. It would mean that we would be competing fairly with other countries around the world in terms of our capacity to attract and retain energy intensive industries and the jobs that go with them.

Senator BOB BROWN—Mr President, I ask a supplementary question and I would
ask the minister to look at his own government’s legislation relating to nuclear power. I ask the minister: is his answer effectively that there will be no price signal built into the Australian economy, either through a trading regime or a carbon tax, until the whole globe is involved—in other words, until after 2012, or Kyoto 2, as the Prime Minister calls it? With the fast-moving world involved in climate change, what is the alternative that the minister has for pricing the inherent multibillion dollar damage that is now clearly forecast to occur to the Australian economy and is occurring right now through pollution of our atmosphere?

Senator MINCHIN—The Prime Minister made it abundantly clear last week that we do think that a precondition to effectively taxing carbon in this country is that there is a truly international system in place but one that at least captures the major emitters. India, China and the US have to be part of such a system given their contribution to global emissions. Any system that does not include China, India and the US is utterly futile. The background to this debate must be that, whatever you say, Australia contributes 1½ per cent of the world’s greenhouse gas emissions and that, if we were to shut down the Australian economy tomorrow, China would replace all of those emissions within about nine or 10 months. So any discussion of this matter which ignores that absolute fact is facile in the extreme. We are not going to cost Australia’s jobs and industry for absolutely no gain to the world environment under any circumstances.

Aviation Safety

Senator O’BRIEN (2.51 pm)—My question is to Senator Abetz, the Minister representing the Minister for Transport and Regional Services. I refer the minister to the decision by the Civil Aviation Safety Authority on 24 October to cancel the air operators certificate of Transair, the operator of the aircraft that crashed near Lockhart River 17 months ago, killing 15 people. Can the minister confirm that, despite ongoing fundamental safety problems at Transair, the company is still flying due to an automatic stay introduced by this government? Can the minister also confirm that under the government’s stay provisions this company can remain in the air for a further 90 days? Why is this government so complacent about aviation safety?

Senator ABETZ—Starting with the last part of the question, of course this government is not complacent about air safety. To make that sort of unfortunate assertion does the senator no credit whatsoever. The Australian Transport Safety Bureau’s investigation into the Lockhart River accident has not yet been finalised. There is no suggestion in their interim reports that the accident was due to any failure by CASA 17 months ago, albeit that was implied by Senator O’Brien in a media release. The reports state that the aircraft was operating normally at the time of the accident, with no defect or malfunction evident. After the accident, CASA applied a higher level of audit and surveillance. This clearly shows that Transair was under continuous and appropriate CASA scrutiny and that the nature and scope of the audits was progressively increased.

The director of aviation safety has assured himself that there is no imminent threat which would prevent Transair flights continuing at this time. The recent decision by CASA to cancel Transair’s AOC, as well as other actions against Transair that have occurred since 2001, are the result of CASA’s surveillance of the air transport sector, and this reflects CASA’s willingness to take action.

That is the information that I have been provided with. We know that from time to
time Senator O’Brien seeks to ask questions and raise issues about CASA. Just recently he issued another media release about these issues. From the government’s point of view, we are very concerned about air safety for all Australians. We have a bureau that is undertaking that task, and the government sees no reason why the people of Australia should not have confidence in the way it is undertaking its tasks.

Senator O’BRIEN—Mr President, I ask a supplementary question. I return to that part of my question which Senator Abetz did not deal with—that is, the fact that Transair, having been told that its air operators certificate is to be cancelled, has an automatic, regulated 90-day stay of that order. It does not have to apply to a court to get the stay. CASA has implemented, with the approval of the government, a 90-day automatic stay of its own decision. Can the minister also confirm that the Civil Aviation Act provides CASA with the power to ground airlines that pose a serious threat but that it has chosen not to do so in this case? Why won’t the Howard government stop its soft treatment of Transair? Why won’t this government take action under the legislation to ground this airline? And why did the government create the power for this airline to effectively have its air operators certificate cancellation waived for a further 90 days?

Senator ABETZ—I am not sure that the Labor Party necessarily opposed those provisions when they went through this place, but we can check the record in relation to that. According to aviation safety law, Transair can continue to fly, pending a review by the Administrative Appeals Tribunal of CASA’s decision to cancel its air operators certificate. The legislation provides for an automatic stay of five business days from the cancellation decision. The stay of the decision allows Transair to apply to the AAT for a review of the cancellation decision. Transair has had until the close of business on 31 October to make that application. If the application is made then the stay continues in effect for up to 90 days or until the tribunal completes its review of the decision, whichever comes first. We have legislated for this. This is called procedural fairness. (Time expired)

Illegal Logging

Senator TROOD (2.57 pm)—My question is to the Minister for Fisheries, Forestry and Conservation, Senator Abetz. How is the Howard government acting to protect the world’s tropical rainforests from illegal and unsustainable logging? Is the minister aware of any alternative policies?

Senator ABETZ—I thank Senator Trood for his question and note his commitment to ensuring that the world’s forests are harvested on a sustainable basis. Last week I released the Howard government’s plan to reduce the amount of illegally harvested timber brought into Australia, bringing down the axe on illegal logging.

Opposition senators interjecting—

Senator ABETZ—This practical plan will help to reduce the amount of illegal timber imported into Australia. More than that, this plan will help to ensure the ongoing sustainability of the world’s forest resources, particularly in our own region of South-East Asia and the Pacific.

This plan proposes that we work with, rather than against, our neighbours in the fight against illegal logging. I am pleased that the policy was welcomed by a variety of industry groups and—for the benefit of those opposite who were interjecting before—by the shadow minister, Mr Martin Ferguson. But it has, of course, been opposed by the Australian Greens. Why? Because it is practical. Australia should, to quote Senator Brown, ‘ban the import of tropical rainforest timbers’. Never mind the fact that this will not actually stop tropical rainforests being
logged; it will only stop the timber coming here.

Just as we sometimes say about Mr Swan in the other place that he can’t hold a policy from breakfast till lunchtime, in this case, in the Australian Greens’ press release, Senator Brown could not even keep his policy line within the same statement. Senator Brown, after saying that there should be this total ban, went on to say:

The only exception—
a total ban; now there is an exception—
would be strictly inspected local mills doing selective logging ...

Here we have the gross hypocrisy of the Greens again. In one sentence he says we should ban tropical timber imports totally, yet only three sentences later he says we can import tropical timbers. Which is it? The reason of course is that, while Senator Brown, Greenpeace and other green organisations run around saying that we should ban timber imports from places like Papua New Guinea, green groups are actually helping to run dodgy and sometimes illegal logging operations in that country’s rainforests. As the Australian newspaper recently exposed:

An Australian-led coalition of non-government organisations has set up a small-scale logging operation ...

Listen to this:

... Greenpeace activists are relishing a meal of—
Guess what—
cassowary-and-taro stew ... oblivious to the fact that cassowaries are much rarer than the whales Greenpeace is campaigning to protect ...

Ironically, it seems that whatever the outcome of the forestry debate, the local cassowaries can’t win. The limited money which the NGOs’ presence has generated in the area has been used to buy guns.

Guess what those guns are used for: to kill even more endangered cassowaries. This is the Greens’ great plan to save Papua New Guinea’s rainforests!

Opposition senators interjecting—

Senator ABETZ—For the Labor Party opposite, you should realise that Mr Ferguson actually supports this policy, and I think you ought to get back into your caucus room. It is little wonder that the Greens cannot be taken seriously on any of the world’s environmental— (Time expired)

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

QUESTIONS WITHOUT NOTICE: ADDITIONAL ANSWERS

Nuclear Energy and Climate Change

Senator MINCHIN (South Australia— Minister for Finance and Administration) (3.01 pm)—I would like to add to an answer that I gave to Senator Bob Brown’s question earlier today on nuclear power. I advise the Senate that the Environment Protection and Biodiversity Conservation Act 1999 currently prohibits the establishment of a nuclear power plant in Australia. The Australian Radiation Protection and Nuclear Safety Act 1998 also prohibits ARP ANSA from issuing a licence for a Commonwealth nuclear power plant. So, as I said in my answer, there is no legislative framework for the regulation of nuclear power in Australia because, obviously, such an industry does not currently exist. Should it be contemplated, the necessary legislative changes and regulatory framework would obviously be required, as I outlined.

Carer Payments

Senator KEMP (Victoria—Minister for the Arts and Sport) (3.02 pm)—On 19 October, Senator Claire Moore asked me a question in my capacity as Minister representing the Minister for Human Services about the support of parents who are caring for ill chil-
dren and the criteria of provision for that support. I have written to Senator Moore about this matter and I now seek leave to incorporate my response.

Leaf granted.

The response read as follows—

30 October 2006

Dear Senator Moore

I write concerning your question to me as the Minister representing the Minister for Human Services in the Senate on 19 October 2006. You asked me about support for parents who are caring for ill children, and the criteria for the provision of support.

Your question actually falls within the portfolio of Family and Community Services and Indigenous Affairs (FACSIA). Human Services is responsible for the delivery of services and the FACSIA portfolio is responsible for the policy. However, I am also the Minister representing the Minister for FACSIA in the Senate. I have made enquiries into this issue and provide the following response.

Eligibility for both Carer Payment (income support) and Carer Allowance is determined by Centrelink, in accordance with legislation, from information provided by the child’s treating doctor and the individual’s circumstances.

Where an individual is dissatisfied with a decision Centrelink has made about an entitlement, or if circumstances change or new information becomes available, a review of the decision may be requested.

With regard to the specific cases that you identified and the question of a review, I have contacted Minister Brough. The Minister has undertaken to review the provisions that affect these sorts of cases to ensure that the policies that Centrelink apply are as the Government intended and, if there is a class of people in similar situations to those you have identified, to see what additional relief can be considered.

This will not be a review of specific cases. Individuals may already request a review of Centrelink decisions. The review is looking at the specific provisions that apply in these sorts of cases to see what, if any, scope there is to find a better balance to ensure that people who are genuinely in need of help can be considered without broadening eligibility beyond the purpose of disability support.

Thank you for bringing this very important issue to my attention. I will table this response when the Senate next sits so that it is on the public record.

Yours sincerely

Rod Kemp

Minister for the Arts and Sport

ANSWERS TO QUESTIONS ON NOTICE

Question No. 2490

Senator CARR (Victoria) (3.03 pm)—Pursuant to standing order 74(5), I ask the Minister representing the Minister for Health and Ageing for an explanation as to why an answer has not been provided to question on notice No. 2490, which I asked on 14 September 2006.

Senator SANTORO (Queensland)—Minister for Ageing) (3.03 pm)—I am advised by Minister Abbott’s office that the question raises complex issues around a tendering process, that the department is giving the question very active and detailed consideration and that a response will be forthcoming as soon as possible.

QUESTIONS WITHOUT NOTICE: TAKE NOTE OF ANSWERS

Inflation

Interest Rates

Senator SHERRY (Tasmania) (3.03 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 Sherry, Wong and Stephens today relating to inflation and interest rates.

Today the Labor opposition put a number of questions to Senator Minchin, Minister representing the Prime Minister, Mr Howard, concerning Prime Minister Howard’s recent
comments about the increase in inflation rates and his subsequent comments about the need to increase interest rates in Australia. As our questions referred to, inflation in this country in the year ending September has increased to 3.9 per cent.

That increasing inflation rate has two serious implications. One is the obvious impact on Australian households, and no better place can this be illustrated than in the area of food. It is not the usual banana excuse that we get from the government. If the Prime Minister took a few more trips to the supermarket, he might understand the impact the increase in food prices is having on Australian families. The price of food in the year to September increased by almost 10 per cent in this country. Perhaps the Prime Minister should take a few more trips to the supermarket to understand why Australian families are hurting. Vegetables are up by 9.3 per cent, bread is up by eight per cent, soft drinks are up by 6.8 per cent, eggs are up by 6.5 per cent, pet food is up by 6.2 per cent, tea and coffee are up by 6.2 per cent and the list goes on. The government in this country has lost control of inflation.

What is remarkable about the Prime Minister’s head-in-the-sand, out-of-touch attitude is that he referred to the inflation rate—an increase of 10 per cent in the price of food—as extremely low historically. Go to the average family that is facing a massive increase in the price of food across the board, not just bananas, and argue that the price of food increasing by 10 per cent is extremely low by historical standards. That is no great compensation. Go and talk to the average family when they are shopping and say that the price of food going up by 10 per cent is extremely low—that is no great consolation to them, as the Prime Minister would suggest. They still have to pay for it.

Even more concerning is the head-in-the-sand approach of the Prime Minister when it comes to the impact on interest rates. We will know all about that on Wednesday. At the last election the Prime Minister ran around the country saying, ‘We’ll keep interest rates low.’ What has happened since the election? Three increases in interest rates. It was truly amazing when the Prime Minister said, in response to this increasing inflation figure that has happened on his watch:

What you have to consider is that if you don’t have an interest rate rise then it is possible there will be a further boost in inflation because of the strength of the economy and a bigger rise might be needed further down the track …

Here you have the Prime Minister of Australia, in response to the escalating inflation figures, not only abrogating and reversing his promise from the last election that interest rates should be kept low. The Prime Minister, Mr Howard, is urging the Reserve Bank to increase interest rates.

Senator Ferris—Stop shouting!

Senator SHERRY—Well, we have got to get the message through to those government senators. You are just out of touch. At the last election, the Prime Minister ran around the country saying, ‘We’re gonna keep interest rates low.’ Since the election there have been three increases in interest rates. And here, a week and half ago, the Prime Minister is urging the Reserve Bank and advocating that it should increase interest rates. He went on and said, with respect to an increase in interest rates:

That could well be the philosophy of the Reserve Bank, and if it does, it will be hard to criticise that.

Here is the Prime Minister not only urging the Reserve Bank to increase interest rates on Wednesday but also saying you cannot criticise it. What did he do at the last
election? He ran around the country saying, ‘We’ll keep interest rates low.’

At least we made one advance today. Senator Minchin acknowledged that when Mr Howard, the Prime Minister, was last Treasurer of this country, interest rates were at 22 per cent. He finally acknowledged what happened when Mr Howard was Treasurer.

(Time expired)

Senator FERGUSON (South Australia) (3.09 pm)—It always amazes me when I stay in this chamber and listen to people like Senator Sherry from the Labor Party talking about interest rates. When Senator Sherry in 1989 was probably looking after his friends in the liquor and hospitality union, I was paying 24 per cent interest rates under a Labor government. And Senator Sherry has the hide to come into this place and complain about interest rates that are a shade over seven per cent.

Senator Sherry talks about the increase in food prices. He obviously leads such a sheltered life that he does not realise that we are experiencing the worst drought in 100 years. What does he expect would happen to food prices with the demand that is currently placed on the few sources of food that are still available? Do you expect food prices to stay at the same level in the middle of the worst drought that we have had in 100 years? That is how much of a sheltered life Senator Sherry has led. Maybe he has only just started going to the supermarket; I do not know. But I can tell you that we have not seen the worst of food prices going up because the drought, and the effect that that is having across the whole of Australia, is going to ensure that food prices are going to go up. There is simply nothing we can do about that. What does Senator Sherry expect the government to do—make it rain? That is the only way we can make sure that food prices in supermarkets come down to a reasonable level; that is when we get a greater supply.

Senator Sherry wants to get a few facts on that table, and seeing that he would not put them there I think I should. Under the Howard government inflation has averaged 2.6 per cent. Under Labor it averaged 5.2 per cent, exactly twice as much. And to keep inflation low and interest rates low we have made substantial reforms to the economy, every one of them opposed by Labor. Every one of those reforms to make our economy more efficient and more productive, Labor has opposed. Keeping the economy strong, getting unemployment under five per cent, keeping inflation in check and reducing interest rates from the 1996 levels that we inherited when we came in office have required very careful economic management. And if Senator Sherry is not prepared to acknowledge that it has been careful economic management that has kept inflation in check and interest rates at a low level then he is not very interested in what took place prior to 1996.

The Labor Party have no alternative economic plan. At the last election, what did they have? A piece of cardboard signed by Mark Latham. That was their economic plan. That is what they were going to put before the Australian people, and that was going to save Australia and keep our economy in good shape. In 2006, what have they got now? Billboards this time; no coherent economic policy at all, but billboards. That is their policy. No-one denies that we are facing serious economic challenges. We have got the worst drought in 100 years, we have still got almost the highest world oil prices in history and domestic inflation has been affected by the cyclone in Queensland.

Senator Wong—Oh, come on! You’ve always got an excuse.
Senator FERGUSON—I am not just talking about bananas; it had a tremendous effect across all the north of Queensland.

Senator Wong—It was two-thirds of the basket. Two-thirds of the basket went up.

Senator FERGUSON—Senator Wong, as you live in your comfortable place in Adelaide you have no idea what happens outside of the metropolitan area. You should take a drive out to rural areas.

The DEPUTY PRESIDENT—Senator Ferguson, address your comments to the chair. Senator Wong, stop interjecting.

Senator FERGUSON—My apologies, Mr Deputy President.

The DEPUTY PRESIDENT—Thank you.

Senator FERGUSON—Senator Wong should take a drive out into the rural parts of Australia and she would see just how difficult things are in those areas.

Global inflationary pressures have increased in the last 12 months, and that has led to higher interest rates around the world. We have seen terrific volatility on world commodity prices and equity markets, and there are risks to global growth which are associated with the slowdown in housing, particularly in the United States. These challenges require a focused and disciplined approach to economic management, not sloganeering and billboards. And if Senator Sherry wants to come in here and say how devastating it is because we have had three rises in interest rates—still at historically low levels—he ought to remember what his party did to the Australia population with interest rates of 17½ per cent for housing and, as I said, up to 23 and 24 per cent for the ordinary borrower. (Time expired)

Senator WONG (South Australia) (3.14 pm)—Well, Senator Ferguson, thank you very much for that contribution: yet more hyperbole from the Howard government, showing yet again how out of touch they are with what is actually happening for most Australian families out there. Senator Ferguson says, ‘It is not a surprise; we have had a cyclone,’ and all of that. Is he aware that two-thirds of the goods that are considered by the ANZ when looking at rises in prices have risen? Is he aware that food prices have risen about 10 per cent? This is the sort of increase in costs that Australian families are struggling under, and what do we have? We have Senator Minchin and the Prime Minister here today going on and on about inflation being at historic lows. They say, ‘We’ve had historic lows in inflation over our period in government,’ while families are struggling with an around 10 per cent increase in the cost of food.

When it comes to mortgage rates, let’s remember a couple of things. Let’s remember what interest rates were under John Howard as Treasurer—as Senator Sherry said, in excess of 20 per cent. Those on the other side like to gloss over the fact that under John Howard as Treasurer—

Senator Robert Ray—Double digit inflation as well.

Senator WONG—there was double digit inflation and interest rates at 20 per cent. Let’s talk about what families are paying today as a proportion of their household disposable income under this government. On the other side they are all hanging their heads because they know families are paying more now than they ever were under Labor. Nine per cent of their household disposable income is going on mortgage interest repayments. It was six per cent under the Labor government. They are paying more now than they ever did under the previous Labor government, but we still had the Prime Minister before the last election and we still have Senator Minchin today going on about his-
torically low interest rates. The reality is that more is spent by households in terms of disposable income on mortgage interest repayments than there ever was under the previous Labor government. Let’s get that clear.

We saw the Prime Minister at the last election running around the country, happy to take the glory, as he perceives it, for the interest rate position. Interest rates have gone up three times since the Prime Minister and everybody else on the coalition side was running around the country saying: ‘Interest rates are very low. They’ll always be low under a Liberal government.’ Are they taking responsibility for those three interest rate rises? They are happy to take responsibility when they are low. Are they happy now to take responsibility for seven successive interest rate increases, including three since the last election? Will you see the government taking responsibility for that? I doubt it very much. Perhaps even more extraordinary is that we have the Prime Minister now on record trying to soften people up and saying, ‘Maybe we need an interest rate rise because inflation’s so high,’ which seems a very far cry from what he was saying in 2004, when he promised to keep interest rates low.

I want to comment on something that did not seem to get much airplay in the discussion about interest rates in question time today—some of the things that are fuelling the hikes in inflation. There has been a bit of discussion about this. A couple of weeks ago the St George Bank economist analysed, amongst other things, the effect of capacity constraints in the economy on interest rates, on underlying economic growth and on inflation. That showed quite clearly that we have had for a significant period of time capacity constraints in the economy.

What has this government done? Has it invested in the supply side? Has it invested in education and training? Has it invested in infrastructure? The answer is a resounding no. We know what has happened to public investment in education under this government. We know that we have gone backwards by around seven per cent. Most nations in the OECD have gone forwards. We know that infrastructure development has descended to a National Party pork-barrelling exercise under this government. They have no national plan for infrastructure but they are very happy to play electoral politics with it.

The fact is we have had three successive interest rate increases since the Prime Minister ran around the country telling people he would keep interest rates low. We have had seven successive interest rate increases. We have inflation running at 3.9 per cent and we have the Prime Minister softening up the electorate, telling everybody, ‘I think we need an interest rate increase because otherwise inflation’s going to get too high and we’ll have even more.’ That is from a government that has consistently over the decade, until pressed to just recently, failed to strategically invest in supply side policies such as education and training to assure that Australia has a skilled workforce. (Time expired)

Senator FIFIELD (Victoria) (3.19 pm)—I really enjoy this sort of contribution from the Australian Labor Party. It is an interesting part of Labor’s efforts to convince the voting public that they have now joined the economic mainstream. Labor are desperately hoping that after 10 years of opposition the community have forgotten their economic record—that they have forgotten that they bequeathed to the Australian people a $96 billion budget deficit and that in 13 years they delivered nine budget deficits. Over 11 budgets, in contrast, we have delivered nine budget surpluses.

CHAMBER
The interesting point is that fiscal deficits put upward pressure on interest rates. Labor now say that they are in favour of balanced budgets. They have belatedly discovered the concept of balanced budgets and they are in favour of them. It is just that they have opposed every single measure designed to get the budget back into balance. Labor say they are in favour of lower interest rates. It is just that they are opposed to the sorts of measures required to help create a low interest rate environment, such as not deficit budgeting, not running up huge government debt. A balanced budget, which Labor say they have now discovered, was actually one of the most significant things putting upward pressure on interest rates.

There are two things we should keep in mind if Labor really want us to believe they have learnt their lesson. The first is that, as any good psychologist will tell you, the best predictor of future behaviour is past behaviour. If you want to know what someone’s behaviour will be in the future, the best indicator, the best predictor, of that is what they have done in the past. What did Labor do in the past? Under Labor mortgage interest rates peaked at 17 per cent and they averaged 12.75 per cent. They were still at 10.5 per cent when Labor left office. In contrast, under this government, they have come down from 10.5 per cent in 1996 to 7.8 per cent now and have averaged 7.17 per cent since we were elected in March 1996.

We should not forget that Labor talk about the costs of households today. Let’s think what the costs of households today would be if interest rates were still at the level they were under Labor. There is an interest saving today for a family of about a thousand dollars each month on the average new mortgage, compared to the interest rates which were in place under Labor. And we should not forget the $7,000 first home buyers grant, which is something that state Labor governments are incredibly keen to try and take credit for.

There is a second thing we have to bear in mind when Labor want us to believe that they have learnt their lesson and that they have changed. The second thing we need to do, if we really want to know what a Labor government would do, is to look at a Labor government. Let us look at a Labor government in office. What do I mean here? Let me provide a contrast. A press release that the Treasurer put out last week, ‘Revised ABS government financial estimates 2006-07’, says:

ABS Government Financial Estimates released today show that the Australian Government is budgeting a fiscal surplus of $10.8 billion in 2006-07. In contrast, the States and Territories are budgeting a cumulative fiscal deficit of $4.9 billion in 2006-07—

we are budgeting a fiscal surplus of $10.8 billion; state and territory Labor governments, a fiscal deficit of $4.9 billion—including deficits of over $2.4 billion and $1.7 billion for NSW and Queensland, respectively.

These state and territory Labor governments are themselves putting upward pressure on interest rates by virtue of their deficit budgeting. If we want to know what a state Labor government is doing, we look at these statistics. That gives us a good indication of what a federal Labor government would be like. While the rest of the OECD is forecasting deficits for 2005-06 and 2006-07, this government is still forecast for surpluses.

Unlike the party opposite, we have never claimed to have the RBA in our back pocket. We believe in an independent RBA to deal with inflation. And we have never claimed—contrary to the assertions—that interest rates would never rise under a coalition government. What we have said is that interest rates under a coalition government will be lower
always than they would have been under a Labor government. That is our claim. We stand by it. Regardless of the misrepresentations, that is the case. *(Time expired)*

**Senator Stephens** (New South Wales) (3.24 pm)—I too seek to take note of answers given by Senator Minchin to the Senate today. Can I say, having just listened to Senator Fifield, that those were quite extraordinary figures that he quoted: an obscene $10.85 billion being reaped out of the Australian economy, mostly from the Western Australian minerals boom—not much of it being put back into the infrastructure that is required to sustain that development in the state, but, never mind, that is all right! That $10 billion means that the levels of household debt in Australia are quite extraordinary, record levels of household debts—and an obscene current account deficit. This is all just smoke and mirrors by this government, because the chickens have really come home to roost. Seven consecutive interest rate rises under this Prime Minister’s watch, and there is the likelihood of an eighth one tomorrow. So families all around Australia, and maybe the 1,500 homeowners every week in New South Wales who are starting to have to sacrifice their houses in mortgagee-in-possession sales, might have just two people to blame: the Prime Minister and his Treasurer.

Both the Prime Minister and the Treasurer know what Australians have known for a long time—that they are paying more and more for their mortgages, and they are paying more because of the poor economic management by this government. For seven years this government has been ignoring the warnings of the Reserve Bank. Seven years ago was the first time that the Reserve Bank, in a *Statement on monetary policy*, started warning the Howard government about the serious skills shortage that existed in our economy. In 1999, the Reserve Bank reported the survey that was undertaken by the Department of Employment and Workplace Relations, saying that we had skills shortages at historically high levels. Then, in 2000, the Governor of the Reserve Bank said that skills shortages had emerged. Six years ago, the Governor of the Reserve Bank was telling this government how serious those skills shortages were becoming. And that is how long the inflationary pressures have been building in the Australian economy because of those actions—or lack of action, as it were—by this government when it comes to skills shortages.

Again, in 2004, in a *Statement on monetary policy*, the Reserve Bank said: ‘Business surveys suggest a broad range of firms are finding it increasingly difficult to find skilled labour—substantial increases in wages for skilled employees in construction, in the resource sectors and in some business service areas.’ Again, in 2005, in another *Statement on monetary policy* from the Reserve Bank, there was another warning for this government about skills shortages. Year after year, the government has continued to ignore the warnings of the Reserve Bank about the higher labour costs being imposed on the economy, all due—to quote the Reserve Bank—to skills shortages that have arisen because of this government’s inaction on the training front.

Many Australians are suffering under rising interest rates. As I say, 1,500 homeowners in New South Wales alone every week are having to sacrifice their great Australian dream to a mortgagee-in-possession sale. It is pretty obscene, I have to say. But it is more evidence of the poor economic credentials of this government.

I think it is unacceptable in the year 2006 that there are many residents, for example, in regional areas of New South Wales—and I
have to include myself in this—who still are not able to access high-speed ADSL broadband services. These kinds of things are about building a nation and increasing its prosperity. We have the Howard government so obsessed with forcing through the privatisation of Telstra against the wishes of the vast majority of Australians that it has completely ignored the telecommunications needs of our community.

And, of course, on 26 April this year, we had the Minister for Finance and Administration and the Minister for Health and Ageing, like masters of the universe, out there telling us what was going to happen with Medibank Private. At the time, the Minister for Finance and Administration, Senator Minchin, said that the legislation would be introduced in the budget session. What a joke. Every day since April we have been waiting. The sale of Medibank Private has fallen apart in front of this government’s eyes. It has been the most ham-fisted attempt to get anything done that we have seen from the government to date, and there is a pretty high bar here, given some of the incompetent displays that we have seen from this government in recent months. I noticed in the television interview last weekend that, when it was pointed out to him that there had been a certain Treasurer who had had an interest rate at 22 per cent, he had completely lost his memory. Now the government is reduced to blaming bananas or the drought, as we heard from Senator Ferguson. That does not give any confidence to the homeowners who, as I say, every week are being forced into mortgagee-in-possession sales. (Time expired)

Question agreed to.

Australian Water Summit

Senator BARTLETT (Queensland) (3.29 pm)—I move:

That the Senate take note of the answer given by the Minister for Finance and Administration (Senator Minchin) to a question without notice asked by Senator Bartlett today relating to a water summit.

The water summit is being held tomorrow and involves the New South Wales, Victorian and South Australian state governments. Belatedly, it would appear that the Queensland government has scored a last minute invitation as well, which is very nice of them! I also note the question that was asked earlier by Senator Ferris on the same topic. Let me say that it does not augur terribly well that the Queensland government was initially left out completely. I do not want to sound too miffed; in some ways, given that the summit is about how badly we have stuffed up water management, you might say it is a bit of a semi-compliment that Queensland was not thought of, although, having said that, I think Queensland is probably as much up there in misuse of water as the other states. It is not really a competition that anyone wants to win, but, as with any other state, I do not think we can really claim to be blameless or perfect when it comes to water management issues in Queensland.

I do think it is not a matter of parochialism; it is simply a matter of concern that Queensland was not thought of, particularly given all of the controversy over some of the water that flows out of southern Queensland into New South Wales, and Cubbie Station, of course, is the most notorious example of that. I do not know whether there was a desire to keep that awkward issue off the agenda of the water summit so that we would not have another stoush between the Nationals and the Liberals—Senator Heffernan and Senator Joyce might have been barricading doors at either end of the conference room or something. But it is an important issue; it is not a joking matter. Indeed I have seen reports today that proposals are again being floated for Cubbie Station to be bought, possibly by the federal government, as a way of
trying to resolve what is clearly a significant problem.

But in the same way as it is not appropriate to have forgotten Queensland, it is also not appropriate to think that it is all about Cubbie Station. There are major problems with water management issues in the other states. Senator Minchin acknowledged in a roundabout way that, collectively, we—states and federal and all political parties—failed in the past. We have got to a stage where there is a drastic overalllocation of water. There is a real problem in that we have calls at the moment, in this drought situation, for the inadequate environmental flows, which have slowly, finally been agreed to to try to get some water back into the river, to be suspended. I was concerned that Senator Minchin was not able to give a clear indication of whether or not that would absolutely be prevented at tomorrow’s summit. I appreciate that he is not the responsible minister, so I cannot expect him to know everything about this. But I think it should be absolutely clear right at the start of any discussion about fixing up the current situation with water issues in the Murray-Darling Basin that we do not go the other way—which some are urging, including some local government authorities—and suspend our allocation of environmental flows. That would be a serious backward step.

I acknowledge the minister’s comment that we need to have more realistic pricing of water. That is something we Democrats voice our support for. We make a point of doing so because it is obviously a bit more of a politically difficult issue. To put up the price of anything, let alone something like water, is never going to be particularly popular, so it is important to indicate that there is wider political support for that. And pricing needs to go somewhere near the realistic price of the water. There is not much point in having a water trading scheme coming into place if the price of the water being traded is not able to be accurately reflected as something approximating market worth.

The other point I want to make in this context is that the minister himself said that this is just about the Murray-Darling, just about water management in the context of the current drought. That is good as far as it goes, but the Democrats have been calling for a national water summit to address all these issues, including some that the minister mentioned in response to an earlier question about the management of metropolitan water and the failure of state governments to invest responsibly and effectively in water infrastructure. We have to start addressing all those issues in a comprehensive way. We are only going to achieve it if we have a national water summit that addresses all those issues. Tomorrow’s summit may be a good first step, but we need to go further and we need to do it urgently. We need to make sure that it involves everybody and that we do not forget states like Queensland along the way when we are holding such summits.

Question agreed to.

CONDOLENCES

Mr Richard Cleaver CBE, AM

The President (3.34 pm)—It is with deep regret that I inform the Senate of the death on 25 October 2006, of Richard Cleaver, a member of the House of Representatives for the division of Swan, Western Australia, from 1955 to 1969.

PETITIONS

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

Organ Harvesting

To the Honourable The President and Members of the Senate Assembled in Parliament:
The petition of certain citizens and residents of Australia draws to the attention of the House that:
A Canadian report released on 6 July 2006 came to the conclusion that China has been committing crimes against humanity, that the authorities have been harvesting vital organs from thousands of unwilling Falun Gong practitioners and killing them in the process. Mr David Kilgour, a former Canadian MP and Secretary of State for Asia Pacific, and international human rights lawyer Mr David Matas initiated an independent investigation into the allegations of organ harvesting from live victims.

“We have concluded that the government of China and its agencies in numerous parts of the country, in particular hospitals but also detention centres and ‘people’s courts’, since 1999 have put to death a large but unknown number of Falun Gong prisoners of conscience. Their vital organs, including hearts, kidneys, livers and corneas, were virtually simultaneously seized involuntarily for sale at high prices, sometimes to foreigners, who normally face long waits for voluntary donations of such organs in their home countries.”— Pg. 44 of the report.

Your petitioners therefore request the Senate to initiate a resolution to:

(1) Urge the CCP to unconditionally release all Falun Gong practitioners and give full access to jails, labour camps, detention centres and related hospitals for the Coalition to Investigate Persecution of Falun Gong in China (CIPFG) and/or the UN to conduct independent investigations;

(2) Establish a Senate Committee Inquiry into the allegation of Organ Harvesting;

(3) Discourage Australian citizens from travelling to China for organ transplants; and prevent companies, institutions and individuals providing goods and services and training to China’s organ transplant programs until such time as it is beyond reasonable doubt that no organs used have been harvested against the will of the donor.

by The President (from 199 citizens).

Military Detention: Australian Citizens

To the Honourable the President and Members of the Senate in Parliament assembled, The Petition of the undersigned shows:

• that the treatment of David Hicks is not in accordance with Geneva Convention Guidelines applying to prisoners of war

Your petitioners ask that the Senate should:

• ensure that Australian citizen, David Hicks’, rights are met under the guidelines of the Geneva Convention as it applies to prisoners of war

• send a deputation to George W. Bush asking that David Hicks be returned to Australia

• ensure that David Hicks be entitled to a civil trial, in Australia, if he is charged with any crime

by The President (from 26 citizens).

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 22 citizens).

Health

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

This petition of certain citizens of Australia draws to the attention of the Senate, the crisis in the medical workforce due to the neglect of the Howard Government.
Your petitioners therefore ask the Senate to:

• Increase the number of undergraduate university places for medical students,
• Increase the number of medical training places, and
• Ensure Australia trains enough Australian doctors, nurses and other medical professionals to maintain the quality care provided by our hospitals and other health services in the future.

by Senator Hogg (from 472 citizens).

Asylum Seekers
To the honourable President and members of the Senate in Parliament assembled:
The petition of the undersigned shows:
That the Migration Amendment (Designated Unauthorised Arrivals) Bill 2006 can mean children in detention again. Indefinite detention will return, and case managed mental health care is over. The Commonwealth Immigration Ombudsman will also lose oversight of asylum seekers when they are sent to a remote foreign island for processing.

Your petitioners request that the Senate:
Vote against the Migration Amendment (Designated Unauthorised Arrivals) Bill 2006.

by Senator Payne (from 35 citizens).

Petitions received.

NOTICES
Presentation
Senator Payne to move on the next day of sitting:
That the Legal and Constitutional Affairs Committee be authorised to hold a public meeting during the sitting of the Senate on Friday, 10 November 2006, from 9 am, to take evidence for the committee’s inquiry into the provisions of the Families, Community Services and Indigenous Affairs and Veterans’ Affairs Legislation Amendment (2006 Budget Measures) Bill 2006.

Senator Johnston to move on the next day of sitting:
That the following matter be referred to the Foreign Affairs, Defence and Trade Committee for inquiry and report by 16 August 2007:
The changing nature of Australia’s involvement in peacekeeping operations and the implications for the Australian Defence Force, AusAID, the Department of Foreign Affairs and Trade and the Australian Federal Police and other departments and agencies likely to be called on to assist a peacekeeping operation, with particular reference to:
(a) the policy framework, procedures and protocols that govern the Government’s decision to participate in a peacekeeping operation, for determining the conditions of engagement and for ceasing to participate;
(b) the training and preparedness of Australians likely to participate in a peacekeeping operation;
(c) the coordination of Australia’s contribution to a peacekeeping operation among Australian agencies and also with the United Nations and other relevant countries; and
(d) lessons learnt from recent participation in peacekeeping operations that would assist government to prepare for future operations.

Senator Johnston to move on the next day of sitting:
That the following matter be referred to the Foreign Affairs, Defence and Trade Committee for inquiry and report by 29 March 2007:
The nature and conduct of Australia’s public diplomacy, with particular reference to:
(a) the extent and effectiveness of current public diplomacy programs and activities in achieving the objectives of the Australian Government;
(b) the opportunities for enhancing public diplomacy both in Australia and overseas;
(c) the effectiveness of and possible need to reform administrative arrangements relating to the conduct of public diplomacy within and between Commonwealth agen-
cies and where relevant, the agencies of state governments; and

(d) the need, and opportunities for expanding levels of funding for Australia's public diplomacy programs, including opportunities for funding within the private sector.

Senator Allison to move on the next day of sitting:

That the Senate—

(a) notes that:

(i) the wall Israel is constructing in the West Bank is 10 times the length of the Berlin Wall and three times as high,

(ii) the length of the 'Green Line', the border between Israel and the West Bank, is 315 kilometres and the path of the wall is 670 kilometres long,

(iii) Israeli settlements with their bypass roads and security zones occupy 42 per cent of the West Bank,

(iv) there are now more than 200 Jewish-only settlements in the West Bank,

(v) 78 per cent of the Israeli settlement population comes from Europe and North America,

(vi) Israeli settlers in the West Bank consume five times more water than Palestinians, water that is taken from Palestinian water sources,

(vii) Palestinian travel is restricted or entirely prohibited on 41 roads and sections of roads throughout the West Bank, covering a total of more than 700 kilometres of roadway, however Israeli settlers can travel freely on these roads, and

(viii) there are now more Jewish settlers in Palestinian East Jerusalem than Palestinians; and

(b) urges the Government to consider these facts in its efforts to assist with a peaceful two-state solution in Palestine and Israel.

Senator Allison to move on Wednesday, 8 November 2006:

That the Senate—

(a) notes the petition organised by the International Jewish Solidarity Network and published in the New York Times in September 2006 that declares:

i. As Jews of conscience living in the United States, we are outraged by the violence being perpetrated in our name, both as Jews and US citizens.

ii. ... There is no Jewish safety, nor Jewish claims to justice, reason, or equity, beyond Jewish commitment to the unconditional safety and liberation of the peoples of Palestine, Lebanon and the other Arab and Muslim countries currently under assault by Israel, the US and its allies.

iii. We, Jews of Conscience, demand that the US government:

1. Require Israel to stop its brutal siege on Gaza and on Lebanon and call for an unconditional cease fire.

2. Require Israel to stop the expansion of the Israeli Wall of Separation, dismantle the completed sections, and completely withdraw from Gaza, the West Bank and East Jerusalem.

3. Support the United Nations resolutions demanding that Israel uphold international law and support the sanctions against Israel necessary to enforce these resolutions.

4. End military and economic aid to Israel.

5. Support reparations for the Palestinian and Lebanese people for the death and destruction they have suffered and for aid towards the rebuilding of their countries; and

(b) encourages the Government to support the demands of the petition.

Senator O'Brien to move on the next day of sitting:

That the following matter be referred to the Rural and Regional Affairs and Transport Committee for inquiry and report by 19 June 2007:
The adequacy of Australia’s aviation safety regime, with particular reference to the performance by the Civil Aviation Safety Authority of its functions under the Civil Aviation Act 1988, including its oversight of Lessbrook trading as Transair.

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

That the Senate—

(a) notes that:

(i) on 17 October 2006, the United States Congress passed the Military Commission Act 2006,

(ii) Mr David Hicks is yet to have charges laid against him under that Act,

(iii) provisions of the Act include:

(A) admission of evidence that has been obtained by torture,

(B) conviction on evidence that Mr Hicks may never be allowed to see,

(C) the removal of the right to a speedy trial,

(D) the removal of the right of habeas corpus, the right of a detainee to challenge his or her unjust imprisonment, and

(E) the removal of the right of Mr Hicks to cross-examine witnesses who have given evidence against him, where that evidence may have been obtained by torture, and

(iv) under the provisions of the Act, Mr Hicks will not have the opportunity of a fair trial; and

(b) calls on the Government to take steps to facilitate a fair trial for or the repatriation of Mr Hicks.

Senator Watson (Tasmania) (3.35 pm)—Following the receipt of satisfactory responses, on behalf of the Standing Committee on Regulations and Ordinances, I give notice that on the next day of sitting I shall withdraw three notices of disallowance, the full terms of which have been circulated in the Chamber and I now hand to the Clerk.

The list read as follows—

Three sitting days after today
Business of the Senate—Notices of Motion Nos.


Eight sitting days after today
Business of the Senate—Notice of Motion No.

I seek leave to incorporate in Hansard the Committee’s correspondence concerning these instruments.

Leave granted.

The correspondence read as follows—

Environment Protection and Biodiversity Conservation Amendment Regulations 2006 (No. 1), Select Legislative Instrument 2006 No. 131

Great Barrier Reef Marine Park Amendment Regulations 2006 (No. 1), Select Legislative Instrument 2006 No. 132

10 August 2006

Senator the Hon Ian Campbell

Minister for the Environment and Heritage

Suite MG61

Parliament House

CANBERRA ACT 2600

Dear Minister

I refer to the Environment Protection and Biodiversity Conservation Amendment Regulations 2006 (No. 1), Select Legislative Instrument 2006
No. 131. These Regulations specify revised provisions concerning the regulation of persons, vessels and aircraft within the Australian Whale Sanctuary. The Committee raises the following matters after considering these Regulations.

First, new subregulation 8.04(3) creates a strict liability offence if the person operating a vessel fails to move away from a cetacean at "a constant slow speed". The same phrase is used in paragraph 8.05(2)(a), which is also a strict liability offence. This imposes an imprecise obligation on a person operating a vessel. The Committee therefore seeks your advice on whether the subregulation should be amended to specify a particular speed, or range of speeds, to provide certainty in the application of these strict liability offences.

Secondly, the Committee would also appreciate your advice as to why regulation 8.09A, which specifies certain offences concerning swimming with cetaceans, does not include a defence, similar to that found in subregulations 8.05(6) and 8.06(4), stating that it is a defence if the cetacean has approached the person.

Similar comments apply to subregulation 117D(3), paragraph 117E(2)(a), and regulation 117J of the Great Barrier Reef Marine Park Amendment Regulations 2006 (No. 1), Select Legislative Instrument 2006 No. 132.

The Committee would appreciate your advice on the above matters as soon as possible, but before 1 September 2006, to enable it to finalise its consideration of these Regulations. Correspondence should be directed to the Chairman, Senate Standing Committee on Regulations and Ordinances, Room SG49, Parliament House, Canberra.

Yours sincerely
John Watson
Chairman

11 September 2006
Senator John Watson
Chairman
Standing Committee on Regulations and Ordinances
Parliament House
CANBERRA ACT 2600

Dear Senator Watson

I am pleased to offer my advice on the two matters referred to in your letter:

The wording in new subregulation 8.04(3) was changed from the previous wording of ‘at a constant slow speed, so that its wake is negligible’ to that of ‘a constant slow speed’ after consultation with vessel operators and consideration of operating conditions encountered in the marine environment. The speed at which a vessel generates a wake is dependant on its construction and configuration, its loading, sea conditions and other environmental factors. Some vessels generate a ‘no wake’ condition at high speed (when planing)—others can generate ‘wake’ at very low speeds in certain conditions. The important factor to consider is ensuring the operation of the vessel is such as to minimise any negative effects on cetaceans, whilst at the same time not being so restrictive that it compromises the safety of those on board the vessel. The decision was taken not to impose a speed limit (such as at 4 knots or below 6 knots) for safety reasons as vessels may be required to maintain a higher speed to counter the conditions. In addition some vessels may not have equipment on board to indicate their speed of travel. Animals are more likely to be affected by sudden increases or decreases in speed or direction, that in the actual speed or consistent operational behaviour of a vessel. The proposed wording of ‘a constant slow speed’ was seen in the light of these considerations to be appropriate, and it is my preference that they be retained.

Regulation 8.09A differs from 8.05(6) and 8.06(4) in not providing a defence if a cetacean approaches a person as regulation 8.09A already states that the person must not enter the water within 100 metres of a whale or 50 metres of a dolphin, or if already in the water, must not approach a cetacean within 30 metres. Regulation 8.09A(4) that states that if a cetacean comes...
within 30 metres the person should undertake certain actions, so this in effect negates the need for a defence against breaching that distance, providing the person behaves in a certain way. Regulations 8.05 and 8.06 set limits of 100 metres on the approach distance of the vessel to a cetacean, but then provides for a defence if the cetacean approaches the vessel.

The same comments apply to subregulation 117D(3), paragraph 117E(2)(a), and regulation 117J of the Great Barrier Reef Marine Park Amendment Regulations 2006 (No. 1).

I trust this explains the reasoning and thinking behind the wording in the revised Environment Protection and Biodiversity Conservation Amendment Regulations 2006 (No. 1) and the Great Barrier Reef Marine Park Amendment Regulations 2006 (No. 1).

Yours sincerely
Ian Campbell
Minister for Environment and Heritage

14 September 2006
Senator the Hon Ian Campbell
Minister for the Environment and Heritage
Suite MG61
Parliament House
CANBERRA ACT 2600
Dear Minister
Thank you for your letter of 11 September 2006 responding to the Committee’s concern with the strict liability offences relating to the movement of vessels around cetaceans in the Environment Protection and Biodiversity Conservation Amendment Regulations 2006 (No. 1) and the Great Barrier Reef Marine Park Amendment Regulations 2006 (No. 1).

In your response you advise that the decision not to impose a speed limit on the movement of vessels around cetaceans was made for safety reasons as vessels may be required to maintain a higher speed to counter the conditions. The Committee accepts that there may be practical reasons for not specifying a speed limit and that in this instance your preference is to retain a requirement to move at ‘a constant slow speed’.

There is, however, still a question about the definition of ‘slow’ when determining whether a boat is moving at a ‘constant slow speed’. The Committee is concerned that this is a strict liability offence as it is difficult to see how a boat operator will be able to determine if they are complying.

The Committee therefore suggests that either a tangible measure be adopted to enable a boat operator to determine if they are complying with the manner in which they are obliged to move away from a cetacean or the strict liability be removed from this offence.

The Committee would appreciate your advice on the above matter as soon as possible, but before 13 October 2006, to enable it to finalise its consideration of these Regulations. Correspondence should be directed to the Chairman, Senate Standing Committee on Regulations and Ordinances, Room SG49, Parliament House, Canberra.

Yours sincerely
John Watson
Chairman

11 October 2006
Senator John Watson
Senator for Tasmania
Chairman
Standing Committee on Regulations and Ordinances
Parliament House
CANBERRA ACT 2600
Dear Senator Watson
I refer to your letter of 14 September 2006 concerning the strict liability offences relating to the movement of vessels around cetaceans in the Environment Protection and Biodiversity Conservation (EPBC) Amendment Regulations 2006 (No. 1), and the Great Barrier Reef Marine Park (GBRMP) Amendment Regulations 2006 (No. 1) (the Amending Regulations).

I note the Committee’s continued concern with the use of the term ‘constant slow speed’ in the Amending Regulations. The wording of these offences has been further considered and it is proposed that, in order to resolve the Committee’s concerns, the term ‘constant slow speed’ be re-
placed with the term ‘constant speed less than 6 knots’. This will provide the tangible measure of speed that the Committee has requested thereby removing any potential uncertainty to the operator of a vessel as to the speed that they are required to travel to meet their legal obligations under these provisions. It is proposed that the offences remain strict liability offences and in this regard the Criminal Law Branch of the Attorney-General’s Department has advised that the revised wording is suitable, from a criminal law policy perspective, for the offences to apply as strict liability offences.

I therefore would like to give an undertaking to the Committee that the provisions of the Amending Regulations in which the term ‘constant slow speed’ is used, will be amended so that the speed that a vessel is required to travel when near cetaceans will be ‘less than 6 knots’.

I believe that if the changes that I have suggested are made they will ensure that it will be clearer to the operators of vessels how they can comply with the regulations, whilst still enabling the regulations to be enforceable. I trust this will satisfy the concerns of the Committee. Should you wish to discuss these matters further please do not hesitate to contact me.

Yours sincerely

Ian Campbell
Minister for Environment and Heritage

Amendment of List of Specimens taken to be suitable for live import [EPBC/s.303EC/SSLI/Amend/012]

17 August 2006

Senator the Hon Ian Campbell
Minister for the Environment and Heritage
Suite MG61
Parliament House
CANBERRA ACT 2600

Dear Minister

I refer to the Amendment of List of Specimens Taken to be Suitable for Live Import—s 303EB [EPBC/s.303EC/SSLI/Amend/012] made under paragraph 303EC(1)(c) of the Environment Protection and Biodiversity Conservation Act 1999.

The Committee notes that 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 therefore seeks your advice on whether consultation was undertaken and, if so, the nature of that consultation.

The Committee also seeks an assurance that future explanatory statements will provide information on consultation as required by the Legislative Instruments Act.

The Committee would appreciate your advice on the above matter as soon as possible, but before 8 September 2006, to enable it to finalise its consideration of this instrument. Correspondence should be directed to the Chairman, Senate Standing Committee on Regulations and Ordinances, Room SG49, Parliament House, Canberra.

Yours sincerely

John Watson
Chairman

11 October 2006

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

Dear Senator Watson

Thank you for your letter of 17 August 2006 concerning the Amendment of list of specimens taken to be suitable for live import—s.303EB [EPBC/s.303EC/SSLI/Amend/012].
Section 303EC(1)(c) of the Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act) states that the Minister can correct an inaccuracy in the list of specimens taken suitable for live import. The purpose of the instrument to which you refer in your letter is to correct an inaccuracy to that list. Section 303EC(3) excludes instruments for correcting inaccuracies from the need for consultation. Consultation was therefore not undertaken in this instance.

However, my Department notes that under the Legislative Instruments Act 2003 the Explanatory Statement should describe the nature of any consultation that has been carried out or, if there has been no consultation, to explain why none was undertaken. For instruments correcting future inaccuracies, an explanation of the reason why consultation was not undertaken will be included in the Explanatory Statement.

Yours sincerely

Ian Campbell
Minister for Environment and Heritage

Senators Webber, Chris Evans, Ian Campbell, Mark Bishop, Ellison, Siewert, Murray, Eggleston, Sterle, Adams, Johnston and Lightfoot to move on the next day of sitting:

That the Senate—

(a) notes:

(i) with great sadness the passing of Mr Wally Foreman,
(ii) that Mr Foreman will be remembered as a champion for Western Australian athletes in their efforts to gain national representation,
(iii) that Mr Foreman was the inaugural director of the Western Australian Institute of Sport (WAIS), and an early pioneer in developing a more professional and supportive training environment for Western Australia’s high performance athletes,
(iv) that the WAIS was the first state-based institute in Australia, and a national leader in its field under Mr Foreman’s guidance, and
(v) that Mr Foreman will also be remembered for his informative and incisive sports commentary during his 30 year career, covering four Olympic Games, five Commonwealth Games, and international cricket, tennis, hockey and athletics tournaments; and

(b) extends its deepest sympathies to Mr Foreman’s family, especially his wife Lyn and their sons, Mark and Glen.

Senators Bob Brown, Milne, Nettle and Siewert to move on Tuesday, 28 November 2006:

That the following bill be introduced: A Bill for an Act to initiate action on climate change, and for related purposes. Climate Change Action Bill 2006.

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

That the Senate calls on the Minister for Fisheries, Forestry and Conservation (Senator Abetz) to report, before the Senate rises in 2006, on:

(a) the relevance in Australia of the Stern report’s conclusion that globally, destruction of forests creates more greenhouse gases than transport;
(b) the quantity of greenhouse gases currently released by:

(i) commercial logging of native forests, and
(ii) other clearance of native vegetation in Australia;
(c) the reliability of information available on and any measure being implemented to improve knowledge on paragraphs (a) and (b); and
(d) any measures being undertaken by the Government to halt greenhouse gas emissions from the forests in our region and globally.

Senators Bob Brown and Bartlett to move on Thursday, 9 November 2006:

That the Senate—

(a) notes that:
(i) Vietnam today is still a one-party state, where basic human rights are abused, and many political dissidents are gaoled or put under house arrest because of their peaceful demand for freedom and democracy,

(ii) widespread corruption in all levels of government in Vietnam may see Australian aid to Vietnam abused and wasted,

(iii) recently, there has been a growing pro-democracy movement in Vietnam, initiated by a group of 118 Vietnamese citizens known as the Bloc 8406, named after the date of 8 April 2006 when they openly declared a Manifesto on Freedom and Democracy for Vietnam demanding a peaceful transition to a pluralistic and democratic Vietnam, and

(iv) a free and democratic Vietnam, with independent legislative and judicial systems, would make Vietnam a better and more reliable trading partner to Australia, where Australian investment would be more secure;

(b) supports the aspiration for freedom and democracy of the Vietnamese people expressed through the Manifesto of Bloc 8406, which is consistent with the principles upheld by the Australian Parliament; and

(c) the costs to the economy and to the environment of inaction are significantly greater than the short-term cost of action.

Senator Watson to move on the next day of sitting:

That the Senate—

(a) notes that:

(i) the Howard Government has placed a high priority on caring for the Australian environment and has shown this by providing funding based on good science that has helped to protect more than 8 million hectares of wetlands, treat 400,000 hectares of land for salinity and erosion, and helps some 800,000 volunteers get involved in on-ground work, and

(ii) the recently announced $13.4 million New South Wales Wetland Recovery Plan will include projects designed to improve knowledge of wetland and environmental water management, improve water flows, and address noxious weeds in the Macquarie Marshes and Gwydir Wetlands regions; and

(b) congratulates the Howard Government on its initiatives in this area.

LEAVE OF ABSENCE

Senator WEBBER (Western Australia) (3.41 pm)—by leave—I move:

That leave of absence be granted to Senator Conroy from 6 to 10 November 2006, for personal reasons.

Question agreed to.

Senator SIEWERT (Western Australia) (3.42 pm)—by leave—I move:

That leave of absence be granted to Senator Milne from 6 to 10 November, on account of business overseas.

Question agreed to.
COMMITTEES
Legal and Constitutional Affairs Committee
Meeting
Senator FERRIS (South Australia) (3.42 pm)—by leave—At the request of the Chair of the Legal and Constitutional Affairs Committee, I move:
That the Legal and Constitutional Affairs Committee be authorised to hold a public meeting during the sitting of the Senate on Tuesday, 7 November 2006, from 9.30 am till 1.30 pm, to take evidence for the committee’s inquiry into the provisions of the Copyright Amendment Bill 2006.
Question agreed to.

NOTICES
Postponement
The following items of business were postponed:
Business of the Senate notice of motion no. 1 standing in the names of Senator Siewert and Milne for today, proposing the reference of matters to the Rural and Regional Affairs and Transport Committee, postponed till 7 November 2006.
General business notice of motion no. 608 standing in the name of Senator Nettle for today, relating to water resources of the Murray-Darling Basin, postponed till 7 November 2006.

DOCUMENTS
Tabling
The DEPUTY PRESIDENT—Pursuant to standing orders 38 and 166, I present documents listed on today’s Order of Business at item 12 which were presented to the President, the Deputy President and temporary chairs of committees since the Senate last sat. In accordance with the terms of the standing orders, the publication of the documents was authorised. In accordance with the usual practice, and with the concurrence of the Senate, I ask that the government response be incorporated in Hansard.
Ordered that the report of the Foreign Affairs, Defence and Trade Committee and the final report of the Community Affairs Committee be printed.

The list read as follows—

Document certified by the President
Department of Parliamentary Services—Report for 2005-06 (received 30 October 2006)

Committee reports
(1) Foreign Affairs, Defence and Trade Committee—Report, together with the Hansard record of proceedings and documents presented to the committee—Provisions of the Defence Legislation Amendment Bill 2006 (received 27 October 2006)
(2) Community Affairs Committee—Interim report—Legislative responses to the Lockhart review (received 27 October 2006)
(3) Community Affairs Committee—Final report, together with the Hansard record of proceedings and documents presented to the committee—Legislative responses to the Lockhart review (received 30 October 2006)

Government response to parliamentary committee report
Foreign Affairs, Defence and Trade References Committee—Report—Australia’s relationship with China (received 2 November 2006)

Government documents
(1) Department of Employment and Workplace Relations—Report for 2005-06 (received 20 October 2006)
(2) Bureau of Meteorology—Report for 2005-06 (received 23 October 2006)
(3) Department of the Environment and Heritage—Volumes 1 and 2—Report for 2005-06 (received 23 October 2006)
(4) Department of the Treasury—Report for 2005-06 (received 23 October 2006)
(5) Inspector-General of Taxation—Report for 2005-06 (received 23 October 2006)
(6) Australian Institute of Aboriginal and Torres Strait Islander Studies—Report for 2005-06 (received 23 October 2006)

(7) National Australia Day Council—Report for 2005-06 (received 23 October 2006)

(8) Gene Technology Regulator—Quarterly report for the period 1 April to 30 June 2006 (received 24 October 2006)

(9) Food Standards Australia New Zealand—Report for 2005-06 (received 24 October 2006)

(10) Insolvency and Trustee Service Australia—Report for 2005-06 (received 24 October 2006)


(12) Department of Foreign Affairs and Trade—Reports for 2005-06—
   • Volume 1—Foreign Affairs and Trade
   • Volume 2—Australian Agency for International Development (AusAID) (received 25 October 2006)


(14) Department of Industry, Tourism and Resources—Report for 2005-06 (received 25 October 2006)


(16) Director of National Parks—Report for 2005-06 (received 26 October 2006)

(17) National Transport Commission—Report for 2005-06 (received 26 October 2006)

(18) Department of Health and Ageing—Report for 2005-06 (received 26 October 2006)

(19) Airservices Australia—Report for 2005-06 (received 26 October 2006)

(20) Department of Agriculture, Fisheries and Forestry—Report for 2005-06 (received 27 October 2006)

(21) Australian Customs Service—Report for 2005-06 (received 27 October 2006)

(22) Department of the Prime Minister and Cabinet—Report for 2005-06 (received 27 October 2006)

(23) Medicare Australia—Report for 2005-06 (received 27 October 2006)

(24) Sydney Harbour Federation Trust—Report for 2005-06 (received 27 October 2006)


(26) Commonwealth Scientific and Industrial Research Organisation (CSIRO)—Report for 2005-06 (received 30 October 2006)


(28) Australian Institute of Marine Science—Report for 2005-06 (received 30 October 2006)


(30) Australian Hearing—Report for 2005-06 (received 30 October 2006)

(31) Department of Industry, Tourism and Resources—Correction—Report for 2005-06 (received 30 October 2006)

(32) Private Health Insurance Administration Council—Report for 2005-06 (received 30 October 2006)

(33) Australian Centre for International Agricultural Research—Report for 2005-06 (received 30 October 2006)

(34) Comcare—Report for 2005-06 (received 30 October 2006)

(35) Safety, Rehabilitation and Compensation Commission—Report for 2005-06 (received 30 October 2006)

(36) Seafarers Safety, Rehabilitation and Compensation Authority—Report for 2005-06 (received 30 October 2006)

(37) Remuneration Tribunal—Report for 2005-06 (received 30 October 2006)
Australia’s Relations with China

Government Response

The Government thanks the Senate Foreign Affairs Defence and Trade Committee for the comprehensive review of the relationship between Australia and China.

The report consists of two parts and makes thirty-five recommendations regarding political, strategic, trade, economic and social issues. The Government’s response to these recommendations as at 10 October 2006 is provided below.

PART ONE—Opportunities and challenges: Australia’s relationship with China

Recommendation 1

The committee recommends that the Australian government increase its efforts through the WTO, Asia-Pacific Economic Cooperation (APEC) and bilaterally to encourage China to promulgate laws that comply with the WTO and to ensure that they are interpreted and applied consistently and without discrimination throughout the country. In particular the committee cites the contract and intellectual property laws and local government intervention as areas of most concern to Australian businesses.

Australia uses a range of multilateral and bilateral mechanisms to press China to implement WTO-consistent laws which are applied consistently and without discrimination. Under the terms of its WTO Accession Protocol, China’s implementation of its WTO commitments is subject to a Transitional Review Mechanism. This review will be conducted annually for eight years following China’s full accession (December 2001), with a final review in the tenth year after accession. The annual review of China’s implementation is undertaken in the relevant WTO councils and committees. Australia has participated in each annual review so far and will continue to use the review mechanism to monitor China’s compliance with its WTO commitments. Australia also uses the regular WTO committee processes to raise issues of compliance.

When necessary, we use the WTO’s dispute settlement mechanisms to press China to enforce fair and WTO-consistent laws. For example, Australia is currently participating as a third party in dispute settlement proceedings on Chinese measures affecting imports of automobile parts. The measures have been challenged by the European Commission, United States and Canada. Other third parties are Japan and Mexico. Australia has substantial trade interests at stake. Our bilateral trade in automobiles and automotive parts has developed considerably with China over a relatively short period. Automotive exports to China increased more than four-fold in 2005 to $284 million—$170 million in vehicles and $114 million in components. The dispute is still at the consultations stage. Initial consultations, which relate to discriminatory Chinese import tariffs and local content requirements, were held in Geneva on 11-12 May 2006.

Australia has also been working hard to ensure that the WTO Doha Round negotiations deliver commercially meaningful outcomes. A successful outcome to the Doha Round will be crucial to providing Australian exporters with improved access to international markets. Both Australia and China’s industries have much to gain from further liberalisation of goods and services.

We use APEC to reinforce these efforts in the WTO. The Australian Government is actively involved in APEC’s provision of capacity-building support which assists APEC economies, including China, to adopt and implement laws and policies that comply with the WTO. This includes institutional training, such as workshops and seminars, which help facilitate a better understanding of the WTO and the benefits it confers on its participants, for example:
• The Australian Department of Foreign Affairs and Trade (DFAT) and the Chinese Ministry of Commerce held a two-and-a-half day APEC training workshop on Negotiating Free-Trade Agreements in Beijing on 8-10 December 2004;

• In February 2005, DFAT organised an APEC workshop on preferential rules of origin in Seoul. The workshop was attended by Chinese participants;

• The Malaysian Ministry of International Trade and Industry and DFAT co-hosted a three day workshop on Negotiating Free Trade Agreements in Kuala Lumpur on 23-25 January 2006. Two Chinese delegates attended the workshop as sponsored participants; and

• DFAT is currently organising a workshop on goods trade under FTAs and a Trade Policy Dialogue to be held in Da Nang, Vietnam. It is expected that Chinese delegates will attend both events.

The Government employs various bilateral mechanisms to press China to implement WTO-consistent laws in a fair and consistent manner. A program of regular high-level visits and meetings has established a relationship based on trust in which we can raise issues with China frankly and constructively. This level of communication would not have been possible without the frequent high-level exchanges we have maintained over the past 15 years. During several recent visits, Australian ministers have urged China to implement an effective and fair commercial arbitration system, emphasising that the failure to implement arbitral and court rulings undermines the confidence of foreign companies.

Established in 1986, the Joint Ministerial Economic Commission (JMEC) has been the main institutional mechanism for advancing Australia’s economic interests with China. Chaired by the two trade ministers, JMEC allows both countries to address specific problems, including in relation to intellectual property protection and commercial law, and identify opportunities to liberalise trade in a wide range of sectors such as energy and minerals, agriculture, manufacturing and services. The Government is committed to reinvigorating JMEC, ensuring that it remains relevant to the needs of Australian business. At a JMEC intersessional senior officials meeting in Canberra in January 2006, Australia raised several issues concerning the business environment in China. The 11th ministerial meeting of JMEC was held in Sydney on 3 October 2006, marking the 20th anniversary of the foundation of the process.

In addition to re-energising JMEC, the Government has ensured that our engagement with China on economic issues is as effective as possible by establishing a new High-level Economic Cooperation Dialogue (HECD) with China’s principal economic planning and reform agency, the National Development and Reform Commission (NDRC). Chaired by the Australian Trade Minister and the NDRC Chairman, HECD complements JMEC, allowing the Government to advance core Australian economic interests in areas such as resources, investment, intellectual property and local government intervention. Australia used the first HECD meeting in Canberra on 3 April 2006 during Premier Wen Jiabao’s visit to stress, for instance, that price negotiations in the resources sector should be conducted on a commercial basis and that investment conditions in China for Australian companies should be fair and transparent.

The Government is also seeking to use the Australia-China Free Trade Agreement, currently under negotiation, to strengthen and supplement China’s existing international obligations concerning transparency and the administration of regulatory measures. In responding to industry concerns about intellectual property protection and the transparent administration of laws and regulations in China, Australia and China have been discussing disciplines on transparency during the FTA negotiations.

The Government will continue to encourage China, through bilateral and multilateral forums, to implement laws that comply with WTO rules and to ensure that they are interpreted and applied consistently and without discrimination throughout the country.

**Recommendation 2**

The committee recommends that the Australian government place a higher priority on developing and implementing practical measures to assist
China manage its transition from a planned economy to a market economy, especially to improve its corporate governance regime. For example, by facilitating exchange programs between Chinese and Australian departments or agencies or offering special training and education programs for Chinese officials in the area of corporate governance.

The Government recognises the importance of developing and implementing practical measures to assist China to improve its corporate governance regime. The Government’s development cooperation program with China, as articulated in the China Australia Country Program Strategy 2006-2010, aims to ‘build capacity in selected sectors in China, in particular governance, environment and health’ through ‘targeted assistance in areas where Australia has relevant and valued expertise.’ The China Australia Governance Program (CAGP), which runs from 2004-2010 with a total Australian contribution of $20 million, supports China’s governance reform and development agenda. Priorities include helping China with its fiscal reforms, social security reforms, and trade-related reforms.

The CAGP is flexible program and has the capacity to address a range of issues. Areas of future work currently under consideration include:

- defining targets and strategies to improve the Chinese banking sector’s capacity for risk management;
- helping China to address the implications of economic restructuring and productivity improvement; and
- assisting China build WTO-related regulatory frameworks such as food and drugs regulation, quarantine, and banking supervision.

The Australia China Environment Development Program aims to support China’s policy of balancing sustainable economic development with the needs of the environment. Australia has responded to a request by the Chinese Government for assistance in preparing a framework for the introduction of a new regime of water entitlements and trading in China. The framework will support China’s transition from a system of planned water resource allocation to a market based approach, similar to that of Australia.

Through the aid program, the Government also provides Australian Development Scholarships for Chinese officials to undertake masters-level courses in Australia. Approximately half of these scholarships are awarded to officials who undertake governance-related courses. Twenty-four officials commenced scholarships in 2006, of whom 13 are studying courses which relate to China’s economic transition, including public policy, public administration, economics, accounting and finance.

As set out in the White Paper on the Australian Government’s overseas aid program, Australian Aid: Promoting Growth and Stability, Australia will expand its scholarships program from 1 July 2006. Chinese nationals (including those who wish to undertake governance-related studies) will be eligible to apply for scholarships under the expanded program. It will include Australian Development Scholarships; new Australian Leadership Awards, aimed at future leaders, administered by AusAID; and Endeavour Program scholarships administered by the Department of Education, Science and Training (DEST). The Endeavour Program is an Australian Government initiative designed to bring together under one umbrella all of DEST’s international scholarships.

In addition to initiatives undertaken under Australia’s aid program, Government agencies and other institutions are working under a variety of other arrangements with Chinese counterparts to train Chinese officials in areas of governance relevant to China’s reforms:

- Treasury is working with the National Development and Reform Commission (NDRC) and Ministry of Finance (MOF) to provide training courses on fiscal management, in Australia, for NDRC and MOF officials;
- the Attorney-General’s Department is working with the Chinese Ministry of Justice to develop an exchange program for Chinese lawyers;
- DFAT and Beijing University are organising two Agriculture Trade Policy Dialogues, which have brought together
Australian and Chinese trade officials and specialists to help China better integrate trade policy into China’s development strategies;

- the Australian Bureau of Agriculture and Resource Economics and the Chinese Institute of Agricultural Economics are implementing an exchange project, which is assisting China to develop its agricultural trade policy analysis and modelling capacity;

- as part of the work under the Australia-China FTA negotiations, a program of capacity building workshops involving external consultants is providing Chinese officials with training in technical aspects of negotiating FTAs;

- training for Chinese officials is being considered under the new agricultural technical cooperation program in areas such as structural adjustment in the rural sector;

- Monash University is providing technical assistance to the NDRC, relating to government procurement and investment; and

- the implementation of a range of projects involving a number of Australian and Chinese organisations designed to help China reform its fiscal system and assist it to remove barriers to domestic and international trade.

The Government will continue to place a priority on developing and implementing practical measures to assist China to manage its transition to a market economy, and especially to increase its corporate governance regime.

Recommendation 3 (see also recommendation 16)

The committee recommends that Austrade establish a system for handling complaints on China’s provincial regulations. This system would:

- encourage Australian companies to register such complaints;

- record the complaints in a central register and monitor their management;

- disseminate information about these complaints among the Australian business community; and

- report the complaints to the Australian government.

The Government adopts a systematic approach to handling Australian business complaints about China’s legal system, including complaints about inconsistent or discriminatory regulations at the provincial and central government levels. The Department of Foreign Affairs and Trade (DFAT) and Austrade in particular encourage business to bring these issues to the Australian Government’s attention, both in Australia and through their offices in China. As part of its consultation process for the FTA negotiations with China, DFAT has also urged Australian businesses to raise concerns about Chinese regulations and the lack of transparency in the legal system in general. The Government also networks closely with the Australia-China Business Council to this end.

DFAT and Austrade in turn investigate and assess complaints business brings to us, bearing in mind that the Australian Government can only intervene in those cases where Chinese regulations are inconsistent with China’s international, including its WTO, obligations, or where we believe that Chinese provincial or central authorities have disregarded or violated China’s own laws, for example, by failing to enforce a judgment by a Chinese court. If a complainant has exhausted all legal avenues in China, the Australian Government then raises these issues with provincial and central Chinese authorities, including, on occasion, at ministerial level. (For example, in March this year in response to concerns by Australian iron ore suppliers, DFAT made representations to the Chinese Ministry of Commerce about regulations which imposed a price cap on imported iron ore. Chinese authorities subsequently withdrew the relevant regulations.) In addition to bilateral representations, the Australian Government also uses international forums to raise concerns about Chinese regulations which constitute trade barriers: WTO committees and the WTO Trade Policy Review provide regular opportunities to do so.

DFAT and Austrade keep systematic records of business concerns and Chinese responses through standard filing and record-keeping procedures.
But, given the commercial sensitivity of the details of many complaints, it would not be appropriate to open our records to scrutiny by other businesses (or the public in general). We will continue to urge business to contact us about their experiences in dealing with China’s provincial regulations.

**Recommendation 4**

The committee recommends that Australia’s agricultural exporters—in cooperation with key government agencies such as the Department of Agriculture, Fisheries and Forestry (DAFF) and Austrade—put particular effort into researching the China market. There will be significant export opportunities for Australian primary producers as China’s incomes rise and the restrictions on trade are removed (see recommendation 14). For these opportunities to be recognised, it is imperative that Australian exporters have up to date information about consumer tastes and producer requirements as they vary from region to region.

The Government supports further research by Australia’s agricultural exporters into the China market. The Government recognises that China presents important market opportunities for Australian agricultural, food, seafood and forestry products. Both the Department of Agriculture, Fisheries and Forestry (DAFF) and Austrade work closely with industry stakeholders to identify and target market access priorities across a range of agricultural markets, including identifying areas where the Government can help to remove technical and other barriers to trade with China.

A key resource developed by DAFF to help industry explore the opportunities presented by the emerging Chinese market is the recent report—*Agriculture in China: Developments and significance for Australia*—released by the Australian Bureau of Agriculture and Resource Economics (ABARE) in 2006. Other mechanisms for exploring market opportunities in China include the Australia-China Agricultural Cooperation Agreement (ACACA), and a range of consultative mechanisms with industry. The ABARE report confirms that Chinese economic growth is likely to lead to significant market opportunities for Australian agricultural exporters. This publicly available report provides a comprehensive examination of agricultural supply and demand in China. It provides information that will enable primary producers to gain an understanding of the changes in China’s production and consumption patterns, which in turn will help them gain an appreciation of future market opportunities.

The ACACA is a long-standing, treaty-level bilateral agreement that provides funding through the International Agricultural Cooperation component of the Government’s Agriculture Advancing Australia program for agriculture-oriented exchange missions between Australia and China. The ACACA covers all activities relating to agriculture, fisheries and forestry, from inputs and technology through to food processing and distribution. It helps Australian industry to capitalise on China’s market expansion by facilitating the development of commercial linkages between Australian and Chinese agriculture, fisheries and forestry sectors and associated agribusiness enterprises.

Since ACACA’s inception in 1984, over 180 exchange projects have been undertaken across a range of sectors. Exchange missions focus on specific areas of agribusiness, with the overall objective of promoting bilateral cooperation in the agriculture, fisheries and forestry sectors. Farmers, small, medium or large agri-businesses, industry groups, rural and regional associations and educational and research academic institutions are encouraged to develop proposals for short-term projects in China to pursue commercial cooperation in agriculture, fisheries/aquaculture and forestry. The ACACA program facilitates trade by allowing missions to visit China to observe first-hand consumer tastes and producer requirements as they vary from region to region and by providing the opportunity to explore supply chains.

The Government recognises that China will present valuable opportunities to Australian exporters of a wide-range of agricultural products. However, establishing market access for new products continues to be a key challenge. In recognition of the importance of China as an emerging market for Australian agricultural production, DAFF, through the International Food and Agri-
culture Service, recently established a Counsellor (Agriculture Policy) position in Beijing in addition to the pre-existing Counsellor (Agriculture Technical) position.

To further advance Australia’s market access interests in China, DAFF has established a range of consultative mechanisms with Chinese agencies. These mechanisms, such as the Memorandum of Understanding on Cooperation in Sanitary and Phytosanitary Matters, provide an opportunity to discuss both Australia’s and China’s market access priorities.

Industry market access priorities are identified through bodies such as the Horticultural Market Access Committee (HMAC). The HMAC is an industry committee with government representation which considers, prioritises, promotes and communicates all market access issues that are of significance to the Australian horticulture industry. The committee works in consultation with DAFF, individual industry associations and their members, and the research community to advance market access priorities.

**Recommendation 5**

The committee recommends that as part of a national strategy to promote innovation and value-adding in manufacturing, the Australian government must develop a wider range of incentives for CSIRO, the universities, private sector research centres and manufacturing companies to collaborate and invest in research and development (R&D).

The Government recognises that innovation is a driver of productivity and economic growth. The Government’s 2001 Backing Australia’s Ability and 2004 Backing Australia’s Ability: Building Our Future through Science and Innovation packages constitute a ten-year, $8.3 billion funding commitment to science and innovation. This is in addition to ongoing support for agencies such as the Australian Research Council, the National Health and Medical Research Council and CSIRO. The Government’s support for science and innovation totalled over $5.9 billion in 2005-06 (2006-07 Science and Innovation Budget Tables).

The Backing Australia’s Ability packages have three major themes:

- strengthening Australia’s ability to generate ideas and undertake research;
- accelerating the commercialisation of ideas; and
- developing and retaining skills.

A fundamental objective of the second Backing Australia’s Ability package is to boost collaboration between business, tertiary institutions and publicly funded research agencies. There are now a variety of specific programs already in place that directly support a range of public-private sector and business-business collaboration.

Cooperative Research Centres, the Industry Cooperative Innovation Program, CSIRO’s Flagship Collaboration Fund, the Australian Research Council Linkage grants, the Biotechnology and Information and Communications Technology Centres of Excellence, and the Rural Research and Development Corporations all directly foster public-private sector and/or business-business collaboration.

The Government has also funded pilot work on collaboration—the Innovation Exchange Intermediaries network was supported through the Innovation Access Program. It is a network of intermediaries who work with companies and universities and other public sector organisations to identify and establish links and alliances for the benefit of both partners. The TechFast program was supported to pilot university- small and medium sized company collaboration over an 18 month period through the transfer of intellectual property. The program is due for evaluation in the second half of 2006.

Specific initiatives, such as the Pre-Seed Fund, are aimed at assisting the commercialisation of public sector research. This fund is designed to encourage private sector venture capitalists to take an active role in funding and managing the commercialisation of research from universities and Australian Government research agencies such as CSIRO, the Australian Nuclear Science and Technology Organisation, the Australian Institute of Marine Science, the Defence Science and Technology Organisation, and Cooperative Research Centres.

Substantial policies are also in place to support businesses undertaking research and develop-
ment. Most notably, the Government provides a 125 per cent tax concession for investment in R&D. Moreover, the concessional arrangements were expanded as part of Backing Australia’s Ability to provide a ‘premium’ 175 per cent concession for additional business investment in labour-related components of R&D and a Tax Offset for small businesses in tax loss was introduced.

On 15 June 2006, Minister for Industry, Tourism and Resources, the Hon Ian Macfarlane, launched the Advanced Manufacturing Action Agenda report Making it Globally, saying the title captures the vision and strategy for the industry, which must use this opportunity to plan for new ways of plugging into global supply chains. Recognising the power of company collaboration in winning business in the global market, the Minister announced that industry would be consulted on plans to broaden the guidelines of the Industry Cooperative Innovation Program to increase support for projects involving international collaboration.

The Productivity Commission is currently conducting a study of public support for science and innovation which will give the Government an opportunity to review Australia’s innovation system and the Government’s role within it. The Commission has been asked to identify impediments to the effective functioning of Australia’s innovation system (including knowledge transfer, technology acquisition, skills development, commercialisation, collaboration between research organisations and industry, and intellectual property) and scope for the system’s improvement. The Commission is expected to release its findings in early 2007. The report will provide the Government with a sound basis for determining whether current policies to promote innovation, collaboration and investment in R&D are optimal.

Recommendation 6
The committee recommends that the government follow through with recent initiatives to improve the manufacturing skills base, particularly the creation of independent technical schools and a streamlined national system of apprenticeships.

The Government is implementing initiatives to improve the manufacturing skills base by establishing 25 Australian Technical Colleges to strengthen Australia’s vocational and technical education system, and promote excellence in the acquisition of trade skills. In 2005-06, the Government will have spent a record $2.5 billion on vocational and technical education, including an additional $280.6 million for a suite of new initiatives designed to address skills needs, particularly in the traditional trades.

Recommendation 7
The committee recommends that Australian government agencies strengthen the coordination of efforts to promote Australian exports to, and investment in, China and East Asia. To this end, it is important that Austrade continue to establish offices outside of Shanghai and Beijing, and to develop further the avenues for consultation between large and small Australian manufacturers operating in China.

Austrade has 15 offices in China: four hub posts, co-located with Australia’s diplomatic missions in Beijing, Shanghai, Guangzhou and Hong Kong; and 11 smaller regional sub-posts in Chengdu, Dalian, Hangzhou, Kunming, Macau, Nanjing, Ningbo, Qingdao, Shenzhen, Wuhan and Xian. Austrade has trade correspondents to identify opportunities and set up networks on its behalf in a further 11 cities, giving a total of 26 points of presence within the market. This network is a
major asset for Australian businesses and provides a competitive advantage in accessing export and investment opportunities in the highly diverse Chinese market. Austrade and the Department of Foreign Affairs and Trade work together closely, both in China and in Australia, to monitor market developments with a view to ensuring that the Government is responsive to emerging opportunities.

Recommendation 8

The committee recommends that Australia as a major exporter and consumer of coal take a lead role in promoting the cleaner use of fossil fuels and encourage further joint research and development between China and Australia in the area of environmental protection and climate control.

The Government recognises the importance of collaboration with China on environmental protection and climate and the value of further promoting the cleaner use of fossil fuels. This is demonstrated by the work occurring through Australia’s bilateral climate change partnership with China, established in 2003, and the Australian sponsored coal summit with China in 2005. The Government is also working with China on climate change multilaterally through the APEC Energy Working Group, the Carbon Sequestration Leadership Group, the Methane to Markets Partnership and more recently the Asia-Pacific Partnership on Clean Development and Climate (AP6).

Australia hosted the inaugural ministerial meeting of the AP6 in Sydney on 11-12 January 2006. This successful meeting of ministers and senior officials, together with industry CEOs from the six partner countries agreed on a framework for Partnership activity, including establishing eight industry/government taskforces on priority areas, including a taskforce on cleaner fossil energy.

Australia and China, as chair and co-chair respectively of the Taskforce on Cleaner Fossil Energy, will cooperate in leading the work of this taskforce, which has the objectives of:

- building on the range of existing national (and other international) measures and initiatives to develop an Asia-Pacific Partnership cleaner fossil energy technology development program;
- identifying the potential for, and encourage uptake of, CO2 carbon capture and storage opportunities in Partnership countries;
- further developing coal bed and waste coal mine methane gas and LNG/natural gas opportunities and markets in the Asia-Pacific region; and
- building the research and development base and the market and institutional foundations of Partners through technology-supporting initiatives, such as education, training and skills transfer.

At the bilateral level, the Australia-China Climate Change Partnership will continue to promote cooperation on a broad range of climate change issues, including measures to reduce greenhouse gas emissions through the cleaner use of fossil fuels. In addition, renewable energy, the capture and use of coal mine methane, and adaptation have been identified as key areas for project activity under the Partnership.

Further bilateral commitments to undertake research and collaborate on environmental protection and cleaner use of fossil fuels exist under the Australia-China Special Fund for Scientific and Technological Cooperation. The Fund, established in 2000 under a Memorandum of Understanding, identifies the environment as well as mining and energy as two of the six priority areas for research collaboration. The Fund has supported a number of projects in these fields.

The Australian coal industry has taken a leading role in developing and promoting the cleaner use of fossil fuels. It has made a major contribution to reducing emissions in Australia including through its active participation in the Greenhouse Challenge Program, its ongoing support for clean coal utilisation research, and the deployment of innovative greenhouse abatement technologies through COAL21 and the newly established $300 million COAL21 Fund. COAL21 is a program which is aimed at fully realising the potential of advanced technologies to reduce or eliminate greenhouse gas emissions associated with the use of coal. The Australian coal industry is working in partnership with government, the power industry and researchers on a national clean coal strategy.
to reduce future greenhouse gas emissions from expanding coal use in Australia. This strategy is supported by the Australian Government’s Energy White Paper and the Low Emission Technology Demonstration Fund.

Several Australian companies are now moving to commercialise new clean coal technology. For instance, Australia’s HRL and China’s Harbin Power Engineering signed an MOU at the first meeting of the HECD, to work together on the construction of a 400MW power plant in Victoria’s Latrobe Valley using Australian clean coal technology. If this project proceeds it will be the first clean coal and low emissions project between Australia and China. It will use HRL’s clean coal technology, the Integrated Drying and Gasification Combined Cycle, developed after more than 10 years of research, and the investment of $140 million.

**Recommendation 9**

The committee recommends that the Australian government:

a) work closely with the states and educational institutions to support and promote the work being done to enhance the welfare of overseas students in Australia;

b) in consultation with state governments and educational institutions review the visa requirements for overseas visitors with a view to allowing greater access for foreign students; and

c) take a lead role in discussions with Australian and Chinese educational institutions, professional bodies and responsible government agencies to achieve mutual recognition of qualifications across all professions.

**Response to Recommendation 9(a)**

The Government is working closely with state and territory governments and educational institutions to achieve the objectives of this recommendation. The Department of Education, Science and Training (DEST) regulates the provision of education services to overseas students by administering the Education Services for Overseas Students Act 2000 (the ESOS Act) and complementary legislation, including the National Code of Practice for Registration Authorities and Providers of Education and Training to Overseas Students (the National Code). One of the purposes of the ESOS Act and its National Code is to protect the interests of people coming to Australia on student visas by ensuring registered education institutions meet relevant standards, including those relating to the support and welfare of their students.

The ESOS Act was reviewed recently. Implementation of the review’s findings will further clarify and strengthen the National Code’s support service obligations by establishing standards which will more clearly articulate the institutions’ responsibilities in regard to the welfare of overseas students in Australia.

In 2003, the Department of Immigration and Multicultural Affairs (DIMA) established Student Welfare Reference Groups involving relevant government agencies, education providers, and student, community and industry representatives. Since early 2004, reference groups in four states have met to share information and discuss concerns, liaise with police and welfare agencies, and identify examples of best practice to be disseminated more broadly throughout the sector.

To improve understanding of Australia’s ESOS Act in China, DEST wrote an Easy Guide to ESOS, which it gave to the Chinese Ministry of Education in January 2006 to post on its website. The guide, which consists of a two-page explanation of the education services applying to overseas students studying in Australia, was accompanied by a one-page checklist of questions that prospective students should ask themselves before coming to Australia. Five thousand copies of each document were translated into Chinese and supplied to the DIMA Shanghai office in early February 2006 for inclusion in visa documentation that the DIMA Shanghai office sends to prospective students. The DIMA Shanghai office is responsible for evidencing student visas in mainland China.

DEST has also developed a guide for studying and living in Australia. The guide was initially developed for Chinese students to inform them of their rights and obligations as international students in Australia. The guide will be made available to Chinese students through DEST’s interna-
tional network, including Australian embassies and consulates in China, from July 2006.

**Response to Recommendation 9(b)**
The Government, on an ongoing basis, reviews visa requirements and related issues including visa processing controls, with a view to increasing efficiency while ensuring that rates of non-compliance with visa conditions remain within acceptable limits. DIMA engages with the peak bodies that represent the education industry on a regular basis to discuss ways in which DIMA can support the sector, and to identify opportunities for reform.

A successful trial of electronic lodgement of student visas (eVisa) began in China in November 2004 through approved education agents. Around 30 per cent of student visa applications are now being lodged electronically. Processing times for both paper and eVisa applications have improved significantly.

In terms of student numbers, during 2005 there were more than 81,000 enrolments by Chinese students at Australian education and training providers, representing more than 24 per cent of international student enrolments in Australia. This figure represents a 70 per cent increase in the number of Chinese student enrolments in Australia since 2002. (The next largest source country was India at 27,000.) China continues to be Australia’s most important market for international students and the prospects for further growth are positive.

**Response to recommendation 9(c)**
DEST takes a lead role in discussions with Australian and Chinese educational institutions and government agencies working towards increased recognition of educational qualifications between Australia and China. Qualifications recognition discussions with China take place at joint working group meetings between DEST and China’s Ministry of Education under the Memorandum of Understanding on Education and Training Cooperation.

The Government supports Australian professional bodies taking a lead role in discussions with their Chinese counterparts in the area of professional recognition of qualifications. The regulatory framework of professional occupations at the state and territory level in Australia and the role played by professional bodies in establishing standards for entry into practice in a profession mean they are best placed to agree to standards for professional recognition of qualifications.

The Australia-China Higher Education Qualifications Recognition Arrangement was established by both governments to improve qualifications mobility between Australia and China. Under the arrangement, DEST has funded pilot studies (conducted by Australian and Chinese universities) aimed at identifying how universities can successfully conclude agreements on qualifications recognition. These studies will assist talks with China on how to promote recognition of higher education qualifications by Australian and Chinese universities.

**Recommendation 10**
The committee recommends that:

a) the Australian tourist industry and the federal, state and local governments and their respective agencies, work together to identify the areas that Chinese tourists consider could be improved;

b) following this study, the Australian tourist industry direct its energies to assist or encourage service providers to make appropriate changes;

c) the Australian government note the criticisms raised by witnesses in this report about visa requirements, and review these requirements and the procedures for processing visa applications and clearances through customs;

d) the Australian government place a priority on extending the Approved Destination Status (ADS) program beyond the regions now covered by the scheme;

e) the Australian government, in planning and allocating funds for infrastructure development or in attracting investment for infrastructure development, take account of the increasing importance of Australia’s tourist industry to the Australian economy and devote resources to ensuring that transport and associated travel facilities are of a high standard; and
f) the Australian government acknowledge the work being done by local councils such as the Wollongong City Council in attracting tourists to their region and support such councils in their endeavours to boost Australia’s tourist industry, for example through the promotion of such regions as part of Australia’s tourist promotion campaign.

China is Australia’s fastest-growing inbound tourism market, with potential for high-yield export income over the medium to long term. Three significant initiatives have been completed during the past 12 months, which will underpin overall growth of outbound tourism from China and enhance Chinese tourists’ experiences in Australia. These initiatives are:

- the National Tourism Emerging Markets Strategy: China and India;
- the National Tourism Investment Strategy; and
- the Approved Destination Status scheme.

Response to Recommendation 10(a) and 10(b)
In December 2005, the National Tourism Emerging Markets Strategy: China and India (EMS) was published. Prepared by an industry consultative group, the EMS identifies impediments to Australia’s capacity to maximise tourism potential from the China and India markets and provides 12 recommendations addressing the issues associated with tourism growth from China.

The EMS demonstrated the need for more in-depth market research to build a greater understanding of the needs and wants of potential visitors from China and India. It emphasised the responsibility of the private sector to engage and provide leadership during the early years of market development, and the supporting role of government in entering new markets.

In March 2006, the Government released the National Tourism Investment Strategy (NTIS), which identifies impediments to private and public sector investment in tourism assets to enable the industry to take advantage of strong tourism growth expected over the next 10 to 20 years from growth markets, particularly the emerging markets of China and India. The Government is currently considering its response to the recommendations in the EMS and NTIS, and will make further statements on these matters in late 2006.

Response to Recommendation 10(c)
The Australian Government reviews visa requirements, processing procedures and related issues on an ongoing basis. It has established a high level Passenger Facilitation Taskforce to progress a whole-of-government approach to quantify the many complex issues that affect passenger facilitation at airports and to develop possible solutions to those issues requiring specific attention by the Government. The Australian Customs Service chairs the taskforce, membership of which includes the Department of Immigration and Multicultural Affairs, the Australian Quarantine and Inspection Service, the Department of Industry, Tourism and Resources, the Department of Prime Minister and Cabinet and the Department of Finance and Administration.

The taskforce will make recommendations that will ensure that the elements of the service delivery chain over which the Government has influence are able to accommodate increasing passenger numbers.

Response to Recommendation 10(d)
Australia’s Approved Destination Status (ADS) is a bilateral tourism arrangement between the Chinese Government and a foreign destination whereby Chinese tourists are permitted to undertake leisure travel in groups to that destination. The scheme provides rapid visa processing for tour groups travelling from China. In most cases, ADS visa applications are turned around in under 48 hours.

Australia’s ADS scheme continues to deliver strong results in terms of both tourist growth and immigration compliance rates and is seen by many countries as a model to be emulated. The total number of Chinese visitors travelling to Australia has grown dramatically from fewer than 9,000 in 1991-92 to over 285,000 in 2005. The ADS scheme has also grown rapidly since its inception in 1999 to more than 45,000 arrivals in 2004-05. Visa processing arrangements associated with the ADS scheme have allowed DIMA to effectively manage this substantial growth in visitor numbers.
The Government is now preparing for expansion of the ADS scheme to all Chinese provinces. It is expected that this will be achieved progressively during 2006 as appropriate travel agents are identified and trained in the new provinces able to access the ADS scheme. This is an important step in facilitating an increase in the number of Chinese agents participating in the ADS scheme and is likely to increase the number of visitors from China.

A further government initiative was the announcement in late June 2005 of administrative reforms to the ADS program. These reforms strengthen the governance of ADS and minimise the opportunity for unethical behaviour by tour operators.

These enhancements represent part of the Government’s ongoing commitment to continually improve visa processing procedures and related matters. They have resulted in significant benefits to both Chinese citizens and Australian industries supporting Chinese visitors.

Response to Recommendation 10(e)

Tourism is a significant driver of demand on Australia’s transport network and tourism data is included in the development of a strategy for each corridor of the AusLink National Network.

The Corridor Strategies will provide guidance in formulating network initiatives and inform development of the next and subsequent National Land Transport Plans.

In order to meet Australia’s transport needs the Australian Government has implemented AusLink, the Government’s policy for improved planning and accelerated development of Australia’s land transport infrastructure. In the first AusLink five-year investment plan (2004-09), the Government has committed $15 billion to road and rail infrastructure projects.

The AusLink investment plan focuses on:

- developing a safer, more efficient and reliable AusLink National Network comprising nationally important roads and railways and links to major ports and airports; and
- local and regional transport improvements through the Roads to Recovery and Strategic Regional funding programs.

Future needs on the AusLink National Network will be informed by long-term transport strategies currently under development. Transport strategies will take into consideration major infrastructure needs, including servicing the tourism industry, and current and future travel demand drivers, such as growth in tourism-related traffic.

In line with the Government’s commitment to liberalising international air services, new arrangements were settled with China in July 2003 which created increased opportunities for both Australian and Chinese airlines to grow the market between the two countries. The new arrangements provided for a more than doubling of capacity from 4000 to 8500 seats per week for services to and from Sydney, Melbourne, Brisbane and Perth.

They also included reciprocal regional access arrangements allowing unlimited services between all points in China and regional international gateways in Australia and between those Australian gateways and all points in China. Unlimited all-cargo services between and beyond both countries were also agreed. The Department of Transport and Regional Services will continue to monitor the adequacy of air services arrangements between the two countries.

Response to Recommendation 10(f)

The Government acknowledges that many local councils operate excellent tourism growth programs, incorporating product development and quality marketing. It has developed the Tourism Impact Model (TIM) to provide local governments with a tool to gain a better understanding of the impact of tourism on their local economy and population (using tourism data and economic modelling), and its impact on council revenues and expenditure. The TIM has been distributed to all local councils in Australia.

The Government has committed more than $31 million (from 2004-05 to 2007-08) to the Australian Tourism Development Program to increase the diversity of regional tourism products and services. Local councils are eligible to apply for funding under this program. The Government has also provided $20 million in funding for 11 re-

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gional tourism projects as part of its 2004 election commitments. Funding for these projects is aimed at developing tourism product in regional Australia to attract domestic and international visitation. Many of these projects are managed by local councils.

The Government also works cooperatively with Australia’s states and territories on domestic and international marketing. Through Tourism Australia the Government focuses on delivering sustainable and dispersed visitor spend throughout Australia.

Tourism Australia recognises that beyond its own marketing activities it needs to partner with organisations, including government and industry, that market to potential tourists. Tourism Australia works closely with the states and territories in developing and promoting new product experiences that specifically appeal to the Chinese market, and in educating consumers in China to strengthen the appeal of Australia as a destination. Tourism Australia is also working to support the state and territory tourism bodies through the establishment and development of national marketing activity designed to improve domestic tourism yield and dispersal.

Tourism Australia launched a new global destination campaign with the tagline ‘So Where the Bloody Hell Are You?’ in Sydney on 23 February 2006. This campaign issues a familiar yet unique invitation to ‘our overseas friends’ to visit Australia now. In particular, the campaign aims to increase the intention to travel to Australia amongst Tourism Australia’s key target group, the ‘Experience Seekers’. These Experience Seekers disperse more readily into regional Australia and tend to spend more while they are here.

This campaign has been rolled out progressively across Tourism Australia’s key international markets during the first half of 2006, and was launched in Hong Kong on 20 March 2006, in Shanghai on 22 March and in Beijing on 24 March. The campaign is now running on television, print and online in China. Following the launch of the campaign, there has been a 71 per cent increase in traffic to the Tourism Australia websites and more than 700,000 people in nearly 200 countries have now downloaded and played the advertisement online. The campaign has now been seen by more than 180 million people in eleven markets since it was launched in February 2006, with an estimated 10 million people seeing the campaign in China.

**Recommendation 11**

The committee recommends that the Australian government:

a) review the visa requirements for Chinese people seeking to conduct business in Australia with the intention of improving their access to Australia; and

b) confer with the relevant Chinese authorities to improve access conditions for Australians intending to visit China to conduct business. This matter of easier access to China for Australian business people should be a priority in the Free Trade Agreement (FTA) negotiations but Australia should not wait for the finalisation of this process to reach agreement with China.

**Response to Recommendation 11(a)**

Australia’s temporary business entry arrangements aim to address the demands of a modern and dynamic economy through a flexible and transparent regulatory framework. All procedures are streamlined to ensure an efficient, expeditious and transparent service to overseas business visitors and companies seeking to obtain visas for skilled workers necessary for the conduct of their businesses. Australia has a universal visa system and seeks to facilitate the movement of people across the Australian border, while protecting the community and maintaining appropriate compliance. Australia’s visa arrangements are non-discriminatory.

While there are no exclusive visa arrangements for Chinese business people, the Department of Immigration and Multicultural Affairs (DIMA) continually reviews visa requirements, processing procedures and related issues for Chinese visa applicants in order to facilitate business travel as much as possible. The Government is actively promoting the Sponsored Business Visitor Visa as the visa of choice for Australian companies seeking to do business with China. The Sponsored Business Visitor Visa allows visa applications to be lodged by approved Australian organisations,
Response to recommendation 11(b)

Improving mutual access for the temporary entry of Chinese business persons into the territory of Australia and for Australian business persons into the territory of China has been the subject of discussions in the FTA negotiations. Australia and China have agreed in principle to a chapter on the Movement of Natural Persons and each side has flagged strong interest in improving access conditions for its nationals. Discussions on this issue will continue as the negotiations proceed.

Both Australia and China are participants in the APEC Business Travel Card (ABTC) scheme. Those nationals of Australia and China (along with those passport holders of other participating APEC member economies) who are regular business travellers in the APEC region, who hold a valid passport and have not been convicted of a criminal offence, can apply for an ABTC. The ABTC is valid for three years, and offers pre-cleared short-term multiple entry authority and faster arrival and departure immigration processing through special APEC fast-track entry and exit lanes at airports. More expeditious pre-clearance processing by China of Australian ABTC holders is considered to be the most effective way of securing better access to China for Australian business visitors. DIMA liaises closely with Chinese government agencies through the APEC Business Mobility Group and bilaterally on an ongoing basis to secure timelier processing of ABTC clearances by China.

Overall Australian companies have not reported major difficulties in visiting China to conduct business. The Government nonetheless recognises the importance of improving access for Australians doing business with China. The ABTC scheme and other discussions will continue to be reviewed to assess the possibility of implementing improvements in the timeliest way possible. The Government is committed to ensuring that the Chinese authorities address any barriers that hamper the ability of Australian business people to visit China. Specific cases can be raised in bilateral ministerial forums, such as the High-level Economic Cooperation Dialogue and the Joint Ministerial Economic Commission should the need arise.

Recommendation 12

The committee recommends that the Australian government continue its support for the Doha Round of multilateral trade negotiations, most immediately through the sixth WTO ministerial meeting in Hong Kong in December 2005.

Australia was represented at the Hong Kong Ministerial Meeting in December 2005 by Deputy Prime Minister and then Minister for Trade, The Hon Mark Vaile MP. Ministers agreed at that meeting on an end date of 2013 for the elimination of agricultural export subsidies. In addition, progress was made on defining the method of cutting industrial tariffs and on an ‘aid for trade’ package for the least developed countries.

Since then, Australia has continued to push for an ambitious package across the negotiations which will deliver commercially meaningful outcomes. The Minister for Trade has been in regular contact throughout 2006 with key WTO members, as have senior officials. In late July WTO Director General Lamy suspended the negotiations indefinitely because of the difficulty of closing gaps between the key players on the core issues of agricultural market access and domestic support. This is a significant setback, however the Government does not accept that the Doha Round is dead. Doha remains the best vehicle for creating new commercial opportunities for Australian farmers, manufacturers and service providers and the Government will continue to look for possible ways forward.

Recommendation 13

The committee recommends that the Australian government conclude an FTA with China that abolishes tariffs and addresses the range of non-tariff or ‘beyond the border’ issues. Australian negotiators must:

- ensure that the FTA is comprehensive covering all sectors including the services sector;
- assist, wherever possible, with China’s efforts to conform to WTO standards on intellectual property rights;
encourage China to reduce its subsidies for local industry;
encourage China to adopt the WTO’s sanitary and phytosanitary (SPS) agreements for quarantine; and
encourage China to develop greater transparency and uniformity in its corporate tax system.

The Government is strongly committed to achieving an ambitious and comprehensive outcome on the FTA that delivers real benefits to Australian business. The Memorandum of Understanding agreed between Australia and China on the launch of FTA negotiations on 18 April 2005 stipulated that the negotiations would proceed on the basis that all sectors were negotiable with a view to achieving a balanced outcome through a single undertaking.

In keeping with the Government’s commitment to achieving a comprehensive and high-quality FTA, Australian negotiators have been pressing their Chinese counterparts on intellectual property rights and on the issue of subsidies to Chinese industry. We are also seeking to enhance cooperation on sanitary and phytosanitary (SPS) obligations through enhanced cooperation on SPS measures, making SPS measures more transparent and building on existing consultative arrangements.

With respect to the final point in Recommendation 13, it should be noted that in keeping with other FTAs, the FTA with China will not specifically address inconsistencies in the administration of China’s corporate tax system. However, Australian negotiators have taken the opportunity to encourage China to address inconsistent and opaque administration of taxation measures affecting Australian business during general discussions on transparency and through the information exchange phase of the negotiations, in which we have strongly reflected industry concerns.

More generally, the 2005 APEC Ministerial Meeting (AMM) in Busan agreed that by 2008 APEC would develop comprehensive model measures on as many commonly accepted Regional Trade Agreement (RTA)/FTA chapters as possible. The model measures develop further the Best Practices for RTAs/FTAs which were adopted by the 2004 AMM in Santiago. The purpose of the model measures is to promote high-quality and comprehensive FTAs, while at the same time promoting consistency and coherence across RTAs/FTAs in the Asia-Pacific region.

**Recommendation 14**

The committee recommends that the Australian government consult extensively with stakeholders in the negotiation phase of the FTA. It is important that both the process and the outcomes of the FTA gain credibility and acceptance in the wider community. To this end:

- it is important the various stakeholders recognise that China’s different systems of law and government may produce an FTA unlike the Australia–US agreement
- there should be a timetable for periodic review of the FTA during the implementation phase.

The Government agrees on the importance of consultation with stakeholders in relation to the FTA negotiations with China. In order to ensure that industry and community views and concerns are fully taken into account, the Department of Foreign Affairs and Trade (DFAT), in concert with other government agencies, has run a broad consultation program since the negotiations commenced, involving inter alia:

- regular broad-based stakeholder meetings in Canberra of peak organisations, community groups and NGOs, unions and industry bodies covering a wide range of sectoral interests;
- stakeholder meetings in state and territory capitals as well as in regional centres. These have involved general sessions including NGOs and unions, and sector-based sessions covering manufacturing, education, tourism, professional services, agriculture, financial services, processed food, wine, seafood, freight and logistics. Consultations have been held in each State and Territory capital and in regional centres including Rockhampton, Mildura, Swan Hill, Mackay, and Bundaberg;
- one-on-one meetings at the request of stakeholders including companies, peak
bodies and community bodies, as well as industry and professional associations;

- regular sector-specific consultations in Canberra and other centres to brief peak body stakeholders on the progress of negotiations and to continue to receive feedback on industry concerns;

- consultation with Australian businesses and business organisations including Australian chambers of commerce and industry in China and Hong Kong;

- regular meetings and consultations with state and territory governments, including following each negotiating round or other significant development in the negotiations;

- in the current financial year to date, DFAT have held approximately 190 meetings of the type outlined above with industry and community groups, companies and professional associations and state and territory governments in connection with the FTA; and

- calling for submissions. So far the DFAT has received over 200 submissions, 155 of which are available on its website.

The Government notes the committee’s recommendation that there should be a timetable for periodic review of the FTA during the implementation phase. The Government agrees that this is a helpful recommendation. At this stage of the negotiations, it is too early to comment on what type of review mechanism will eventually be agreed and adopted by the parties. However, negotiators are conscious that an appropriate review mechanism would be desirable to address issues that arise during the implementation of FTA commitments and to provide a mechanism for on-going cooperation between each side on certain issues.

**Recommendation 15**

The committee recommends that, to ensure there is a pool of highly skilled China experts in Australia ready to advise government and business leaders on developments in that country, the Australian government:

- actively endorse and sponsor ‘in country’ training of students at the tertiary and post graduate level where Australian students are supported in undertaking studies in China;

- work with private enterprises, particularly large firms with established business links in China, to provide more scholarships for tertiary students which would include work experience with companies conducting business in China; and

- encourage Australian tertiary students, through the use of scholarships and sponsorships, to undertake the study of a Chinese language and/or Chinese culture in combination with another discipline such as law, economics, commerce, actuarial studies, architecture or engineering (also see recommendation 21).

**Response to Recommendation 15(a)**

The Minister for Education, Science and Training, the Hon Julie Bishop MP, announced a review of Australian student mobility overseas in April 2006. The review will examine current Australian student mobility practices and make recommendations to increase the number of Australians studying overseas, both in the higher education and vocational and technical education sectors.

As part of the review process, the needs of industry will be considered, with a view to improving the match between international study opportunities for Australian students and the skills and knowledge required by their subsequent employers. The recommendations which flow from the review can be expected to enhance the development of expertise in Australia to assist government and business in their relationships with China.

As part of the Endeavour Program, the Department of Education, Science and Training (DEST) administers the Endeavour Research Fellowships and the Endeavour Australia Cheung Kong Awards, which enable Australian postgraduate students and postdoctoral fellows to undertake short-term research in China and for Chinese researchers to do the same in Australia. (The Endeavour Program is an Australian Government initiative designed to bring together under one
umbrella all of the DEST international scholarships.) From 2007, there will be up to 104 incoming and 94 outgoing Endeavour Research Fellowships available to the Asia-Pacific Region and up to 20 Endeavour Australia Cheung Kong Awards (14 to China). Awards are valued at up to $25,000 each.

The awards aim to:

- enable high achieving scholars from participating countries to undertake research in Australia, and Australians to do the same abroad;
- further develop award holders’ knowledge and skills in their field of research;
- strengthen bilateral ties between Australia and the participating countries;
- showcase Australia’s education sector around the world;
- strengthen mutual understanding between the peoples of Australia and the peoples of the participating countries; and
- build international linkages and networks.

In addition, as part of the Australian University Mobility in Asia and the Pacific Program and the Endeavour Cheung Kong Student Exchange Program, opportunities are provided for Australian undergraduate students to undertake at least one semester of their undergraduate degree at an accredited higher education institution in either China or the Hong Kong SAR under an institution-to-institution student exchange arrangement. In 2006, 66 Australian students will undertake such an exchange in China.

The Government also provides financial assistance for eligible undergraduate students who wish to undertake part of their studies overseas. Through OS-HELP, students can seek financial assistance for a range of expenses, such as airfares and accommodation. In 2006, students will be able to receive up to A$5,095 per six-month period.

DEST offers Executive Awards for high achievers in business, education, government and industry to undertake professional development opportunities abroad. While these awards are not targeted at tertiary or postgraduate students, they do build on the pool of highly skilled China experts in Australia ready to advise government and business leaders on developments in that country.

The Department of Foreign Affairs and Trade (DFAT) actively supports the provision of scholarships in China through the Australia China Council (ACC). Scholarships and youth exchanges currently constitute the biggest single category of spending. The Council runs three scholarship programs in China, ranging from high school children to postgraduates. The Young Business and Professional Scholars program has been offered by the Council since 2001 (see below).

Response to Recommendation 15(b)

The Government would be pleased to consider new scholarship sponsorship arrangements with private enterprise. DEST has entered into such an arrangement with the Cheung Kong Group. In 2004, the Government and the Cheung Kong Group signed a $7.5 million sponsorship agreement, allowing up to 836 undergraduate exchanges and up to 132 postgraduate and postdoctoral fellowships to take place over five years. Two-thirds of the awards are to be allocated to China, with half of these providing the opportunity for Australians to travel to China.

The ACC’s Young Business and Professional Scholars (YBPS) in China program encourages young Australian graduates with Chinese language abilities to develop a career that builds on Australia-China relations in any field. The YBPS program consists of one year of study and work, commencing with a four-week language skills refresher course, followed by a semester of language and business studies. Scholarship-holders are then expected to obtain an internship of approximately six months with either an Australian or Chinese company. The internship is facilitated through the Australian chambers of commerce in China. In line with its seed funding policy, the Council is now handing this program to the National Centre for Language Training (NCLT). It is envisaged that the NCLT will be able to expand the program to include corporate-sponsored places. Changes to the academic element will also make the program attractive to a wider range of people.
Response to Recommendation 15(c)
The Government supports this recommendation in principle. Under the Memorandum of Understanding (MOU) on Cooperation in Education and Training, a Joint Working Group (JWG) of senior Australian and Chinese officials meets to consider priorities in the bilateral education and training relationship and to identify cooperative activities. The JWG provides a forum for discussing ways, at government level, to further encourage tertiary students to undertake Chinese language and cultural studies in conjunction with other disciplines.

Recommendation 16 (see also recommendation 3)
The committee recognises a need for Australian business, especially small and medium-sized enterprises (SMEs), to be part of an effective communication network so they can benefit from the experiences of others conducting business in China, especially those with established business associations in China. It recommends that the Australian government improve the dissemination of market intelligence about China in Australia by:

- providing a forum whereby Australian businesses can meet and discuss their experiences in conducting business with the Chinese;
- establishing a more effective communication network in Australia that will alert Australian companies intending to conduct business in China, or already doing so, to the deficiencies in China's legal framework;
- increasing the focus on facilitating the formation of strategic partnerships between Australian and Chinese companies; and
- reviewing the concerns about the poor quality of data available on Australia's trade in services with a view to identifying ways to improve the current system of gathering statistics.

A number of government and private sector mechanisms, both formal and informal, exist which keep Australian businesses informed about the China market. DFAT, as the department primarily responsible for Australia's trade relationship with China, is directly involved in a number of these.

The Department of Foreign Affairs and Trade (DFAT) works closely with the Australia China Business Council (ACBC) in organising a variety of events throughout the year which help educate Australian businesses about China. The ACBC provides Australian businesses, including small and medium enterprises, with networking, information and promotion services related to doing business in China. DFAT plays a leading role in the ACBC’s annual national Networking Day in Canberra. This includes briefings for ACBC members by DFAT, Austrade, Invest Australia and other government departments, meetings with Chinese Embassy officials and sessions at Parliament House with relevant ministers and parliamentarians. DFAT helps facilitate a number of other events with the ACBC, including various forums, briefings and dinners. These events are held around Australia. DFAT state offices work closely in conjunction with state governments and ACBC branch offices in the facilitation of these events.

DFAT posts in China have close links with the Australian chambers of commerce in Beijing, Shanghai, Guangzhou and Hong Kong, which provide networking and information services for Australian businesses that already have a presence in China. Both the ACBC and the chambers of commerce welcome membership from businesses of all sizes, allowing smaller enterprises to benefit from the experience of larger or more established firms. The ACBC and the chambers of commerce in Beijing and Shanghai jointly organise an Australia China Business Forum on the practicalities of doing business in China for Australian businesses. The forum is held on a biennial basis with the last in 2004 and the most recent in October 2006. Austrade supports the chambers and the ACBC through such means as identifying expert speakers, assisting in the organisation of events and facilitating of visit programs.

DFAT officers also regularly brief companies, conferences and seminars about business conditions in China. These briefings are held across Australia, including in regional centres. As mentioned in DFAT’s responses to other recommendations of this report, DFAT also undertakes de-
etailed consultation with Australian businesses about market conditions in China through the outreach and consultation process associated with our Free Trade Agreement negotiations with China.

Austrade provides regular briefing sessions on issues relating to the China market, including outlining barriers to trade and investment and deficiencies in the Chinese legal system. While the most commercially productive business partnerships emerge organically out of the marketplace rather than being engineered by the Government, Austrade works effectively to match Australian businesses with suitable partners overseas. Given Austrade’s extended regional reach in China (see response to recommendation 7), Austrade is well placed to put Australian businesses in contact with potential Chinese partners.

DFAT works closely with state and territory governments to develop our trade relationship with China and exploit market opportunities. DFAT’s network of state and territory offices provides governments with a direct liaison point across the foreign affairs and trade portfolio, including on trade issues. In addition, DFAT meets regularly with the Senior Trade Officials Group (STOG)—a consultative body comprised of senior officials representing each of the state and territory governments on trade matters—to provide updates on the Government’s trade agenda.

Other government departments have a range of mechanisms through which they communicate and consult with Australian companies about doing business in China, some of which are referred to elsewhere in the Government’s responses to these recommendations. In summary, they include the following:

- The Department of Transport and Regional Services (DOTARS) and the Department of Industry Tourism and Resources (DITR) co-chair a National Tourism and Aviation Advisory Committee comprising officials from the Australian Government, state and territory governments and industry representatives.
- DOTARS runs an annual Aviation Stakeholders Forum to engage stakeholders from the aviation industry, state and territory governments and tourism bodies on bilateral air rights negotiation priorities.
- DITR holds a bilateral dialogue on energy and minerals with China on a regular basis. The dialogue is held under a Memorandum of Understanding (MOU) between DITR and the National Development and Reform Commission. The consultations are centred on policy and information exchanges, trade and investment issues, identifying commercial opportunities and collaborating in the energy and mineral resources sectors. Australian industry representatives are invited to participate and information on key outcomes is conveyed to interested parties.
- DITR has helped establish the Australia-China Coal Summit. The Summit brings together senior Chinese government and industry representatives, the Australian Coal Association, the Minerals Council of Australia and Australian coal suppliers to discuss coal mine safety, mining technology services, mining equipment, education and training.
- The Department of the Environment and Heritage manages an active bilateral climate change partnership with China which has a major focus on developing sectoral strategies and fostering business to business cooperation and practical projects in a range of fields including coal mine methane, renewable energy and energy efficiency. Further opportunities will be developed when the Minister for the Environment and Heritage leads a major renewable energy and energy efficiency business mission to China in October 2006.
- Australian Bureau of Agriculture and Resource Economics (ABARE) has conducted a number of studies into aspects of the Chinese economy for selected Australian industries (including automotive, aluminium, steel, iron ore and coal). It has also recently published a more general report on the agricultural
sector, Agriculture in China: Developments and Significance for Australia. These reports are available free of charge on ABARE’s website.

- The Department of Agriculture, Fisheries and Forestry (DAFF) manages the Australia-China Agricultural Cooperation Agreement (ACACA). It provides funding for agriculture-oriented exchange missions between Australia and China. Farmers, small, medium or large agri-businesses, industry groups, and rural and regional associations are encouraged to develop short-term projects related to Australian-Chinese commercial cooperation in agriculture. ACACA facilitates the development of commercial ties between the Australian and Chinese agriculture, fisheries and forestry sectors.

- DAFF has concluded a MOU on Cooperation in Sanitary and Phytosanitary Matters with China to discuss Australia and China’s market access priorities.

- DAFF represents the Australian Government at the Horticultural Market Access Committee, an industry committee which considers, prioritises, promotes and communicates all market access issues (including those relating to China) that are of significance to Australia.

- The China Approved Destination Status (ADS) Joint Monitoring Group allows discussion between government agency and the tourism industry on ADS related issues. It includes representatives from DITR, the Department of Immigration and Multicultural Affairs (DIMA), Tourism Australia, the Australian Tourism Export Council, a government tourism organisation nominated by each state and territory, and two representatives of licensed ADS inbound tour operators.

- Tourism Australia engages with industry on the China market through a number of forums: the Australian Travel Mission to China, the Australian Tourism Exchange; the Australian Tourism Export Council Symposium; the Destination Australia Marketing Alliance and annual market briefings with Australian industry. It also disseminates information to industry through the Tourism Australia Corporate website and delivers statistical information and market research through Tourism Research Australia and the Tourism Forecasting Committee.

- The Department of Education, Science and Training (DEST) consults with industry on the China market through FTA consultations, China market research projects and industry interface through its staff at posts in China. It communicates market intelligence via the Australian Education International Market Information Package on the DEST website. DEST also has a Government-Industry Stakeholder Consultation Group which discusses China-related issues.

**Recommendation 17**

The committee recommends that the Australian government adopt a whole-of-government approach whereby all departments that have an interest or involvement in matters dealing with China have China experts on staff who form part of an Australian-wide departmental and agency network.

The China Policy Group brings together officials from Government departments working on China to provide updates on each department’s current China policy priorities and to discuss the broad relationship with China. Meetings are held two to three times each year. The China Policy Group was established in 1997 as a result of a Government decision to review and provide strategic planning and coordination of Australia’s China policy. Membership comprises the portfolios represented in the National Security Committee of Cabinet (the Department of Prime Minister and Cabinet, the Department of Foreign Affairs and Trade, the Treasury, the Attorney-General’s Department, the Department of Defence and the Department of Immigration and Multicultural Affairs), as well as the Office of National Assessments, the Department of Agriculture, Fisheries and Forestry, the Department of Industry,
Tourism and Resources, Austrade and AusAID. The Department of the Environment and Heritage, the Department of Transport and Regional Services, the Department of Education, Science and Training, the Department of Families, Community Services and Indigenous Affairs, the Department of Health and Ageing, Invest Australia, the Australian Customs Service, Food Standards Australia and New Zealand and the Australian Federal Police have also participated in China Policy Group meetings in the past.

**Recommendation 18**

The committee recommends that the Australian government place on the public record a statement making clear that all people resident in Australia are entitled to the protection of its laws and to exercise their fundamental freedoms without interference from any individual, organisation or government.

Australia’s National Framework for Human Rights: National Action Plan (NAP), launched by the Attorney-General, the Hon Philip Ruddock MP, and the Minister for Foreign Affairs, the Hon Alexander Downer MP, in December 2004, is a publicly available national statement of human rights protections in Australia. The NAP reflects the Australian Government’s commitment to the protection and promotion of human rights and affirms the role of government in safeguarding the dignity and rights of individuals, whose lives should be free from violence, discrimination, vilification and hatred. The NAP comprehensively describes how all Australians are entitled to equal recognition and protection before the law. This is achieved primarily by the operation of the rule of law, democratic institutions such as the independent judiciary, and open and accountable judicial, executive and administrative review processes.

In relation to specific obligations under international law, Australia reports to the United Nations Human Rights Committee on the implementation of its obligations under the International Covenant on Civil and Political Rights (ICCPR). Article 2(1) of the ICCPR requires Australia, as a party to the ICCPR, to ‘ensure to all individuals within its territory and subject to its jurisdiction the rights recognised in the present Covenant...’. Article 26 states that ‘All persons are equal before the law...’. In its reports to the Committee, the Government has detailed the range of protections which implement Australia’s ICCPR obligations and are available to all people subject to Australia’s jurisdiction. This includes anti-discrimination and privacy legislation and other human rights machinery including the Human Rights and Equal Opportunity Commission. There is no question that all people in Australia are entitled to the protection of its laws and to lawfully exercise their fundamental freedoms without undue interference from individuals, organisations or government.

**Recommendation 19**

The committee recommends that Australia encourage China, as part of the human rights dialogue, to reach an agreement that both countries:

- release an informative agenda on the human rights dialogue before the dialogue commences;
- make public a joint statement immediately following the talks that provides a detailed assessment of the progress made since the last meeting, a discussion of the topics considered during the dialogue, and the agreements reached for future action; and
- consult with non-government organisations (NGOs) working in the area of human rights before each dialogue, or at the very least find a more effective way to engage them in the process.

The committee believes that such a measure, while still taking account of the need for both parties to be able to talk frankly about sensitive issues in private, would add greatly to the value of the talks.

The Minister for Foreign Affairs issues a press release to announce each round of dialogue. A more detailed list of topics discussed at each dialogue round is provided on the Department of Foreign Affairs and Trade’s (DFAT) website. DFAT has provided a full list of topics discussed at each past round of the dialogue to the Human Rights Sub-Committee’s inquiry into Australia’s human rights dialogue process. The Government considers that the public release of a detailed agenda before the dialogue would compromise
the guarantees of confidentiality that have been so important in ensuring that each round of the dialogue features frank discussion of sometimes sensitive issues.

Australia and China released joint press statements at the conclusion of some past rounds of dialogue. The Government considers that the current practice of delegation heads holding a joint press conference is more effective and informative.

The Government has already established a number of effective mechanisms through which NGOs are able to convey their comments about upcoming dialogues. These include written invitations to provide input which is then distributed to all members of the Australian delegation in advance of the dialogue. Points raised by NGOs are frequently included in the brief and are raised during the formal talks. NGOs have the opportunity to raise particular concerns about human rights in dialogue partner countries during DFAT’s biannual consultations with them on human rights issues. DFAT also uses this forum to brief NGOs on the outcomes of dialogue including, where appropriate, any responses to points NGOs raised prior to the dialogue. The Government has also facilitated NGO exchanges with Chinese officials in parallel with the human rights dialogue. The Government will continue to brief NGOs at their request in advance of each round of the dialogue.

Recommendation 20 (also see recommendation 13)

The committee recommends that Australia join with other countries that have ratified the International Labour Organization (ILO) conventions to urge China to adopt all the conventions and to improve their observance of core labour standards of Chinese workers.

The Government urges all members of the International Labour Organisation (ILO) to observe core labour standards. As part of the Australia-China human rights dialogue process, the Government raises labour standards with Chinese officials. The theme of this year’s human rights dialogue was labour rights. Issues discussed in previous rounds have included safe and healthy working conditions, fair remuneration for Chinese workers, and the enforcement of occupational health and safety standards.

China is a member of the ILO. The Australian Government regards the ILO as the competent body to promote the observance by member States of their obligations in regard to international labour standards. The ILO’s 1998 Declaration on Fundamental Principles and Rights at Work provides for enhanced supervision and implementation of core labour standards, whether or not member States have ratified the associated conventions.

Recommendation 21

The committee recommends that the Australian government consult with NGOs and businesses operating in China with a view to formulating a policy on how they could jointly best promote the observance of core labour standards in China.

The Government has established consultative mechanisms for interested parties to contribute to the Australia-China human rights dialogue process. Comments received from interested individuals and organisations inform the Government’s dialogue with Chinese officials in relation to a range of issues, including labour standards. These mechanisms are detailed in the Government’s response to recommendation 19. It is not appropriate for the Government to formulate policy on how Australian businesses and NGOs operate in China, provided they do so within the limits of applicable domestic law.

Recommendation 22 (see also recommendation 15)

The committee recommends that the Australian government place a high priority on encouraging China literacy in Australia by:

a) working with the state and territory governments to reinvigorate the National Asian Languages and Studies in Australian Schools (NALSAS) strategy to promote the study of Asia across subject areas at both the primary and tertiary level and to support and encourage teachers to develop their Asia literacy;

b) providing more support for in-country language training for undergraduates and post graduates and encouraging and supporting universities to create degree
programmes that incorporate in-country experience;

c) promoting ‘double degrees’ for example by setting up scholarships in a discipline combined with Asian language/cultural studies; and

d) introducing incentives, such as scholarships and sponsorship to encourage Chinese students to apply for courses in the humanities and social sciences.

Response to Recommendation 22(a)
The Government contributed over $200 million through the National Asian Languages and Studies in Australian Schools (NALSAS) Strategy from 1994 to 2002. As well as redressing an imbalance between European and Asian languages in schools, the strategy contributed to a significant increase in the study of the priority NALSAS languages (including Chinese) at primary and secondary school levels. The NALSAS also contributed to deeper knowledge and understandings about Asia more generally.

The termination of government funding for NALSAS was foreshadowed at the start of the NALSAS Strategy. In 1999, when the Government extended its NALSAS funding of $30 million a year for three years, it was on the understanding that the strategy should have become self-sustaining in schools by the end of 2002.

The Government continues to make a substantial contribution to supporting Chinese language education for Australian schools through its School Languages Program (SLP). The Program assists schools and communities to improve the learning of Asian, European and Indigenous languages. Through this program the Government is providing over $112 million over the next four years to State and Territory education authorities to support languages education. The majority (95 per cent) of SLP funds is distributed directly to State and Territory education authorities. These authorities decide on the most strategic use of the funds to support languages education in their jurisdiction. Under this program, the Australian Government does not allocate a priority status to any particular language.

The remainder of SLP funds (5 per cent) is being used to support national projects to assist in the implementation of the National Statement and Plan for Languages Education in Australian Schools 2005-08, developed by the Ministerial Council on Employment, Education, Training and Youth Affairs and recently endorsed by all Ministers of Education in Australia. This document affirms the value of all languages and particularly highlights the intercultural benefits derived from languages study.

In addition to SLP funding, the Government supports the study of Asian languages, including Chinese, in Australian schools through the following:

- an allocation of $2 million per year for the Endeavour Language Teacher Fellowships Program. Since 2003 study programs have been offered to teachers of Chinese, Japanese, Vietnamese and Indonesian (see also response to Recommendation 22(b));
- $3 million towards the development of online curriculum resources for the teaching of Chinese, Indonesian and Japanese, through the Le@rning Federation; and
- $2 million in 2006 and 2007 for a national professional learning program on intercultural language teaching and learning for teachers of Asian and European languages under the Australian Government’s Quality Teaching Program (AGQTP). This program builds on the successful $1.2 million Asian Languages Professional Learning Program (ALPLP) project, which concluded in June 2005.

The Government will also provide $1.8 million per annum over the next three years to the Asia Education Foundation (AEF) to support studies of Asia and Australia in schools.

One of the key areas of the AEF’s work is to develop Asia-related resources for primary and secondary schools in order to increase students’ knowledge and understanding of the Asian region. A further area of the AEF’s work is the development and delivery of professional learning programs to support teachers in the take-up of the new resources. The AEF works in partnership with...
with State and Territory education authorities in the delivery of professional learning programs. A National Statement for Engaging Young Australians with Asia in Australian Schools was endorsed out-of-session by the Ministerial Council for Education, Employment, Training and Youth Affairs (MCEETYA) last November. The National Statement reflects the significant work undertaken over the last decade by schools and education jurisdictions across Australia in improving the study of Asia, including Asian languages. It draws on this experience to outline six interlinked elements for education jurisdictions, schools and teachers which assist all our students to gain these essential capacities from their schooling. The Statement was the result of extensive consultation with key stakeholders in the States and Territories, including education authorities in the government and non-government sectors.

Response to Recommendation 22(b)
The Government recognises the valuable linguistic and cultural benefits to be derived from in-country study programs and provides support for languages teachers to participate in this type of professional learning through the Endeavour Language Teacher Fellowships Program (ELTF). These Fellowships are part of the broader Endeavour program, administered by the Department of Education, Science and Training, and were announced in the 2003 Federal budget. The ELTF program offers language teachers currently working in Australian schools an intensive three-week language and cultural study program held in January each year. Since the program’s inception, 340 languages teachers have taken part in it.

Each year, six to eight destinations are chosen from countries where one of the ten most commonly studied languages in Australian schools is spoken—Japanese, French, Chinese, German, Italian, Indonesian, Greek, Spanish, Arabic and Vietnamese. Fellowships cover the costs of all international return air travel and domestic air travel to connect to an Australian international airport, accommodation for the duration of the program, some meals, language tuition fees and field trip costs.

The ELTF program has been significantly expanded with the recent Australian Government announcement bringing together existing Australian Government Scholarships and Awards programmes under the Australian Scholarships umbrella. The ELTF programme now includes a category for trainee (pre-service) teachers of Chinese, Japanese, Indonesian and Arabic and offers an increased number of places to practising teachers of Chinese, Japanese and Indonesian.

In relation to support for the creation of degree programs that incorporate in-country experience, it is relevant to note that Australian universities are generally established as autonomous institutions under State legislation. The Australian Government has no direct role to play in the structure of universities’ academic programs.

However, through the Overseas Student—Higher Education Loan Program (OS-HELP), the Australian Government provides financial assistance for eligible undergraduate students whose academic programs involve undertaking part of their studies overseas.

Response to Recommendation 22(c)
Under the Memorandum of Understanding (MOU) on Cooperation in Education and Training between Australia and China, a Joint Working Group (JWG) of senior Australian and Chinese officials meets to consider priorities in the bilateral education and training relationship and to identify areas for further cooperation. The JWG provides a forum for discussing, at a government level, ways to further encourage and promote Chinese language and cultural studies.

Response to Recommendation 22(d)
The Endeavour Scholarship Program, administered by the Department of Education, Science and Training, is open for all fields of study. The Government recognises that the sustainable growth of Australia’s international education and training engagement depends on diversification of both source markets and the courses undertaken by international students. The Government is supportive of initiatives that seek to diversify the courses that international students undertake, including in the humanities and social sciences.

Under the MOU on Cooperation in Education and Training between Australia and China, the JWG
provides a forum for discussing ways to encourage Chinese students to undertake a broader range of studies in Australia.

**Recommendation 23**

The committee recommends that the Department of Education, Science and Training (DEST) take a more active role in working with Australian educational institutions to develop an effective alumni programme.

On 26 April 2006, the Minister for Foreign Affairs, the Hon Alexander Downer MP, and the Minister for Education, Science and Training, the Hon Julie Bishop MP, jointly announced the $1.4 billion Australian Scholarships package for the Asia-Pacific region. As part of this package, an Australian Scholarships alumni association will be established to build enduring people-to-people and institutional linkages between the participating countries.

DEST recognises the value of strong alumni networks and is developing a database to record Australian alumni overseas. DEST's international network also undertakes a range of activities to promote the establishment and growth of alumni networks.

**Recommendation 24**

The committee recommends that the Australian government embark on a number of initiatives that would give greater recognition to the contribution made by the Chinese community, from its earliest presence in Australia to the present day, to Australia's development. For example, it would be timely for the production of a book that records such a contribution and also details the achievements of Australians in China.

The Government recognises the significant contributions made by all ethnic groups, including Australian Chinese, to Australia's development. Reference is made, for example, through media releases, speeches and messages of support to the Chinese community by the Government on an ongoing basis.

While the Government is aware that books have been produced to record achievements of a number of community groups, generally these are community-based initiatives.

**Recommendation 25**

The committee recommends that the Australian government consider the appointment of a dedicated Science Counsellor based in China to promote Australian science and technology.

The Government recognises the importance of strengthening the links between Australian and Chinese science and technology sectors. This has been demonstrated by the success of the Australia-China Joint Science and Technology Commission as a vehicle for high-level government dialogue in these sectors.

For a number of years the Department of Education, Science and Training (DEST) has had two education, science and training Counsellors posted to China (one in Beijing and the other in Shanghai). In 2005, in recognition of their growing importance, and the demand on these positions, DEST elevated the Beijing Counsellor's classification to Senior Executive Service level (Minister Counsellor). The Minister Counsellor is supported in Beijing by six locally engaged staff. The Counsellor position in Shanghai is supported by three locally engaged staff. DEST, through its Australian Education International network, is also represented in Hong Kong and Guangzhou, with three and two locally engaged staff respectively.

In April 2006, a locally engaged Science Information Officer was appointed to the office of the Minister Counsellor in Beijing. This position has been funded initially for a two year period. The Science Information Officer position is responsible for promoting Australian science in China. Specific duties include: undertaking research, developing strategies, and managing promotional activities, as well as supporting a whole-of-government approach to science and technology promotion in China more broadly.

DEST will further assess the need for a dedicated Science Counsellor position in the light of the recent expansion of the bilateral Australia-China Research Fund, which was announced by Minister Bishop in Beijing on 24 April 2006.

**Recommendation 26**

The committee recommends that the Department of Foreign Affairs and Trade consult with representatives from the states and cities involved in a
sister city relationship to develop strategies that will help them forge better trade ties and social and cultural links with their respective sister relationships in China. An annual gathering of interested parties, coordinated by DFAT, would provide an ideal forum for all involved in sister city relations to develop effective communication networks so they can benefit from each other's experience and provide valuable advice for those considering entering a sister city relationship.

The Government recognises the important role that sister city relationships play in fostering cultural and economic exchange at the local government level. The growing network of people-to-people links between Australian communities, cities and states in China can be of mutual benefit.

The Australian Sister Cities Association (ASCA) is the peak sister cities body in Australia. ASCA's predominant purpose is to assist its members to establish, maintain and continually improve sister city relationships. There are more than 82 member municipalities of ASCA with more than 495 sister city relationships involving over 45 countries. Australian cities considering establishing a sister relationship with a Chinese city have a wealth of experience within the ASCA network to draw upon. The Department of Foreign Affairs and Trade (DFAT) already has contact with ASCA and many of its members and is giving consideration to possible areas of closer cooperation across the range of its activities.

DFAT also consults with and supports states and cities as appropriate on aspects of relations with China. Support, both financial and in kind, was provided for the Western Australian Symphony Orchestra during its tour including to Zhejiang Province, the sister-state of Western Australia. The Queensland Government’s sister state relationship with Shanghai has been taken into account in consideration of Australian participation at the International Exposition to be hosted by China in 2010.

PART TWO—China’s emergence: implications for Australia
Recommendation 1
The committee recommends that the Australian government demonstrate to East Asian countries a genuine interest in and support for ASEAN and the ARF, redouble its efforts to reinvigorate APEC and remain fully engaged with the East Asia Summit. The committee believes that the Australian government should look upon these forums as complementary.

Australia bases its relations with the member countries of ASEAN, both individually and collectively, on mutual respect and shared interests. The Government’s efforts in a wide range of areas, including political, economic and trade ties, security matters, as well as cultural and educational fields, demonstrate continuing strong support for our relations with ASEAN members and for existing and emerging regional architecture.

Australia became ASEAN’s first dialogue partner in 1974. To mark the 30th anniversary of Australia’s dialogue partnership, the Prime Minister, the Hon John Howard MP, attended the inaugural ASEAN-Australia-New Zealand Summit in Vientiane on 30 November 2004.

Australia, together with New Zealand, is currently negotiating a comprehensive, WTO-consistent Free Trade Agreement (FTA) with ASEAN. When concluded, possibly by the end of 2007, the FTA will further consolidate Australia’s economic integration with the region and complement our existing FTAs with Singapore and Thailand, as well as the FTA under negotiation with Malaysia. These FTAs support economic relations which are now much stronger than they were before the 1997 Asia financial crisis: in 2005, Australia’s total trade with ASEAN totalled $55.3 billion, while Australia’s investment in ASEAN in 2004 was $19.1 billion and ASEAN’s investment in Australia was $27 billion.

Australia is also working to strengthen its security relations with ASEAN. Following the signing of the ASEAN-Australia Joint Declaration for Cooperation to Combat International Terrorism in July 2004, we have concluded Memoranda of Understanding (MOU) on counter-terrorism with six ASEAN countries: Brunei, Cambodia, Indonesia, Malaysia, the Philippines, and Thailand. Australia remains an active member of the Five Power Defence Arrangements with Malaysia, Singapore, New Zealand and the United Kingdom.
Australia works to ensure that activities in various regional forums are complementary. The Government is strongly committed to APEC as the premier regional grouping. Over the past few years, APEC has also taken on an important human security element as an essential element to maintaining security, economic stability and prosperity in the region. The Government’s decision to host APEC in 2007 reflects its commitment to the organisation. As APEC host, the Government will give priority to bolstering APEC’s economic and security agendas and to advancing APEC’s reform program. Australia views the ASEAN Regional Forum (ARF) as the primary forum for multilateral security dialogue in the region. Australia contributes to debate on the ARF’s institutional development and supports efforts to develop ARF’s practical capacity to respond effectively and meaningfully to regional security issues.

In December 2005, Australia participated as an inaugural member in the first East Asia Summit (EAS) in Kuala Lumpur, along with the ten ASEAN countries, China, Japan, India, New Zealand and the Republic of Korea. The next EAS is scheduled for 13 December 2006 in Cebu, the Philippines. The Summit is an important new forum for dialogue between leaders in the region. The forward work agenda is still under consideration, and it will take some time for the grouping to establish its own distinctive role within regional architecture. Australia plays an active role in the discussions on its future direction.

**Recommendation 2**

The Australian government, through its good relations with the United States, encourage the United States to use its influence more effectively in the region, and in so doing, to improve its relationship with ASEAN and its member countries. Australia has a strong interest in the United States maintaining its influence in the region and values its regional policies. We maintain an ongoing dialogue on regional issues, including on relations with ASEAN.

The Government welcomes the US role and active involvement in APEC and the ARF as primary regional structures. The United States remains deeply involved in APEC and plays a key role in developing APEC initiatives for trade and investment liberalisation and for addressing issues that demand multilateral cooperation, such as confronting the threat of an avian influenza pandemic and regional security. The United States has also been an active participant in the counter-terrorism-related activities of the ARF, especially in the areas of maritime security cooperation, counter-terrorism, non-proliferation and cyber security.

The Australian Government welcomes United States engagement with ASEAN member countries and the grouping as a whole. The US engages with ASEAN collectively under the 2005 ASEAN-US Enhanced Partnership, which articulates mutual goals and priorities, and sets a foundation for sustaining and expanding US-ASEAN ties. The United States and ASEAN members have undertaken cooperation on a range of important issues, including economic, educational, cultural and security. ASEAN and the United States cooperate, for example, to combat terrorism under the US-ASEAN Counterterrorism Work Plan which covers information exchange and law enforcement cooperation, as well as increasing law enforcement and capacity building efforts through training and education. The United States is also engaging ASEAN members through the container security and proliferation security initiatives.

The United States engages actively with key individual member states in ASEAN. It has formal alliance relations with Thailand and the Philippines, and cooperates closely on strategic matters with Singapore under the Strategic Framework Agreement signed in 2005. The United States has a Free Trade Agreement (FTA) with Singapore and is negotiating FTAs with Thailand and Malaysia. The Government welcomes intensifying US-Indonesia cooperation, including the visit to Indonesia by Secretary of State Rice in March 2006.

**Recommendation 3**

The committee recommends that the Australian government work with countries, which have a common interest in regional stability and security, in the ARF, APEC and EAS to promote confidence building measures, such as increased transparency in reporting on military spending and capability, that will contribute to greater regional stability.
The Australian Government works in regional forums to promote confidence building measures (CBMs) aimed at contributing to greater regional stability. The ARF CBM process is aimed at increasing transparency and information sharing, including in terms of defence spending and strategic direction. In the past year Australia has participated in ARF CBM workshops on civil-military cooperation (co-chaired by Australia and the Philippines), maritime security and export controls, and in 2006 will co-host ARF workshops on stockpile security of Man-Portable Air Defence Systems (MANPADS) and other small arms and light weapons, and civil-military cooperation on pandemics. Australia has also initiated an ARF process for information sharing on disaster relief capabilities of regional defence forces, and has proposed sharing information and capabilities on peace building.

Australia supports APEC’s growing human security agenda, including in counter-terrorism, food chain supply security and anti-terrorist financing. Given its primary economic focus, APEC does not directly address strategic and defence issues.

As raised in the Government’s response to recommendation one, Australia participated as an inaugural member in the first East Asia Summit (EAS) in Kuala Lumpur. The forward work agenda for EAS is still under consideration, and it will take time for the grouping to establish its own distinctive role within regional architecture. Australia plays an active role in discussions on its future direction.

The Australian Government holds annual regional security talks with China. These aim to increase mutual understanding of regional security issues and encourage China in the habit of greater transparency.

Recommendation 4

The committee recommends that the Australian government use its good relationship with China, and its defence links in particular, to encourage China to be more open and transparent on matters related to its military modernisation such as its objectives, capability, and defence budget.

Through defence engagement with China, the Government actively encourages China to adopt an open and transparent approach to its program of military modernisation and to play a constructive role internationally.

In the December 2005 Australian Department of Defence publication, Australia’s National Security: a Defence Update 2005, the Government recognised that the pace and scale of China’s defence modernisation may create the potential for misunderstandings, particularly with the development of new military capabilities that extend the strike capability and sustainability of its forces. The report emphasised the importance of China making its defence modernisation program more transparent and of its capability decisions remaining consistent with its legitimate security needs. The Defence Update noted that Australia is developing a modest defence relationship with China, aimed at increasing the level of mutual understanding on security and defence issues. Since the Defence Update, the Government has continued to seek opportunities to develop the relationship and to raise strategic and defence policy matters with Chinese counterparts.

Australia’s discussions with China on military issues include the annual Australia-China Strategic Dialogue (military to military talks); the Australia-China Regional Security and Arms Control Talks; and periodic bilateral security talks involving officials from both DFAT and the Department of Defence. This engagement is complemented by a program of senior level visits and high-level dialogue between the Australian Defence Force (ADF) and People’s Liberation Army (PLA). The Australian and Chinese militaries maintain working level relations through an established program of education cooperation, including: PLA attendance at the Australian Defence College and Australian participation in the annual Chinese National Defence University Symposium; the hosting of regular reciprocal study groups; and periodic ship visits, occasionally including low-level maritime exercises. The ADF and PLA also propose to expand contacts through increased language training exchanges. These contacts are designed to build trust and understanding, and in the process, promote greater transparency between our two forces.

Recommendation 5

The committee notes the suggestions by Professor Tow and Mr Jennings for a regional arms control
agreement and recommends that the Australian government work with like minded countries in the region to promote such an agreement.

The Government notes the committee’s suggestion for a regional arms control agreement.

The Government is currently involved in a series of regional arms control measures, including bilateral and multilateral outreach to promote the prevention of weapons of mass destruction (WMD) proliferation through export controls, and in support of the key WMD counter-proliferation regimes (the Chemical Weapons Convention, the Biological Weapons Convention, the Nuclear Non-Proliferation Treaty, and the Comprehensive Nuclear Test-Ban Treaty). This outreach program draws on the extensive arms control and non-proliferation experience of various agencies, including DFAT, the Department of Defence, the Australian Customs Service, and the Australian Safeguards and Non-Proliferation Office.

The Government uses similar bilateral and multilateral approaches with regard to conventional weapons, actively engaging regional countries on regimes including the Mine-Ban Convention, the Certain Conventional Weapons Convention and the UN Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All its Aspects. The Government is also supporting the UK initiative to negotiate an international Arms Trade Treaty, which will be the subject of a UNGA First Committee Resolution later this year. The Government notes that the scope of such a treaty might impact on any regional initiative.

The Government is also actively promoting arms control through established regional forums such as the ARF. In response to the threat to civilian aircraft by terrorist acquisition and use of Man Portable Air Defence Systems (MANPADS), the Government has established an international MANPADS initiative to promote implementation of national controls and international cooperation to prevent unauthorised acquisition of MANPADS. This international initiative has a specific regional focus.

The Government is actively pursuing arms control in the region through a range of practical and effective measures. The Government is of the firm view that regional arms control would not be advanced through the commencement of an indeterminant negotiating process which would compete for the scarce resources available to regional countries in this important area, and could not ensure the active participation and commitment of all regional countries.

**Recommendation 6**

The committee recommends that the Australian government continue its efforts to encourage North Korea to abandon its nuclear weapons program and resume full receipt of international aid. It notes the success of China’s efforts to date in the six-party process and urges the Australian government to continue supporting China in its efforts to broker and implement a strategy for disarmament.

The Government has actively engaged China and the other members of the six-party talks on the DPRK nuclear issue in working toward denuclearisation on the Korean Peninsula, most recently through high level Ministerial dialogue in the margins of the ASEAN Regional Forum (ARF) in late July 2006. Mr Downer participated in a meeting of the five parties plus Indonesia, Canada, New Zealand and Malaysia. Mr Downer also met with DPRK Foreign Minister Paek Nam Sun on 28 July to register Australia’s grave concerns over North Korea’s recent provocations and unwillingness to engage in multiparty dialogue. Australia has sent several delegations to Pyongyang in the years since late 2002 to urge the DPRK to abandon its nuclear weapons program. This firm message has been conveyed repeatedly to the North Korean Embassy in Canberra.

North Korea’s nuclear weapons and nuclear weapons programs pose a grave threat to regional security, the integrity of the international non-proliferation regime, and Australian interests directly. The DPRK’s 5 July test-firing of seven short, medium and long-range missiles, despite calls by Australia and the international community to exercise restraint, cast serious doubt on its commitment to the six-party talks process.

Australia has actively supported the six-party dialogue. The Government considers it to be the best mechanism for resolving the DPRK nuclear issue peacefully, and for the DPRK to gain the security assurances it seeks, realise its economic potential, and achieve normalised relations with
the international community. Australia recognises China’s efforts as Chair of the six-party talks, and is concerned that the DPRK has not responded positively to China’s constructive efforts to re-convene the talks, instead taking a confrontational path that seeks to pressure the international community and compel acceptance of the DPRK’s agenda. The unanimous adoption by the United Nations Security Council resolution 1695 (15 July), fully supported by Australia, underlined the depth of concern in the international community over the DPRK’s actions.

Australia is mindful of the difficulties the six-party talks have experienced to date, and the DPRK missile tests have placed additional strain on an already deadlocked process. Australia will continue to work closely with like-minded countries to apply firm and consistent pressure on the DPRK to return to the six-party talks without delay and without precondition, and to implement its 19 September 2005 Joint Statement commitments.

We will continue to encourage China to play an active and constructive role as a convenor of and participant in the six-party talks, while recognising that the onus for finding a durable solution rests with the DPRK. We also recognise the importance of China’s constructive role in underlining international resolve on the nuclear issue, including through its vote in favour of UNSC resolution 1695.

Australia remains firmly committed to providing humanitarian assistance through multilateral channels, provided those channels continue to operate effectively and transparently in North Korea. Australia has made repeated representations calling on the DPRK Government to provide appropriate access and monitoring conditions for humanitarian relief efforts, including during a visit to Pyongyang by Ambassador Thomas in December 2005, and on several occasions through the DPRK Embassy in Canberra. The DPRK Government must take the action required to build international confidence concerning investment in long-term development projects in North Korea.

Australia has denied the DPRK’s request for Australian bilateral development assistance, reinforcing our commitment to multilateral humanitarian assistance. Australia has provided $56 million in humanitarian assistance to the DPRK since 1995. The DPRK itself, however, interrupted the flow of humanitarian assistance in 2005-6 by restricting in-country aid delivery operations. As a result, the World Food Program did not finalise its new Protracted Recovery and Relief Operation (PRRO) until 10 May 2005. The PRRO will now provide 1.9 million of the most vulnerable with food aid in 30 counties across North Korea.

Through our bilateral human rights dialogue with China, most recently in July 2006, Australia has urged China to give the United Nations High Commissioner for Refugees access to DPRK border crossers in north-east China.

**Recommendation 7(a)**
The committee recommends that the Prime Minister of Australia place the highest priority on attending all Pacific Forum Meetings.

The Prime Minister places a high priority on the Pacific Islands Forum and will continue to attend Forum leaders’ meetings wherever possible.

**Recommendation 7(b)**
The committee recommends that the Australian government, through the Pacific Islands Forum, encourage members to endorse the OECD principles on official development assistance.

As a member of the OECD, Australia promotes international best practice for effective official development assistance in a number of international forums, including in the Pacific Islands Forum. Australia continues to encourage Pacific Islands Forum members to endorse the OECD principles and to take them into account, including through their relations with donor partners.

The Government also encourages other donor partners in the region to adhere to international best practice principles, including on policy coherence, transparency and donor harmonisation.

**Recommendation 7(c)**
The committee recommends that the Australian government, through the Post Pacific Islands Forum, encourage China to adopt, and adhere to, the OECD principles on official development assistance for the islands of the Southwest Pacific.

The Government frequently raises OECD best practice principles with senior Chinese officials,
urging China to ensure that its international assistance contributes constructively to regional stability and fosters good governance, economic growth and sustainable development.

**Recommendation 7(d)**
The committee recommends that Taiwan should also be encouraged to adhere to the OECD principles on official development assistance for the islands of the Southwest Pacific.

The Government supports the recommendation. The Government will continue to encourage Taiwan to adopt practices conforming to the OECD principles on official development assistance for Pacific island countries.

The Government encourages Taiwan to work closely with Pacific island countries to ensure that Taiwan’s aid to the region is aligned with partner government priorities, has policy coherence and is transparent. We have emphasised the importance of contributing constructively to regional stability by using their aid to support economic reform, good governance and sustainable development.

**Recommendation 7(e)**
The committee recommends further that Australia work closely with China to encourage both countries to enter joint ventures designed to assist the development of the island states of the Southwest Pacific.

Australian Government policies aim to assist the development of the island states of the Southwest Pacific, including through the promotion of good governance, transparency and the rule of law. The Government encourages China to adopt policies that similarly promote these aims. That said, any decision to enter a joint venture is a commercial matter for private companies to determine.

**Recommendation 8**
The committee recommends that the Australian government support Australian institutions that are using their initiative and resources to bring together colleagues from the region to discuss means to reconcile differences that exist between countries such as those currently between China and Japan.

The Government welcomes initiatives taken by Australian institutions to bring together participants from the region to discuss East Asian affairs. The Government looks to support, including financially, such initiatives where possible.

The Australia-China Council (ACC), the Australia-Japan Foundation, and the Australia-Korea Foundation promote understanding between Australia and East Asian countries and to foster people-to-people links. These foundations have occasionally funded, through their competitive grants programs, academic and expert exchanges on regional issues.

The Government provides financial and other support to a range of institutions involved in researching regional affairs, including academic institutions and think-tanks. The Government provides funding to the Australian Strategic Policy Institute (ASPI) to encourage independent research into and analysis of defence and security issues relevant to Australia, increase public awareness of those issues and provide a centre of expertise to support government decision-making on strategic and defence issues. ASPI’s key focus is on Australian concerns and priorities, and its program of research and publication, seminars and workshops, and hosting international experts on visits to Australia, serves to help others understand Australia’s strategic perceptions and responses.

**Recommendation 9**
The committee recommends that the Australian Government:

- place a high priority on building-up a pool of highly trained, skilled and experienced analysts specialised in East Asian affairs, and
- review the incentives it now has in place to attract and train highly skilled strategic analysts to ensure that Australia’s current and future needs for such trained people will be met.

The Australian Government is highly regarded internationally for its expertise on East Asian affairs. The Government places a high priority on developing and maintaining the skills of analysts working on East Asian affairs.

DFAT is at the forefront of these efforts, and continually reviews its skills base, recruitment, training and development strategies to ensure that it
fills positions, including in East Asia Branch and missions, with staff with appropriate expertise and experience. More than 80 per cent of DFAT policy staff in Australia’s missions in China, for example, have Chinese language qualifications.

For staff posted to relevant positions in Australia’s overseas missions, DFAT is committed to training in priority languages (including those of East Asia) that reflect Australia’s foreign and trade policy interests. Many agencies, including DFAT, Defence and DIMA, also encourage staff to maintain language proficiency through financial rewards (a language proficiency allowance) and the provision of immersion courses and discussion classes.

Department of the Environment and Heritage

Senator BARTLETT (Queensland) (3.44 pm)—by leave—I move:

That the Senate take note of the document.

It is not overly common to take note of a report at this stage but, given that we will not have an opportunity to comment on any of these documents throughout this entire week, and quite possibly not for the rest of the year given the way general business usually disappears on Thursdays, I thought I would move to take note in particular of the annual report for 2005-06 of the Department of the Environment and Heritage to indicate the importance of this whole area of the environment. I think we are finally moving to a stage where there is not just much stronger government recognition but much stronger community recognition about some of the very serious environmental threats that we are facing.

I noticed recently that the first mention of the need to do something about climate change was made in the Senate about 20 years ago by former Democrat senators Norm Sanders and John Coulter. In 1988 a Senate inquiry was initiated to look into some of these areas. In 1991 the now defunct Senate Standing Committee on Industry, Science and Technology released a report entitled Rescue the future. We have had, just in the form of this chamber, 15 years of comprehensive reports and a range of recommendations urging significant action and significant change in policy settings and in the way we as a country and as a community conduct business. Frankly, we have all failed to do as much as we should and we really cannot say that we did not know.

One of the things which is clear in the climate change area, and which has become quite evident even through the very short committee hearings we are currently conducting into the proposed changes to the federal environment laws, is the lack of resourcing for the federal environment department to do some fundamental things. As witnesses have said to the current Senate inquiry, you can have the best environment laws in the country, you can have the best environment laws ever—and, in fact, we do—but there is no point in having good laws unless you have the political will and the adequate resourcing to implement them. A range of witnesses, some of whom are concerned about the changes and even some who are supportive of the changes, have noted that there has been inadequate resourcing for the Department of the Environment and Heritage to properly administer and enforce its own legislation. So we have strong national environment laws, courtesy of the Democrats from 1999, but what we do not have is adequate resourcing to ensure that those laws can be administered and enforced effectively.

The same issues apply when we are talking about some of the broader challenges to do with climate change. Unless we put adequate investment into some of these areas, then we are not going to get the very significant shifts that we now need. If we had acted 15 years ago when that unanimous Senate committee report first came down, a report that was initiated by the Democrats, then
perhaps the urgency and immediacy of the actions we have to take now might not be so severe. But there was not sufficient action taken—and that was across both major political parties—so we now have our face very much pressed against the glass, much more than we would have 15 years ago. It is a broader concern and a broader issue that needs action.

I have heard Senator Brown say—and I agree with him and hope that he is right—that the next budget will perhaps be the greenest budget ever, that there will be very significant amounts of extra resourcing going into the environmental areas. We know the federal government has sufficiently maladministered our economy and stuffed things up by focusing so much on buying votes through one-off bonuses and big tax cuts that there is a risk in a pre-election context that, if they can—to put more resources into the Department of the Environment and Heritage to ensure proper management, enforcement and administration of our laws and to ensure proper resources are put into the management of some of our protected areas. We have seen with the Great Barrier Reef Marine Park in my home state of Queensland a massive increase in the areas that are now protected under legislation. I have continually congratulated the government on their achievement in doing that, but they have not increased the budget of the Great Barrier Reef Marine Park Authority to properly protect, administer, oversee and manage those areas. Those are the sorts of things they have to do. It is a short-term investment. Sure, it costs money, but when it is such a valuable asset as our natural environment, whether it is the marine park or anywhere else, that delivers a hundredfold down the track, whether it is in jobs or in broader environmental services, we have to be investing that money up-front. We are not doing that and the feedback and the evidence is very clear. With the tabling of the annual report of the Department of the Environment and Heritage, I was an enormous amount of resources put by this parliament into developing that legislation, there was a significant Senate committee inquiry that took place over more than a year, there was further examination of the legislation through another inquiry and there was debate in this chamber. To go to all of that trouble to put in place a legislative regime and then to not properly administer it is really not getting full value out of the expense that parliament costs people. That is just one example.

I want to take the opportunity with the tabling of this report to emphasise that point and to reinforce the urgings from across the community for this federal government to take genuine strong financial action come the next budget—or, ideally, even before that if they can—to put more resources into the Department of the Environment and Heritage to ensure proper management, enforcement and administration of our laws and to ensure proper resources are put into the management of some of our protected areas. We have seen with the Great Barrier Reef Marine Park in my home state of Queensland a massive increase in the areas that are now protected under legislation. I have continually congratulated the government on their achievement in doing that, but they have not increased the budget of the Great Barrier Reef Marine Park Authority to properly protect, administer, oversee and manage those areas. Those are the sorts of things they have to do. It is a short-term investment. Sure, it costs money, but when it is such a valuable asset as our natural environment, whether it is the marine park or anywhere else, that delivers a hundredfold down the track, whether it is in jobs or in broader environmental services, we have to be investing that money up-front. We are not doing that and the feedback and the evidence is very clear. With the tabling of the annual report of the Department of the Environment and Heritage, I
think it is the appropriate time to make that point because, unfortunately, we may not get time to talk to that report again before the end of the year. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Responses to Senate Resolutions

The DEPUTY PRESIDENT—I present a response from the Attorney-General to a resolution of the Senate of 7 September 2006 concerning Child Protection Week.

Senator BARTLETT (Queensland) (3.52 pm)—I seek leave to move a motion in relation to that response.

Leave granted.

Senator BARTLETT—I thank the Senate. I move:

That the Senate take note of the document. It is not overly common to take note of these responses but I wanted to do so not just because it was a response that I moved but because it was a motion that was eventually adopted by all sides of this chamber. The motion was passed during Child Protection Week, back in September, when we had significant debates in this chamber on this issue.

This is a follow-up response by the Attorney-General, Mr Ruddock, and I thank him for that. It is a reasonably comprehensive response—2¾ pages—and I think it is appropriate, to indicate genuine seriousness of commitment to the original resolution that the Senate passed and the wider debates that the Senate conducted at the time about the importance of child protection, to note the response from the Attorney-General.

Just to refresh the minds of senators and those following this issue, the resolution of the Senate back on 7 September this year noted the importance of Child Protection Week, noted the repeated fundamental major failures by those agencies charged with the protection of children, urged the federal government to prioritise the encouragement of states and territories to develop uniform laws and strategies on child protection, expressed support for child protection to be made a national priority and called on all governments to urgently decide on ways to significantly reduce child abuse and neglect in Australia.

As people may recall, around that period of time—Child Protection Week and the lead-up to it—there were a range of reports in parliament and in the mainstream media around the country, of major failures by state and territory agencies charged with the protection of children. In some ways I guess it was a positive thing that the media took Child Protection Week seriously enough to draw attention to these continual problems and failures. But it is not, of course, something that only occurs around Child Protection Week. Indeed, just in the last week, in my own state of Queensland, more reports have come to light of the continuing major problems in the Department of Child Safety—problems with staffing, workloads and resourcing.

I draw attention to that, not to attack or score political points off the state governments of the day, but to reinforce just how difficult a problem this is. We are not going to be able to tackle it just by leaving it up to states and territories. We do—as the original resolution suggests—need to make child protection a priority.

The other point that I note from the minister’s response is that it is pleasing to see some attention being paid to this area by the federal government. The federal government rightly points out that this predominantly is the responsibility of individual state and territory governments. But it is precisely for that reason that I was keen to get the Senate to agree to a resolution that emphasised the need to make this issue a national one—and
to make it a national priority—so that it is not just left up to individual state and territory governments. The national government, the national parliament and all of us at this level need to do more to draw attention to this issue and make it a priority.

This response from the minister points out that the federal government has provided approximately $10 million a year to fund a range of initiatives that have a strong prevention and early intervention focus. I acknowledge and welcome that but $10 million, when you are looking at the massive amount of child abuse, neglect and assault in our community, is not very much. In fact, it is very, very little. I know there is a lot spent at state level, but clearly, if you are looking at making it a national priority, it needs more resourcing than that.

I note the mention, in the response, of the National Child Protection Forum that was held in June this year, the aim of which was to identify a practical way forward in developing a national approach to child protection and to consider ways of maximising cooperation across levels of government and across borders. I would like to see more detail from the minister about what the results of that forum were.

I see that the minister has mentioned the aim of the forum. I would like to see what specific, concrete action will come out of that forum, because I think that is very important. As the letter says, the forum built on the work already being done through the Community Services Ministers Advisory Council to support and promote initiatives that focus on the prevention of child abuse and neglect.

There has been continuing focus in recent times—and, in an intermittent way, in previous times as well—on family violence and violence and abuse towards children in Indigenous communities. It is an issue that everybody—including, of course, Indigenous people themselves—acknowledges is a significant problem. And we do need to address that. But I think we need to acknowledge much more honestly that this is not some problem that is just an epidemic in Indigenous communities and not that much of a problem for the rest of us.

It is a serious problem throughout all communities in Australia—poor communities; rich communities; multicultural, high diversity communities; and monocultural, mostly white, Anglo-Saxon communities. Across Australia we have a major problem with extraordinarily high levels of child abuse and child neglect.

The other point to make is that in looking to where we target our resources, of course we need to deal with the consequences and to deal with children who are being harmed or who are at risk, but we really need to try and focus more attention on the start of the problem rather than just continually coming in part way through when things are already far too long down the track.

As much as we need to have greater government focus on this issue—better resourcing, greater attention and higher priority—child abuse is not an issue that governments can fix on their own. In a way it is a sign of our failure as a society, when we have such monumental levels of child abuse and neglect, that it is still a hidden issue. It is still an issue that we turn away from, an issue we are not properly willing to confront and to accept the enormity of it. A lot of that comes back to attitudes we have towards children themselves, the way children are portrayed and perceived, and the way people consider their relationships towards children. Unless we start rethinking our own attitudes towards children and our responsibilities as a society and as individuals, we are really not going to get on top of this. It is never going to be
solved by having 10 times more social workers or 10 times more people in government agencies or in non-government agencies. Unless we can change attitudes and approaches, we will continue to have significant problems. That is frankly where we need to have more debate. It is a difficult and confronting issue but it is one we need to emphasise.

That can be part of the role of the national government. If we are going to make it a national priority, if the federal government is going to take leadership on this issue, as I continue to urge it to do, that is part of the role it can play, not just reinforcing funding at the service delivery end but national leadership on changing the way we deal with children, changing attitudes towards children and emphasising much more the responsibilities we have towards children.

It is worth noting, as Minister Ruddock’s response says, that the National Child Protection Forum, which I mentioned previously, was in response to a recommendation from the Senate Standing Committee on Community Affairs report into protecting vulnerable children. I thank the government for taking up that aspect of the report. As that report emphasised, the cost of abuse and neglect of children is one that all society bears for decades. A damaged child, a harmed child, in many cases becomes a harmed adult. The consequences of that to the wider society can play out in many ways, whether it is the expense of the criminal justice system and imprisonment or other damaged relationships and other human harm and suffering flowing on from that. It is an issue which needs much more attention. I appreciate the response from the minister, which goes some way to doing that. Frankly, I think there is a lot more to do to meet the spirit of the resolution that all parties in the Senate agreed to two months ago.

Question agreed to.

AUDITOR-GENERAL’S REPORTS

Report No. 10 of 2005-06

The ACTING DEPUTY PRESIDENT

(Senator Troeth)—In accordance with the provisions of the Auditor-General Act 1997, I present the following report of the Auditor-General: Audit report No. 10 of 2005-06: Performance audit: Management of the standard defence supply system remediation programme: Department of Defence and Defence Materiel Organisation.

Senator FAULKNER (New South Wales) (4.03 pm)—by leave—I move:

That the Senate take note of the report.

Last Tuesday, the Audit Office tabled Report No. 10 of 2005-06: Performance audit: Management of the standard defence supply system remediation programme: Department of Defence-Defence Materiel Organisation on the standard defence supply system focusing on efforts towards remediation of this troubled system. This report follows on from a previous report, Report No. 5 of 2004-05: Performance audit: Management of the standard defence supply system upgrade: Department of Defence-Defence Materiel Organisation, in which the Audit Office concluded that value for money was not achieved. Little has changed since that time. The Audit Office is to be commended for recognising the dual role of systems such as SDSS in both financial management and operational management. In each of these ANAO reports, there has been an acknowledgement of the vital role that logistics systems should be performing for the ADF. The overall audit conclusions of report No. 10 of 2005-06, particularly as they relate to the operational dimension, include:

14. SDSS is a key contributor to the ability of Defence to provide the necessary logistics support for operational capabilities. ... There are both technical, and personnel dimensions that affect the performance of SDSS, which pose ongoing
challenges to the delivery of effective service by the system to the ADF.

15. At a technical level, SDSS is now some two decades old, and although it has been expanded and upgraded, it remains dated. ...

16. Notwithstanding increased operational deployments and subsequent increased equipment use rates, the ANAO’s audit testing identified material deficiencies in the ability of the Defence supply chain to provide consumable and replacement parts to end users in Navy, as required to support specified ADF operational Demand Satisfaction Rates.

Those are very damning statements. I know that those aspects and others in relation to this audit report have been highlighted by my colleague Senator Mark Bishop, the shadow minister for defence industry, procurement and personnel. I certainly support the concerns that he has made public.

This report actually points to issues concerning the present and long-term ability of SDSS to address the operational needs of the ADF. And it provides two specific recommendations that, if implemented, would certainly improve operations. The ANAO recommends that Defence and the DMO assign responsibility for, and take appropriate steps to ensure, that items returned as defective to Defence warehouses under warranty are reviewed and, where appropriate, repaired by the supplier at no cost to Defence and the DMO. The ANAO also recommends that Defence develops a plan to review items that have been listed as in transit for a period in excess of 90 days and reports on them on a regular basis to the Joint Logistics Command. Clearly, items that are tied up in a quarantine process or that are in transit for long periods are not available to be used to fix a platform and are not available to provide support to a deployed force. This is a very serious problem. Indeed, we know now that 63 per cent of items in quarantine are there because:

... the required documentation relating to test information had not been provided at the time of required use.

The Auditor-General also noted:
SDSS does not flag when an item could be remediated under warranty ...

Of course, this leads to financial as well as operational impacts on non-availability. We also know now that:
Stores listed as being In-Transit constitute a value within the SDSS system of some $61.13 million. The ANAO reviewed the management of those items, and noted that the average time this equipment spends In-Transit was 104 days, with some elements remaining In-Transit for periods of up to nine years. Many of these items—according to the ANAO—constitute valuable, and attractive items ...

So how did the government respond to this Auditor-General’s report? The minister acknowledged in his press release that there was a ‘very critical report’ on SDSS in August 2004. And the minister and his department accepted the two recommendations which amount to asking the department to do its job properly and more thoroughly in the future. But—and, of course, how many times do we say ‘but’ when it comes to the Howard government; how many times do we use that word—the minister blames the Defence supply chain, not SDSS, for the low demand satisfaction rates for some items of inventory that were identified by the ANAO.

The minister clearly fails to understand that the role of a logistics information system is not only to keep a count of stock but to aid planning of stock levels and tracking of usage. Whether it is a failure of SDSS, a failure of the process around SDSS or a failure of some other element of the Defence supply chain, SDSS is or should be the key information provider on the status of the supply chain. The minister of course does acknowledge some improvement in the financial con-
trols environment, but he fails to acknowledge that little or nothing has been done to improve support for personnel or the service ability of our platforms.

The minister is placing all confidence in future systems, advising that further upgrades will provide a greater level of operational support. I say, as this high-quality audit report suggests, that it is worthwhile to consider whether the financial issues of SDSS will ever be solved by this government so they can move on to improving its performance as an operational support system and whether this technologically dated piece of software provides the government with the building block—or whether they will just continue to build in hope. We need a great deal more than hope with SDSS. We need action from the government to fix these problems now. What this report shows is that we cannot afford to wait any longer. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

PARLIAMENTARY ZONE
Proposal for Works

Senator SANTORO (Queensland—Minister for Ageing) (4.13 pm)—In accordance with the provisions of the Parliament Act 1974, I present a proposal for works within the Parliamentary Zone, together with supporting documentation, relating to the design of artworks at Reconciliation Place. I seek leave to give a notice of motion in relation to the proposal.

Leave granted.

Senator SANTORO—I give notice that on Thursday, 9 November 2006, I shall move:

That, in accordance with section 5 of the Parliament Act 1974, the Senate approves the proposal by the National Capital Authority for capital works within the Parliamentary Zone, being the design of artworks and post mounted light at Reconciliation Place.

COMMITTEES
Public Accounts and Audit Committee Report

Senator WATSON (Tasmania) (4.14 pm)—On behalf of the Joint Committee of Public Accounts and Audit, I present the 408th report of the committee, Annual report 2005-06, together with executive minutes to various reports of the committee. I seek leave to move a motion in relation to the report and in so doing I wish to acknowledge the leadership of the chair of the joint committee of public accounts, Mr Tony Smith, from Victoria.

Leave granted.

Senator WATSON—I move:

That the Senate take note of the report

I seek leave to incorporate a tabling statement in Hansard. I wish to acknowledge that in the tabling speech I express on behalf of the committee the appreciation of the high quality of support that the Auditor-General, Mr Ian McPhee, gives to the committee’s inquiries into audits conducted by the Australian National Audit Office.

Leave granted.

The statement read as follows—

I am pleased to present the annual report of the Joint Committee of Public Accounts and Audit. The annual report is an important accountability mechanism by which Parliament and, through it the public, can conveniently assess the Committee’s performance.

The duties of the JCPAA are described in the Public Accounts and Audit Committee Act. In general terms, the duties are to:

• examine the financial affairs of authorities of the Commonwealth, and examine all reports of the Auditor-General;
• consider the operations and resources of the Audit Office;
• approve or reject the Prime Minister’s recommendation for appointment of the Auditor-General and the Independent Auditor; and
increase parliamentary and public awareness of the financial and related operations of government.

During 2005-06 the Committee has fulfilled each of these responsibilities.

Committee inquiries

Unlike other Committees, the JCPAA can initiate its own policy inquiries without permission or reference to any Minister, government or the Parliament. During 2005-06 the Committee has undertaken three major policy inquiries.


The Committee received 81 submissions and undertaken three major policy inquiries.


The Committee received 81 submissions and undertook public hearings and inspections in Canberra, Sydney, Brisbane, Cairns, Darwin, Adelaide, Perth, Melbourne, Geraldton, Kalbarri, Carnarvon, Newman, Derby and Broome. The Committee has now concluded taking evidence for the inquiry and will deliver its final report in the near future.

In December 2005 the Committee resolved to inquire into a range of taxation matters. At September 2006 the inquiry had received 56 submissions and taken evidence at public hearings in Canberra, Sydney, Launceston and Melbourne. The Committee expects to report in the first half of 2007.

In March 2006 the Committee resolved to review the financial reporting and equipment acquisition of both the Department of Defence and Defence Materiel Organisation.

Examine Auditor-General’s reports

The Committee has continued a very full schedule in fulfilling its responsibility to review Auditor-General’s reports during 2005-06.

Report 407: Review of Auditor-General’s Reports tabled between 18 January and 18 April 2005 was tabled in August 2006. The report contains the Committee’s findings and recommendations following three public hearings into five Auditor’s reports. The reports were selected for special consideration from the 21 Auditor-General reports that came before the Committee during the period.

The Committee has concluded taking evidence on another 16 Auditor’s reports that it selected from the 59, which were tabled between 17 May 2005 and 16 March 2006. The Committee took evidence on the selected reports at eight public hearings. The Committee will table its considerations and recommendations on the selected reports in the near future.

Consider the operations and resources of the Audit Office

In May 2006, the Committee reviewed the ANAO draft budget estimates for 2006-07, and received a briefing from the Audit Office. The Auditor-General advised the Committee that the ANAO would manage within the allocated budget for 2006-07 without compromising its financial auditing function.

Approve the appointment of the Independent Auditor

Section 8A of the PAAC Act provides for the JCPAA to approve or reject the Audit Minister’s, currently the Prime Minister, recommendation for an appointment of the Auditor-General or Independent Auditor.

On 29 March 2006 the Committee unanimously agreed to endorse the nomination of Mr Geoff Wilson as Independent Auditor and wrote to the Prime Minister accordingly.

On behalf of the Committee, I thank the previous Independent Auditor, Mr Michael Coleman, whose term expired on 30 November 2005 for his oversight of the Audit Office through two terms as Independent Auditor.

I would also like to express our appreciation at the high quality of support that the Auditor-General, Mr Ian McPhee, and his staff have provided to the Committee in relation to our inquiries into audits conducted by the Australian National Audit Office. I commend the Committee’s annual report to the Senate.
Question agreed to.

Community Affairs Committee
Additional Information

Senator ADAMS (Western Australia) (4.15 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 legislative responses to recommendations of the Lockhart review. I also present a corrigendum to the report of the committee on the same matter.

Ordered that the document be printed.

COPYRIGHT AMENDMENT BILL 2006
ENVIRONMENT AND HERITAGE LEGISLATION AMENDMENT BILL (No. 1) 2006
INSPECTOR OF TRANSPORT SECURITY BILL 2006
INSPECTOR OF TRANSPORT SECURITY (CONSEQUENTIAL PROVISIONS) BILL 2006
MARITIME LEGISLATION AMENDMENT (PREVENTION OF POLLUTION FROM SHIPS) BILL 2006
MEDIBANK PRIVATE SALE BILL 2006

First Reading

Bills received from the House of Representatives.

Senator SANTORO (Queensland—Minister for Ageing) (4.17 pm)—I indicate to the Senate that these bills are being introduced together. After debate on the motion for the second reading has been adjourned, I shall move a motion to have three of the bills listed separately on the Notice Paper. I move:

That these bills be now read a second time.

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

Leave granted.

The speeches read as follows—

COPYRIGHT AMENDMENT BILL 2006

The Copyright Amendment Bill 2006 introduces significant reforms to the Copyright Act 1968 demonstrating the Howard Government’s ongoing commitment to having an effective, world class and up to date copyright regime. Australians are great technology adopters. We have world class musicians, film makers and other creative industries. The amendments ensure we have a copyright regime that keeps pace with the needs of Australian copyright creators and copyright consumers.

Keeping pace with changing technology is not easy. When this Government passed the Copyright Amendment (Digital Agenda) Act in 2000, the legislation was groundbreaking—putting Australia at the forefront as one of the first countries in the world to update its copyright laws to deal with the digital revolution.

But since then the Internet and digital technologies have created new challenges and opportunities affecting copyright. For consumers, more copyright material is available online and can be easily transferred into different formats. Copyright owners have new distribution channels. But they also face challenges such as widespread unauthorised file sharing of music and films.

The Government is committed to dealing with these challenges to copyright head-on, while seeking to also acknowledge the opportunities technology presents. We want laws in place which mean copyright pirates are penalised for flouting the law, whilst ordinary consumers are not infringing the law through everyday use of copyright products they have legitimately purchased.

The important reforms include new exceptions to make our copyright laws more sensible and defensible. The bill also introduces new offences
and enforcement measures to ensure that those who seek to undermine the legitimate rights of copyright owners can be brought to account.

These balanced and practical reforms will ensure the effectiveness of our copyright laws in a dynamic environment.

**New Exceptions**

The bill introduces several new exceptions to copyright in response to the Government’s ‘Fair Use’ review. First, the reforms recognise that common consumer practices of ‘time-shifting’ of broadcasts and ‘format-shifting’ of some copyright material should be permissible.

This bill will amend the Copyright Act to make it legal for people to tape TV or radio programs in order to play them at a more convenient time. It will be legal to reproduce material such as music, newspapers and books into different formats for private use—meaning people can transfer music from CDs they own onto their iPods and other music players. As a result of these changes, millions of consumers will no longer be breaching the law when they record their favourite TV program or copy CDs they own into a different format.

These reforms are innovative and technology is changing rapidly. I note there has been some commentary on technical aspects of the exposure draft of the bill in relation to format shifting to iPods. That is why the drafts of this bill were made publicly available—for comment.

The Government will listen to and consider comments and make any necessary technical changes to ensure the bill achieves the Government’s objectives.

There are also new exceptions to provide flexibility to allow copyright material to be used for certain socially useful purposes, where this does not significantly harm the interests of copyright owners. The bill provides for a new exception to allow cultural and educational institutions and certain individuals to make a use of copyright where that use does not undermine the copyright owner’s normal market. The flexibility of this new exception will provide, in these specified areas, some of the benefits that the fair use doctrine provides in US law.

Another exception allows people with disabilities that affect their capacity to access copyright material to access copyright material in order to better access it.

Another exception promotes free speech and Australia’s fine tradition of satire by allowing our comedians and cartoonists to use copyright material for the purposes of parody or satire.

The needs of our educational and cultural institutions are also addressed in the bill. By giving schools, universities, libraries and archives the chance to use copyright material for non-commercial purposes, they will be able to better assist their users in the online environment.

**Technological Protection Measures**

In our online world, copyright owners are facing an increasing battle to protect their copyright material and developing business models.

Technological protection measures (TPMs) such as technical locks, passwords or encryption, are an essential tool for the protection of copyright material, especially in the online environment. They provide an effective means for copyright owners to protect their material against the threat of piracy.

The bill provides for more effective TPM protection to encourage distribution of copyright material online and increase the availability of music, film and games in digital form.

This, in turn, will foster development of new business models and provide enhanced choice for consumers.

The liability scheme established by the bill will target people who circumvent TPMs, in addition to those who manufacture or supply devices or services used for circumvention.

However, the liability scheme also provides for specific exceptions in the bill and Copyright Regulations in accordance with recommendations of the House of Representatives Standing Committee on Legal and Constitutional Affairs. In addition, the bill will create an exception for ‘region coding’ devices and allow Australian consumers to use multi-zone DVD players.
Enforcement Measures
But in the digital environment it is not enough that our law supports copyright owners in their efforts to technologically protect their material. The reality is that it has become increasingly easier to infringe copyright. The bill therefore introduces reforms aimed at tackling copyright piracy online and at our markets and borders. The bill will create indictable, summary and strict liability offences with a range of penalty options. The strict liability offences will be underpinned by an infringement notice scheme in the Copyright Regulations. This will give law enforcement officers a wider range of options depending on the seriousness of the relevant conduct, ranging from infringement notices for more minor offences, to initiating criminal proceedings to strip copyright pirates of their profits in more serious cases. They are not aimed at ordinary people, but at copyright pirates who profit at the expense of our creators.

While technological advancements have made it easier for people to infringe copyright on a large scale, this has also made it more difficult to prove specific acts of infringement.

The bill also contains amendments to evidential presumption provisions in civil and criminal proceedings to assist copyright owners in the litigation process.

The bill contains amendments to give a court enhanced power to grant relief to copyright owners in civil actions which involve commercial-scale electronic infringement. In such cases, a court will be able to take into account likely infringements as well as a proved infringement in deciding what relief to grant.

Amendments to the Customs ‘Notice of Objection’ provisions will reduce the administrative and cost burden on rights holders in lodging notices and providing security for notices. The bill ensures that the Notice of Objection provisions in the Act remain consistent with changes made by the Trade Marks Amendment Act 2006.

Unauthorised access to pay TV
Other key enforcement measures are new offences to tackle unauthorised access and use of pay TV services.

Copyright Tribunal
There are also amendments to enhance the jurisdiction and procedures of the Copyright Tribunal. Many of these amendments implement the Government’s response to the Copyright Law Review Committee’s report on the Jurisdiction and Procedures of the Copyright Tribunal.

Reference of the bill to Senate LACA Committee for report
The bill has been referred to the Senate Legal and Constitutional Affairs Committee for inquiry and report.

Exposure drafts of most of the amendments were made available to the public from my Department’s website prior to introduction of the bill to give interested parties the opportunity to consider them and prepare any comments for submission to the Senate Committee.

I look forward to the Committee’s report.

This bill is wide ranging but it is also targeted. It targets piracy, not the legitimate everyday behaviour of Australian consumers and institutions.

I commend the bill.

ENVIRONMENT AND HERITAGE LEGISLATION AMENDMENT BILL (No. 1) 2006
The Environment Protection and Biodiversity Conservation Act 1999 (known generally as the ‘EPBC Act’) is the Australian Government’s premier piece of environment and heritage legislation. The EPBC Act has now been in operation for just over six years—during this time the Act has gained wide acceptance across the Australian community, and has achieved real results for the environment.

The EPBC Act has established Australia’s place as a world-leader in environmental legislation. The Act has been acknowledged as a world-class and innovative piece of environmental legislation. It is one of the few environmental laws anywhere in the world that provides a comprehensive national approach to environmental protection and that deals with such a wide range of environment and heritage issues.

For the first time in our federation, the EPBC Act clarified the environmental roles and responsibili-
ties of the Australian Government, and the linkages between it and the state and territory governments. The Act provides mechanisms for consultation and cooperation between those governments. It puts in place a streamlined environmental assessment and approvals process in a way that is predictable, transparent and efficient, employing statutory timeframes to ensure timely decision-making.

However, experience over the last six years has shown there are still ways in which the operation of the EPBC Act can be improved to optimise its efficiency while maintaining and enhancing its environmental effectiveness.

The Environment and Heritage Legislation Amendment Bill proposes those improvements. The same basic framework and general approach are to be maintained. The aim is to continue to strengthen environment and heritage protection while streamlining some of the provisions of the EPBC Act and providing greater capacity and flexibility for more strategic approaches to be employed.

Achievements under the EPBC Act

The keystone of the EPBC Act is the protection of the seven matters of national environmental significance for which the Australian Government has particular responsibility. These are:

- World Heritage properties;
- National Heritage places;
- wetlands of international importance (that is, wetlands declared under the Ramsar Convention);
- nationally listed threatened species and ecological communities;
- listed migratory species;
- the Commonwealth marine area; and
- nuclear actions.

The EPBC Act provides for the assessment and approval of projects likely to have a significant impact on any of these matters of national environmental significance—probably the most well known of its functions. The EPBC Act also deals with a wide array of other environment and heritage matters. These include:

- listing and protection of World Heritage properties, National Heritage properties, Ramsar wetlands, threatened species and ecological communities, and marine and migratory species;
- identification and protection of the Commonwealth’s own Heritage—important places within the Australian Government’s control;
- regulation of actions on Commonwealth land or affecting Commonwealth land;
- recovery plans, threat abatement plans and other types of plans to assist the protection of Australia’s unique biodiversity;
- regulation of wildlife trade to ensure ecological sustainability and the humane treatment of wildlife;
- strategic assessment and accreditation of fisheries;
- protected area management; and
- a range of activities to ensure compliance with, and enforcement of, the Act.

Since its introduction, the EPBC Act has achieved major environmental wins for Australia. These include the establishment of the Australian Whale Sanctuary and the protection of all cetaceans (whales, dolphins and porpoises) within its waters. The EPBC Act has also provided national protection for the first time for Australia’s 64 Ramsar wetlands sites. It has provided comprehensive protection across the nation for the first time for our unique threatened species and ecological communities.

In all, almost 2,000 referrals of developments proposals have been made since July 2000 under the EPBC Act. More than 400 have required assessment and approval in order to protect matters of national environmental significance. Close to another 300 have not been required to undergo the EPBC Act approval process because they were designed in such a way as to avoid adverse impacts on matters protected by the Act. The EPBC Act has therefore protected matters of national environmental significance more effectively and more comprehensively than ever before in Australia’s history.
In addition, over 120 fisheries have been assessed and associated accreditations and declarations made. Nearly 200 new species, ecological communities and processes have been included on the various lists established by the Act. Over 250 threatened species recovery plans and 50 draft or finalised Ramsar management plans are in place. Over 370 places have been added to the National and Commonwealth Heritage lists. And over 15,000 permits dealing with wildlife protection have been issued.

The EPBC Act has afforded greater certainty in relation to Australian Government involvement in environmental matters, leading to changing attitudes and raised standards. Since the introduction of the EPBC Act, developers have become aware that their proposals will not proceed without adequate consideration of ecological sustainability. They are increasingly designing their projects and consulting government and the community with these principles in mind, with the result that the EPBC Act provides far more protection than previously for Australia’s rich and unique wildlife.

Significant legal successes have also been achieved, including record penalties for illegal land clearing activities, and the establishment of conservation agreements for threatened species affected by development. A new National Heritage regime has been initiated, already providing recognition and protection of 34 outstanding heritage places which have shaped the nation’s identity, such as the Port Arthur Historic site, and the Sydney Opera House.

Despite these successes, however, it has become apparent that the operation of the EPBC Act can be improved, particularly for those who make applications or nominations under the Act. Operational improvements can be achieved by reducing processing time and decision points affecting the environmental assessment and approval of proposed developments, using more strategic approaches, and providing greater incentive for development interests, the states and territories, and local government to engage with the Act earlier in their planning cycles.

The necessary changes can be achieved in a manner that does not weaken protection for Australia’s important biodiversity and heritage, with the focus continuing to be on achieving strong environmental outcomes.

**Changes to the EPBC Act**

Within this context, the bill aims to make improvements in four distinct categories: streamlining administration of the Act for efficiency and effectiveness, thereby cutting ‘red tape’ in government; being more strategic and flexible in directing Australian Government action on the environment; strengthening compliance with, and enforcement of, the EPBC Act; and, finally, implementing a range of minor amendments needed to overcome some technical deficiencies in the Act.

Streamlining for efficiency and effectiveness— cutting ‘red tape’ in Government

Cutting red tape is a priority for the Australian Government. The January 2006 Banks report to the Government entitled Rethinking Regulation: Report of the Taskforce on Reducing Regulatory Burdens on Business concluded, among other things, that current Australian regulation imposes excessive and unnecessary costs on business. While the Banks Taskforce did not make any recommendation to change the regulatory regime of the EPBC Act, the Government has been mindful in reviewing the EPBC Act to examine the nature of the EPBC Act processes to ensure that the Act’s processes are as efficient and effective as possible. In particular, the Government sees no need for administrative process for process’ sake. If we can reduce ‘red tape’ without compromising environmental protection, then this is what we will do.

In this context, the bill contains many amendments, some of which are of a technical nature, designed to reduce duplication and complexity. For example, the bill proposes the streamlining of project assessment and permit stages so that once a project is assessed and approved under Chapter 4 of the EPBC Act, subsequent protected species permits may be issued under Chapter 5 without further assessment. Currently, the permit regime of the Act is separate from project assessments and approvals. The bill also eliminates current difficulties in accrediting or recognising fisheries managed under the Torres Strait Fisheries Act 1984 and the Fisheries Management Act 1991.
The proposed changes will include greater capacity to reduce processing time for assessments and approvals of developments referred under the Act by reducing the number of mandatory steps taken by applicants and enabling the Australian Government to make decisions on different Act approval stages simultaneously. A new process will be introduced to enable the Government to make quicker decisions on more straight-forward proposals.

The bill also allows World Heritage properties to be transferred across to the National Heritage List without the need for further assessment. This will increase efficiency and avoid duplication in the consideration of our World Heritage sites, such as Kakadu National Park or the Great Barrier Reef, on the list of places of most heritage significance to our nation.

The bill also allows for improved cooperation on environmental assessment and approval processes between the Australian Government and state and territory governments. These improvements should assist state and territory governments to respond positively to the Banks Taskforce recommendations calling for more bilateral agreements (which will remove duplication between state/territory and federal environmental assessment and approvals) to be signed under the EPBC Act.

Changes to the EPBC Act will clarify responsibilities for proponents and simplify the referral, assessment and approval processes. The bill will also allow the Minister for the Environment and Heritage to publish policy statements on the application of the EPBC Act that will assist decision-making and inform the community. The policy statements will enable regional and local planning schemes to be prepared in a manner which will facilitate their accreditation under the EPBC Act, providing greater certainty for all.

The proposals to streamline the EPBC Act will provide substantial benefits to the nation. They will benefit industry and the economy in a way that will maintain our strong commitment to protecting Australia’s unique and iconic natural, historic and Indigenous heritage. They will ensure that ecologically sustainable development becomes an ongoing reality for Australia.

**Being more strategic and flexible**

One of the major changes proposed by the bill is a practical proposal to put in place a strategic framework that will allow the Australian Government greater flexibility and capacity to deal with the emerging environmental issues of the twenty-first century.

One way in which the bill achieves this objective is to provide greater incentives for authorities and proponents to engage in strategic assessments, bioregional planning and conservation agreements under the EPBC Act. While the EPBC Act currently provides for such strategic approaches, the take-up to date has been poor. Changes will make it easier for developments to be considered earlier in the planning process and in strategic and regional contexts. As these approaches are also likely to take state, territory and local government and regional natural resource management plans into account, they will provide a stronger and more strategic framework for environment and heritage protection.

The bill also provides for a more strategic approach to the listing of heritage places and threatened species and ecological communities. The roles of the Australian Heritage Council and the Threatened Species Scientific Committee will also be expanded to enable a strategic approach to be taken to listing. In future, roles of the Council and Committee will be restructured to provide advice to the Minister on annual work programmes, which will be based on the strategic importance of nominations and other listing proposals rather than, as now, simply when they happened to be nominated. Both the Council and the Committee will retain their expert independent status as the Minister’s advisers on these matters.

To complete the transition to a three-tiered heritage system for governments as proposed by the Council of Australian Governments in 1997, the Register of the National Estate is to cease to be a statutory register. This will not occur until after a transition period of five years which will allow states and territories to complete the task of transferring places to state, territory and local heritage registers. The Register will be maintained on a non-statutory basis as an important archive.

The bill will also establish the List of Overseas Places of Historic Significance to Australia,
which will allow for the symbolic recognition of overseas sites that have a special place in Australia’s history. This change will allow Australia to keep a statutory list of these important places in a way that does not give rise to perceptions that this may affect the sovereignty of other countries.

Similarly, the bill will shift the focus from recovery plans to recovery action for our threatened species and ecological communities. New listings will be supported by conservation advice prepared by the Threatened Species Scientific Committee, which will lay out practical conservation actions that can be implemented by local and regional interests. Recovery plans will still be developed but recovery documentation will be more flexible than currently prescribed.

Another area of strategic reform is the alignment of the EPBC Act and the Fisheries Management Act 1991. The bill will provide increased scope for the fisheries regulator to manage depleted fisheries to environmental and economic sustainability. Through listing such species as conservation dependant where they are supported by appropriate management plans, we can be confident of their long term survival in nature. The EPBC Act will continue to provide the regulatory underpinning for the protection of such marine fish species. Should the recovery targets of a management plan not be achieved, the EPBC Act provisions will allow for the threatened species listing of that particular marine fish species to be upgraded to a higher level of threat with an accompanying higher level of protection.

Strengthening compliance and enforcement

While there have been a number of successes in ensuring compliance with the EPBC Act during the first six years, practice has shown that the current provisions are often difficult to use. The proposed amendments will strengthen environmental protection by fixing these problems and making it easier and quicker to bring compliance action against people and organisations that breach the Act.

The bill establishes a range of new enforcement options as an alternative to lengthy and expensive court proceedings. The amendments will enhance enforcement action taken to address minor breaches of approval conditions by allowing the use of a new set of reduced penalties. Changes to the Act will also broaden the powers of the Minister for the Environment and Heritage to require remediation action where matters of national environmental significance have been damaged without the need for resort to court action.

The amendments will broaden the types of conditions to be attached to development approvals to allow voluntarily compensatory actions and financial contributions to offset the impacts of developments in situations where impacts are unavoidable.

The bill will also introduce a regime to deal with the increasing problem of environmental crimes conducted by foreign nationals in fishing vessels in the Australian jurisdiction but outside the migration zone. The regime will provide for detention of suspected persons in Australia and the transition, if necessary, from environment detention to immigration detention under the Migration Act.

Minor technical amendments

The bill also proposes a range of minor technical amendments. In general, these are designed to improve efficiency and effectiveness. In some cases, they seek to clarify processes. For example, the bill sets out a new way of handling requests for reconsideration of decisions taken under the Act. This new process is quicker and more efficient while still allowing all interested parties to have their views heard.

Closing

In conclusion, the changes to the EPBC Act proposed by this bill will ensure matters of national environmental significance continue to receive the highest possible level of protection. They will cut ‘red tape’ and enable quicker and more strategic action to be taken on emerging environmental issues. They will make environmental decision-making more efficient and cost-effective. They will provide greater certainty for industry while, at the same time, strengthening compliance with, and enforcement of, the EPBC Act. They will make regional decision-making with its better strategic framework a priority and increase the general understanding of the processes and mechanisms of the EPBC Act.

The bill will build on the substantial environment and heritage gains so far achieved under the
EPBC Act and provide the framework for Austra-
lia to move forward in the twenty-first century.
The proposed changes will strengthen the EPBC Act’s environmental protection regime and in-
crease its effectiveness by facilitating more stra-
tegic approaches while, at the same time, reduc-
ing the extent to which the Act is process driven
in a non-productive manner.

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INSPECTOR OF TRANSPORT SECURITY
BILL 2006

Transport security in Australia continues to com-
pare well with benchmark countries. There has
been significant cooperation between Australian
governments to improve transport security over
recent years. Aviation and maritime security legis-
lative regimes have been strengthened, and State
and Territory governments have been working to
improve the security of the surface transport sec-
tor.

The Inspector of Transport Security Bill provides
a strong legislative basis to support the conduct of
independent and impartial inquiries into Australia’s
transport security arrangements. Upon direc-
tion by the Minister for Transport and Regional
Services, the Inspector of Transport Security will
be able to inquire into major transport security
incidents and patterns or series of incidents that
point to a systemic failure or possible weaknesses
or vulnerabilities in aviation and maritime trans-
port and security regulated offshore facilities.
There is also the ability for the Minister to task
the Inspector with an inquiry into surface trans-
port security. This will require the agreement of
the relevant State or Territory Minister and the
scope of the inquiry will be agreed between Min-
isters.

The Inspector of Transport Security will not be
responsible for regulating transport security in
this country. The Office of Transport Security in
the Department of Transport and Regional Ser-
vices has the responsibility for the day to day regu-
lation of transport security in the aviation and
maritime sectors.

The strengths of the legislative framework to
support the role of the Inspector of Transport Se-
curity include:

- the independence of the Inspector;
- the no-blame nature of the Inspector’s
  inquiries;
- protection of information collected as
  part of the inquiry; and
- the recognition that the work of investi-
gative agencies should not be interfered
with by inquiries undertaken by the In-
spector.

This bill enshrines the independence of the In-
spector. While the Minister for Transport and
Regional Services tasks the Inspector with an
inquiry, the Inspector is not subject to direction
from the Minister for Transport and Regional
Services in the conduct of that inquiry. Nor is the
Inspector subject to direction from the Secretary
of the Department of Transport and Regional
Services or any other public servant.

Another key feature of this bill is the “no-blame”
aspect. The purpose of an inquiry by the Inspector
is not to gather evidence to apportion blame—
other agencies properly exercise that role. Instead
an inquiry by the Inspector of Transport Security
will be seeking to establish how our already ro-
bust transport security arrangements can be im-
proved. To ensure this, the bill provides that re-
ports from the Inspector are not admissible in
proceedings which seek to apportion blame. Im-
portantly this will include disciplinary proceed-
ings.

To further emphasise the “no-blame” aspect the
bill ensures that except for coronial inquiries, the
Inspector, employees or third parties involved in
an inquiry cannot be compelled to provide evi-
dence in any proceedings.

Another key feature of the legislative framework
is that protections are in place for information
provided to the Inspector in the course of an in-
quiry. All information gathered in the course of an
inquiry is exempt from a Freedom of Information
request. In addition, the bill protects information
provided to the Inspector in the course of an in-
quiry. Breach of these protections can result in up
to two years’ imprisonment.

When the provisions in the bill regarding On-
Board Recordings and Cockpit Voice Recordings
were being drafted, the Australian Government
was aware of the importance of protecting this
type of information to fulfil our obligations under
Annex 13 of the Chicago Convention and to ensure that safety investigations by the Australian Transport Safety Bureau are not affected. The bill protects this type of information by ensuring that On-Board Recordings and information arising from safety investigations are only available to the Inspector through the Executive Director of the Australian Transport Safety Bureau. Before agreeing to disclose this information, the bill requires the Executive Director to make a judgement that the public interest is served by disclosing the information. If the Inspector obtains this information from the Executive Director of the Australian Transport Safety Bureau the Inspector is then bound by strict restrictions on its use as part of the inquiry or in reports.

This bill balances two competing policy interests. One is to establish a "no-blame" legislative framework to encourage the provision of information to the Inspector that will contribute to improving transport security. The second is to ensure that, where information acquired by the Inspector in the conduct of an inquiry indicates that a serious offence is imminent, the legislation provides that the Inspector may disclose this information to the appropriate law enforcement bodies.

If the Inspector receives sensitive On-Board Recording or Cockpit Voice Recording information that indicates that a serious offence is imminent and the information may be relevant to preventing a crime, the Inspector may only reveal this information to the relevant agency if a Judge or member of the Administrative Appeals Tribunal agrees that the information should be disclosed.

It is important to note that the role of the Inspector is not one of a law enforcement agency. The Inspector's inquiries will not hinder the important work of law enforcement agencies. The Inspector will work cooperatively with State and Territory governments and relevant agencies of the Australian government with direct investigative roles such as the police or the Australian Transport Safety Bureau. The bill contains specific provisions encouraging such cooperation. For example, the Inspector may provide information from a transport security inquiry to the Australian Transport Safety Bureau where it is requested and disclosure of it will not adversely affect a current or future inquiry.

In preparing this bill extensive consultation has been undertaken with industry stakeholders and state and territory governments. Issues that have arisen during the consultation process have been wherever possible taken into account. The Government has worked hard to address concerns raised.

This bill will further provide quality assurance for transport security as it establishes the Inspector of Transport Security who will conduct no-blame inquiries focussed solely on improving transport security for all Australians.

INSPECTOR OF TRANSPORT SECURITY (CONSEQUENTIAL PROVISIONS) BILL 2006

The Inspector of Transport Security Bill 2006 is a part of this Government's commitment to ensuring a safe and secure transport system and is vital to our national security and our economic security.

A very important feature of the bill is the protections that are in place for information provided to the Inspector of Transport Security in the course of an inquiry. These protections are intended to encourage full disclosure to the Inspector. The protections provide that the information gathered by the Inspector generally can only be used for the purposes of the inquiry.

To provide further support for the protection of information generated or gathered in the course of an inquiry this bill amends the Freedom of Information Act 1982 to ensure that the information is exempt from a Freedom of Information request.

This bill gives the added protection to information that is required to encourage those that have valuable information to come forward and provide that information to assist the Inspector in his inquiry without fear of it being disclosed.

Amendments to Annexes I and II were adopted by the International Maritime Organization in October 2004, and the revised Annexes will enter into force internationally on 1 January 2007. The bill should commence on 1 January 2007, to coincide with the international entry into force of the revised Annexes I and II.

Revised Annex I, Regulations for the prevention of pollution by oil incorporates recent initiatives which reflect the development of technical best practice in the maritime industry, such as phasing-in double hull requirements for oil tankers and designating new regions as “special areas” under the Annex. “Special areas” are areas considered to be so vulnerable to pollution by oil that oil discharges within them have been completely prohibited, with minor and well-defined exceptions.

The structure of Annex I has been simplified to facilitate ease of interpretation of the requirements under the Annex. No substantive changes have been made to the technical requirements. It incorporates the various technical amendments adopted since MARPOL entered into force in 1983.

Revised Annex II Regulations for the control of pollution by noxious liquid substances in bulk includes a new four-category categorization system for noxious and liquid substances, which will change the current carriage requirements for some chemicals.

Revised Annex II also includes changes to permissible levels of discharge for some noxious liquid substances. Improvements in ship technology have made significantly lower discharge levels of some noxious liquid substances attainable and cost effective. The discharge levels which are now acceptable under Annex II have been lowered to reflect the progress made by new technologies. For ships constructed on or after 1 January 2007 the maximum permitted residue in the tank and its associated piping left after discharge will be set at a maximum of 75 litres for products in categories X, Y and Z—compared with previous limits which set a maximum of 100 or 300 litres, depending on the product category. The bill will incorporate the internationally accepted changes to Annexes I and II into Australian domestic law, allowing Australia to enforce the more stringent technical requirements contained in the revised Annexes to protect human health and the marine environment.

The bill amends the Navigation Act 1912 and the Protection of the Sea (Prevention of Pollution from Ships) Act 1983 to ensure that all amendments to the Annexes are implemented in domestic law, and that references to the two Annexes in existing legislation reflects the new structure and content of the revised Annex I and II.

The Australian Government has always recognised the importance of the private health insurance industry as an essential partner to the public health sector.

Members will be aware that my Department and the Department of Health and Ageing are consulting industry on a range of reforms to the private health insurance industry. These reforms are aimed at:

- making private health cover more affordable;
- improving customer access to information about health insurance products, to help customers make decisions about the cover they need; and
- streamlining the regulation of the industry while maintaining the benefits of competition and strong prudential oversight.
The reforms will be the first big changes to health insurance legislation since the early 1990s and will give health insurers the opportunity to provide policies that reflect contemporary clinical practice and provide more competition and improved services to consumers.

The Government is committed to maintaining a viable and competitive private health insurance industry and the sale of Medibank Private represents an opportunity to improve industry competition and thereby benefit consumers. This bill provides the legislative framework to facilitate the sale.

The private health insurance sector comprises 38 funds. The Australian Government, through the Minister for Health and Ageing, has a critical role to play in the regulation of these funds and the products they offer to the public.

There is no sound policy reason for the Australian Government to continue to own a health fund. Competition between funds is the best way of keeping a lid on premiums. Importantly, if a customer of any health fund is unhappy with the fund’s premiums, they are able to move to another fund without any waiting period.

The private health insurance industry will also benefit from the largest health fund being privately-owned and competing on a level playing field. Further, selling Medibank Private will allow the Australian Government to remove its conflict of interest in being both the industry regulator and the owner of the largest participant in that industry, thereby allowing the Australian Government to focus on its role as regulator.

Decisions about implementing the sale of Medibank Private will be made in the context of the Australian Government’s objectives for the sale:

- to ensure the sale process treats Medibank Private employees in a fair manner, including through the preservation of accrued entitlements;
- to minimise any post sale residual risk and liabilities to the Commonwealth; and
- having regard to the above objectives, to maximise the net sale proceeds from the sale.

These objectives emphasise the Australian Government’s focus on the benefits to customers and the industry arising from the current reform process and in the sale of Medibank Private.

The current board, Managing Director and management of Medibank Private have done an excellent job turning around the company’s finances and putting it in a position where there is significant interest from potential buyers.

Claims that the sale of Medibank Private will somehow increase premiums for health cover are unfounded.

- Competition for members between funds is the best way to limit premium increases. Consumers, and the industry as a whole, will benefit from the largest health fund being privately owned and competing on a level playing field.
- A detailed study by Carnegie Wylie also concluded that a privately-owned fund would be able to be more efficient, through lower management expenses and through scope for expansion into new business areas. A privately owned Medibank Private could expand into other areas, be they other forms of insurance or other medical products or other financial products—and through this greater scope, be a more efficient operation. And it is through more efficient operation that a health fund can further restrain premium growth.
There are already 5 ‘for profit’ private health insurance funds operating in Australia and there is no evidence that these ‘for profit’ insurers charge higher premiums than other health funds.

The Government in the 2006-07 Budget has already announced increased funding for medical research as a result of the sale of Medibank Private. The bill facilitates the sale of Medibank Private, but provides flexibility to the Commonwealth regarding how that sale will be carried out.

Importantly, the bill permits Medibank Private to change from a company run on a “not for profit” basis to being run for profit. As I mentioned earlier, there is no evidence that health insurers that are run for profit charge their customers higher premiums. To the contrary, commercial market pressures associated with being a for profit company provide strong mechanisms in restraining premium growth.

The bill also sets out a range of provisions relating to the conduct of the sale, including providing for exemptions from the Corporations Act 2001 and other legislation.

The bill also amends the National Health Act 1953 to clarify the circumstances in which a registered organisation run for profit can distribute profits or return capital, and to facilitate any restructuring of Medibank Private that may be necessary to ensure that the Commonwealth’s competition objectives of the sale are met. These amendments are consistent with the more wide ranging amendments being developed by the Australian Government with industry and preserve the oversight role of the Private Health Insurance Advisory Council.

Importantly, the bill does not affect the obligations of Medibank Private Limited to comply with the capital adequacy and solvency standards under the National Health Act 1953, or the other obligations Medibank Private has under that Act as a registered health benefits organisation.

In addition to other measures, the bill limits individual share ownership to 15 per cent of the company for five years and requires that Medibank Private remain based, incorporated and headquartered in Australia and that the majority of the Directors be Australian citizens, also for a period of five years. The shareholder cap will provide the company with an extended period for consolidation where it can concentrate on internal reform, secure in the knowledge that it will not be subject to hostile takeover. Further, the “Australianness” provisions will provide stability for Medibank Private employees and contributors in the period following the privatisation, and would reduce the risk that market forces would lead to any precipitous structural change immediately following the sale.

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

Ordered that the Inspector of Transport Security Bill 2006 and the Inspector of Transport Security (Consequential Provisions) Bill 2006 be listed on the Notice Paper as one order of the day and the remaining bills as separate orders of the day.

AGED CARE AMENDMENT (RESIDENTIAL CARE) BILL 2006
FINANCIAL TRANSACTION REPORTS AMENDMENT BILL 2006
PUBLIC WORKS COMMITTEE AMENDMENT BILL 2006
Returned from the House of Representatives
Message received from the House of Representatives returning the bills without amendment.

TRADE PRACTICES LEGISLATION AMENDMENT BILL (No. 1) 2005
Returned from the House of Representatives
Message received from the House of Representatives informing the Senate that the House has agreed to the further amendments made by the Senate in the Trade Practices Legislation Amendment Bill (No. 1) 2005.
Tuesday, 6 November 2006

SENATE

TAX LAWS AMENDMENT (2006 MEASURES No. 5) BILL 2006

OCCUPATIONAL HEALTH AND SAFETY (COMMONWEALTH EMPLOYMENT) AMENDMENT BILL 2006

SUPERANNUATION LEGISLATION AMENDMENT (SUPERANNUATION SAFETY AND OTHER MEASURES) BILL 2006

PETROLEUM RETAIL LEGISLATION REPEAL BILL 2006

TRADE MARKS AMENDMENT BILL 2006

PARLIAMENTARY SUPERANNUATION AMENDMENT BILL 2006

Assent

Messages from His Excellency the Governor-General were reported informing the Senate that he had assented to the bills.

PROHIBITION OF HUMAN CLONING FOR REPRODUCTION AND THE REGULATION OF HUMAN EMBRYO RESEARCH AMENDMENT BILL 2006

Second Reading

Debate resumed.

Senator MOORE (Queensland) (4.20 pm)—I am standing here this afternoon in strong support of the private member’s bill moved by Senator Patterson, the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006. At this stage I want to take this opportunity to acknowledge the work done by Senator Patterson and also that done by Senators Webber and Stott Despoja to bring this issue before us, because this bill needs to be before the parliament. To fulfil the responsibilities that we were given by this same place three years ago, when the original discussion was held, we need to have this bill back in this place. And it was not only a debate at that time.

I do not often quote members in the other place, but Mr Kevin Andrews, who chaired the 2001 House of Representatives Standing Committee on Legal and Constitutional Affairs for its inquiry and report, Human cloning: scientific, ethical and regulatory aspects of human cloning and stem cell research, concluded in the foreword of that report:

These are not matters to be decided behind closed doors by scientists or lawyers, however expert and sincere, without widespread community consultation. Nor are they matters that can be resolved by doing nothing.

As a society we are confronted with profound issues that require ongoing attention and discussion. Accordingly, when we had extensive debate in this place when the previous bills were brought to us, a decision was made that there would be ongoing review. The minister of the day, Minister Bishop, appointed a committee to go away and look specifically at the issues that were put into the terms of reference: ‘developments in technology in relation to assisted reproductive technology, developments in medical research and scientific research and the potential therapeutic applications of such research, community standards and the applicability of establishing a national stem cell bank’.

They are all issues that were strongly debated in this place, when we heard from the various proponents who held strong views either for or against the legislation. The Lockhart committee, which was determined by the minister of the day, was made up of people who were widely respected in their professions. The committee was made up of not just scientists but lawyers and ethicists—people who were prepared to take up the very strong duty that was given to them by the minister and to come back and make recommendations. That is what they did. They
came back with over 50 recommendations, and it is our job to consider those recommendations. Indeed, the legislation that is before us is formed in such a way as to put those recommendations in place. That is not to say that it will be straightforward. We know that is not true, because these issues generate strong views. And it is not going to be easy to come up with a common response. However, that is our job.

I believe that the Chair of the Senate Standing Committee on Community Affairs, Senator Humphries, talked this morning about the effort that was put into reviewing the bill by the committee. As usual, the committee did not have long enough to consider the range of views presented to us, but it worked very hard—again, with the strong support of the secretariat—to condense the key issues for us in this place. There could not be agreement, but in the majority report we said that, on balance, having regard to the evidence from the scientific community and from the community at large, and having regard to the views expressed by people to their elected representatives, we would support those recommendations.

The major reason for that was an acknowledgement that the Australian scientific community has a strong and noble reputation. Our existing system is not just one that values science; it also values appropriate regulation. The existing regulatory framework offers an environment in which people should feel able to strongly investigate and do research, and be able, without fear, to put forward their views. This is where science is great. And there is no result in the scientific industry that is straightforward or simple; we know that. In fact, for me, as a member of the committee who was looking at the wide range of evidence presented to us, I think the most overwhelming evidence was the genuine request by the scientific community that we, as elected politicians, allow them to have the opportunity to do their job; that we should allow them the opportunity to move forward, with appropriate regulation.

I have been quite angered by the attempt to demonise science in this debate. There have been allegations that if you do not stop scientists they will move forward quickly, there will be no restraint and there will be a rush towards creating things that move well beyond that which the community wants or deserves. I found no evidence in support of those statements. I found no evidence from the scientists who appeared before our inquiry or from the professional organisations that represent the scientific community. Even those scientists who spoke most strongly against this proposal talked about the responsible professionalism of other scientists.

However, it was disappointing that, in some attempts to promote one position or the other, people who were not supportive of embryonic stem cell research felt that they needed to attack the credibility of scientists who were putting forward the alternative view. In evidence given by the large majority of other scientific people who appeared before us, they talked about the need for scientists to work together. They said that there was not going to be a single, magical way to develop the kinds of research technologies and the kinds of developments that we all hope will be the result of an effective scientific research base in this country.

It is possible that effective scientific research will be able to respond to a range of horrific conditions in our society—illnesses and the results of accidents. There has been an outcry that we need to move forward to see whether we can access possible cures or therapies to respond to these terrible things that people are suffering from. However, at no stage in the evidence given to the committee did we hear any wild, exaggerated expressions that things would happen
quickly or that there would be an immediate response or an immediate result. There was an effort made to impress the committee with the need for long-term progress, with the need to work together cooperatively, in order to enhance the industry.

Embryonic stem cell research is but one aspect of an ongoing research need in our community. It does surprise me that, instead of celebrating the advances achieved by the scientific world, we feel the need, if they do not follow the methods that we personally support, to attack. I asked some of the people who appeared before the committee whether they were surprised by the degree of attack in the wider community regarding what they were saying, in particular by people holding particular religious views. To a person, they said they were not surprised and that this was something which they were very familiar with in their daily work. I find it very sad that, instead of being able to respect the views of others—to respect their work ethic and professionalism, and to respect the fact that there is a wide range of community responses—sometimes there is an attempt made to denigrate others’ views or opinions. There is an attempt made to attack and to label people, and to claim some kind of superiority of view because you have a certain faith base or a certain values base. I do not find that acceptable. I have said that on numerous occasions. I respect people being able to work effectively and cooperatively when there is a great difference of opinion between those who support this kind of research around embryonic cells and those who do not. They should be able to acknowledge that difference openly and to identify that that is the problem, rather than trying to dress it up in some other way to make it more palatable to the wider community.

We questioned people from the Lockhart committee during our inquiry. I asked Dr Kerridge about the processes that were going on. He said that their committee:

... did not seek to dissolve moral disagreement about the status of the embryo. That has not been possible in 2,000 years. We thought it was very unlikely we would do it in six months.

The committee that was looking at these issues at the parliament’s request acknowledged that this was an issue about which there would be no agreement, and throughout the printed Lockhart report that is stated several times. I think that we need to understand that the committee members did not dismiss views with which they did not agree. In fact, they reiterated during our inquiry and also in various public forums during the last few months that they did not have preconceived ideas or beliefs around the task for which they were given responsibility. They came to the Lockhart committee to do a job. They received a range of submissions—several hundred—there was a wide range of public consultation reflecting on the issues raised by Mr Andrews in his 2001 statement and they talked with people from a wide range of community views. The Lockhart committee did that task and put to the government a range of recommendations, and I am proud that the legislation in front of us is attempting to put those recommendations into place.

There was considerable debate about why, when our last round of discussions in this place on these issues was so recent, we are bringing it back to this place again. Are we rushing too much? Will we be opening up doors in the future such that we will have to continue doing this kind of review of what is available to the scientific community and what is not? Of course we will continue to have these debates, because that is our job. Our job is to consistently review what is happening in the community, to review what is available and what is not and to see what we as the elected representatives of the country
believe should be effectively moved forward in our legislation.

It is not unusual that legislation or ideas come back to this place after a time. I will quote Dr Paul Brock. Many people in this area have been quoting him, and a few of the quotes I wanted to use have already been used by other senators, and I will not state them again. I want to quote to the Senate the response Dr Brock gave to our committee when I asked the question about why, as a number of people have asked, we are looking at it so soon. Shouldn’t we let things happen more in the community and in science before we bring it back? He said:

That is the story of public policy. We do it in climate change; we do it in the economy; we do it in education. We constantly re-examine policy issues further down the track in parliament in the light of experience, new knowledge and changing circumstances. Why should this issue be any different from any other issue of public policy?

That is exactly why we need to continually look at what is being asked of us, look at the range of progress and experiences and then, using that knowledge, having talked to the people who are working in the industry, effectively frame legislation, being absolutely aware of community attitudes and of the existing regulations, and make a decision about whether or not we think it is appropriate to change. And that is what is before the Senate this week.

My strong hope is that senators in this place will listen to the range of evidence about why it is necessary and possible now to take another step and will listen to the voices that said that we in this country are ready—that the scientific industry in this country is ready—to move forward and use skills and technologies that are available overseas. I think that is important to note. Whilst I do not get into the argument about people leaving Australia and going elsewhere, I do accept the really big question, which was raised consistently in our inquiry, that if this technology is available overseas and if advances are made then how can we as a community possibly stop Australians in our community having access to successful scientific advances that were achieved overseas.

I have not been able to get a clear answer to that question, except from the Catholic health services, which were very clear that they would not allow any such technology or any such medical advances to be used in their services, and I respect that. I think it was good of them to be very clear on the record that that is their position. But I am struggling that we as politicians and, more than that, we as human beings living in our community could just say no to any possibility or hope, through this form of research—which is only being done by people who are of goodwill, who have professional skills and who are the strongest regulators of their own work—of being able to have any advancement in some of those conditions, which we have all seen.

There is absolute agreement in this place and in our committee that all of us want to see effective cures and therapies formed. None of us believe that it is going to happen immediately. There is no false expectation in this place or amongst the range of community groups that work with people who have Alzheimer’s disease, motor neurone disease and the range of others, sufferers of which felt confident enough to come forward to our committee and share their experiences. Those groups all gave support to a framework of regulated scientific advancement that could at some time down the track look at some form of success.

I think that we as politicians should listen. It is not automatic that we would agree. It is also not automatic that because we do not agree we do not respect the other view. On a number of occasions during our inquiry we
had evidence from people who felt that their views were not being given significant respect because they had a religious focus. I can assure you, Madam Acting Deputy President, that our committee gave full respect to all of the evidence that came before us. The members of the Lockhart committee went to great lengths to ensure that their integrity of listening to all evidence with respect was absolutely made public. Again, any attempt to demonise them should be removed from the public debate.

I think that this kind of process, where we are able to have the evidence before us, to listen to it and to hear from the people who may benefit from any scientific discoveries should be the way that parliament operates. These decisions should not be taken elsewhere; they should be taken in this place on this wide range of developing legislation and also developing appropriate regulation. The responses we had were that there is genuine faith in the regulatory frameworks that the Australian community has in place. What we are asking through the Lockhart report and also through Senator Patterson’s bill is that we allow a move forward and that we allow another form of technology. This is not to say that we do not respect and understand the views of people who are opposed to that. What we are saying is that we should be able to move forward.

In the short time I have left I want to make some comment about some of the comments that have been made about exploitation of women in this whole activity. I find it offensive that the people on our committee or on the Lockhart committee would in any way be looking at any form of scientific advance that would exploit women. We were informed that through the current NHMRC and TGA processes that would not be allowed. But I also, once again, want to quote Professor Kerridge. He acknowledged that there is a question about the research of women’s eggs in this process and said:

The question for us, though, is: is that significant enough to require prohibition by law—in other words, to stop women from being able to make an informed choice about their oocytes donated for their families or others or altruistically for research? We did not think that was a very convincing argument...

Once again—and this is such a significant point—the committee were not ignorant of the concerns. The committee were very much aware. They understood the worry and were able to look at a way into the future that would put their recommendations into place. That is what we ask. I strongly support these recommendations, and I ask that senators listen, that they look at their own consciences, because that is the process we are using, and move this debate forward.

Senator MARSHALL (Victoria) (4.39 pm)—I have been following the debate on the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006 with interest and have noted that many senators have seemed to agonise over this bill. I have carefully considered the content and the effect of the bill, but I have not agonised over it for a single second. This is because every time my children contract one of the many childhood diseases I give thanks to those medical and scientific pioneers that made treatment and cures possible and available. Every time my children receive a vaccination against some of the most horrendous and debilitating diseases—diseases which have killed and maimed millions of human beings—I give thanks to those scientific and medical pioneers who made these vaccines possible and available.

And, while I am presently in good health, the future is unknown. I would hope, if I am injured or ill, that there will be a treatment or cure for my illness and, if it is not available,
that it would eventually be available to my children. And when my children have children of their own, and the cycle of injury and illness starts again, I hope that they will have access to future treatments and cures made possible by research undertaken by the medical and scientific researchers of today: research made possible by this bill.

History has shown that we continue to move forward through pioneering advances in science. Our current society has benefited immeasurably through the knowledge gained through all the generations of humanity, and we have an obligation to future generations to ensure that such gains in knowledge continue. I will not vote to deprive our children and subsequent generations of future treatments and cures by restricting the medical and scientific pioneers of today unnecessarily. Unashamedly I vote for our children, and I at least will put families first. I commend the bill to the Senate.

Senator BOSWELL (Queensland—Leader of The Nationals in the Senate) (4.41 pm)—The Senate is debating the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006. The name of this bill should really read ‘the allowing of human embryo cloning bill’, for that is the central plank of this private member’s bill. It legalises human embryo cloning. All senators must ask themselves: once this is opened up, where will it end? It is significant that this is not a government bill. It asks senators to make an enormously significant decision but does not carry the authority or weight of official government backing. The cloning bill has arrived in the Senate as the result of one senator’s private opinion: that Lockhart recommendations should be given legislative force. The Lockhart review was commissioned to look at the scope and operation of the original legislation. The Lockhart committee ended up using this brief to advance the cause of human embryo cloning, of human-animal embryos. I note that neither was specifically mentioned in the terms of reference for the Lockhart committee, yet their report is written as though their brief was to lobby for human embryo cloning.

It is important to look at how the existing legislation that allows embryonic stem cell research has worked: something the Lockhart committee was supposed to focus on. Senators will recall the urgency and intensity of the earlier debate, when many agonised over whether to support research on excess IVF embryos. Basically we were given a long list of diseases that we were told would benefit from the research. Understandably, that persuaded many senators to vote for the original legislation in 2002. Everyone was very careful then to draw the line at creating embryos for research—even the mover of the bill before us now. The thinking was: ‘These IVF embryos are excess to requirements. They would succumb otherwise, so why not put them to a good cause and get wonderful results in the long, long list of diseases which need cures?’

How many senators are aware of what has happened since? Surely we could have expected a long list of studies into various diseases using the excess IVF embryos. Surely we could have expected many licences issued, many applications sought and great gains on the road to cures for the long list of diseases held out like a cart of carrots to get the votes for the original bill. As was made clear by the NHMRC in answer to the Senate committee on the bill, only one licence has been ‘issued for the generation of embryonic stem cell lines aimed at treating a specific condition. To date, 30 of these excess ART embryos have been used, resulting in the production of the stem cell line Endeavour 1.’ One licence, 30 embryos and one specific condition target downstream is not much of an innings since 2002. Now the same people
who urged us to vote for embryo research in 2002, the same people who put forward a long list of diseases but have yet to research them, are coming to us again and saying we need human embryo cloning so we can research this long list of diseases. The question is: what have they been doing since 2002?

Surely we are entitled to see something significant on the table before we take the huge step of allowing human embryo cloning. No matter what your ethical background, everyone agrees this is a major step. Otherwise there would not be such serious penalties, like 15 years jail, in this bill for its abuse. Therefore, as legislators, we are entitled to know just how much evidence there is to support such a huge step being taken. If we measured the progress of the research by the height of this chamber, embryonic stem cell research would reach the desktop, adult stem cell research would reach the press gallery and the skylight would be the ultimate goal of disease cures. So we have a long way to go. Even Lockhart, on page 42, describes the progress this way:

Since 2001, most of these trials have involved AS-- that is, adult stem-- cells because, at this stage, ES cell research has not reached the stage needed to start clinical trials (ie proof of principle of a safe and efficacious treatment in animal models).

The other thing is that the existing embryo research legislation allows enormous progress to be made without changing the regulatory environment at all. So under the existing legislation we could actually get embryonic research much higher up without needing the cloning bill at all. The Senate committee heard evidence from scientists on all sides of the debate that bears this out. Embryonic stem cell researchers told the committee that work can and must go on on things like proof of principle, animal studies, the instability of embryonic stem cells and their inherent capacity to form tumours, and even learning whether cloned embryos will actually be of help to science at all. All this can be done under the current laws.

For all this hype about cloning, no-one has yet actually produced a human embryo clone, let alone developed embryonic stem cell lines from it. The South Koreans told the world they had done this but that research was found to be totally fraudulent. The lead researcher is now in court confessing to dealings with the Russian mafia to get animal tissues for his lab. The Lockhart report relied heavily on the Korean studies in the section on developments in human cloning. Three published papers were cited in that section. Two were from the discredited Koreans.

To recap, we are being asked to sanction human embryo cloning to cure a long list of diseases that we were told in 2002 would benefit from the original bill. Since that time, there has only been one licence given with the eventual aim of treating a specific condition. The existing legislation allows Australian scientists to do major research without changing the legislation.

I would like now to move on to another key argument which is absolutely vital to confront. If we allow human embryo cloning, we allow the development of a technology that can be used to clone human beings. It is, after all, the same process used to create Dolly the sheep. Former Queenslander of the Year, Professor Alan Mackay-Sim, told the Senate committee:

I do not see a distinction in the technology between making a blastocyst one way going to therapeutic cloning and one way going to cloning human beings. I think that process is the same, and I think that is the ethical decision that is being made. If you go by the history of technology, that technology will be used for purposes for which it was not intended in the particular jurisdiction—that is, to do therapeutic cloning.
Professor Mackay-Sim was asked whether there is anything being proposed in the new cloning legislation that would prevent Australian technology on cloning being used by someone overseas for reproductive cloning. He answered:

Not that I am aware of; as soon as something is published, either in a paper or in a patent, it is in the information cyberspace.

The salient point is that, regardless of the heavy penalties imposed in Australia to stop human reproductive cloning, we cannot stop Australian made cloning technology from being used overseas for full human being cloning. Science is international. Once research is published, it is in the public domain. We cannot honestly stand up here and say it is okay to allow human embryo cloning because we will not be allowing reproductive cloning. Of course we will be. We will be signing off on the research that someone somewhere outside Australia will use for reproductive cloning. There will be nothing we can do to stop that cloning technology being used elsewhere for reproductive cloning.

The bill before us limits the life of the embryo clones created in Australia to 14 days. No doubt in a few years time the same people with the same long list of diseases will want to extend 14 days to 28 days and so on. Having accepted 14 days, how can we argue that this time should not be extended in the future? I am disturbed by how far the goal posts have been moved since 2002. It seems that we are being asked to judge these terribly significant questions based on hope and faith alone—hope and faith in the people armed with a long list of diseases who have as yet failed to deliver on the 2002 gift that this parliament made them.

Some scoff at the so-called ‘slippery slope’ argument. Have they read the guidelines issued by the International Society for Stem Cell Research, which is headed by an Australian and has several Australian office-bearers? The ISSCR is not 100 per cent opposed to full human cloning. It qualifies its opposition by saying: ‘Given current scientific and medical safety concerns, attempts at human reproductive cloning should be prohibited at this time.’ Professor Paul Simmons appeared before the Senate committee as a consultant to the Australian Stem Cell Centre. He is also President of the International Society for Stem Cell Research. When questioned, Professor Simmons tried to explain it this way:

Input to that was sought from more than 20 countries. And you have to appreciate that in those countries guidelines vary enormously around the stem cell arena. You can appreciate the difficulty. It is a jack-of-all-trades, master-of-none problem. You have to try and represent the views that many research scientists around the world in this area are trying to put forward. In the end, that is what they came up with.

So we have a situation where not even an international society advocating human embryo cloning and led by Australians can get its members to be resolutely opposed to reproductive cloning into the future, but only ‘at this time’, given ‘current scientific and medical safety concerns’.

And it is not just overseas that there is resistance to an outright ban on human reproductive cloning. Here in Australia we have a learned paper from a Melbourne university academic calling for a debate on public funding of human reproductive cloning as a means of procreating for singles and homosexuals. Daniel Elsner wrote an article entitled ‘Just another reproductive technology? The ethics of human reproductive cloning as an experimental medical procedure’, published in the Journal of Medical Ethics in October this year. He states:
There are other people, also desiring genetically related children with minimal “foreign” DNA, for whom HRC—
human reproductive cloning—
could also be the desirable method of procreation, for example, single people or homosexuals.
People wishing to reproduce by cloning should be able to do so, provided that there is no reasonable alternative, and trials of HRC as an experimental medical procedure should not be prohibited.
So there is someone from Australia putting that point of view. The point is: if there are already Australians arguing for this, and if the international body for stem cell research can only give qualified support to opposing human cloning, how long will it be before this chamber is confronted yet again with a bill to allow human reproductive cloning by the same people with the same long list of diseases?

I do not believe that science should be unfettered in this way. Every activity in our society is regulated to some degree. Research projects are assessed according to criteria and merit. Hurdles have to be overcome. Proponents have to prove their worth to justify grants and access to resources in medical research. The time-honoured way is through peer review publication, animal studies and so on up to the clinical stage. The cloners are arguing that, while they do not yet have the science to prove what they are saying—no embryonic stem cell clone has been created, nor have stem cells been derived from it—they deserve to be let off the leash because of the hope they offer to cure a long list of diseases.

There comes a time when you just have to deliver on some of those promises, and I would suggest that that time is now. If you cannot, then it is time to go back to the drawing board, using the existing legislation, and get on with some hard scientific work. It is surely right that, after all the pain we went through as a parliament in 2002, we should at least see something for it before we are asked for a much more serious thing: human cloning technology. It is just too far, too soon, on too little evidence. There are so many scientific arguments to chase down in this debate and there is so much division between scientists, which I would argue is a point against this bill. When you are considering such a significant thing as human embryonic cloning, I would think it almost mandatory to have scientific agreement on it—and there most certainly is none of that. Even our Chief Scientist, Jim Peacock, is at odds with the Lockhart committee over the use of animal eggs in embryonic cloning. This bill today asks us basically to pass a vote of no confidence in Australia’s Chief Scientist, because it rejects his call for the ban on animal eggs for cloning. If there are major splits like this within the scientific community then I think that makes it particularly impossible for us lay men and women to judge where the true science lies.

A reasonable alternative is to adopt a wait and see approach. Wait and see what the current legislation delivers. They have only given out one licence for research aimed at a specific condition. Let us see some further progress before giving the green light to human embryonic cloning, because if we give it a green light in Australia and our scientists deliver then we will be giving the green light to human reproductive cloning somewhere in the world. I simply cannot give that green light.

Senator ABETZ (Tasmania—Minister for Fisheries, Forestry and Conservation) (4.58 pm)—The Senate is debating the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006. This bill seeks to amend the Prohibition of Human Cloning Act 2002, which was unanimously carried by this parliament some four years ago. It also
seeks to amend the Research Involving Human Embryos Act 2002, which was regrettably carried by the parliament, albeit with substantial disquiet.

At the time, some four years ago, I opposed human cloning. Everyone else in this place did as well. The speeches in both houses those four years ago on human cloning make for very interesting reading. A substantial number of us at that time also considered the destruction of human embryos in the name of research as unacceptable. The argument in favour was dressed up around the proposition that the only embryos to be destroyed were those that were ‘excess’ or ‘leftovers’ from IVF treatments. ‘They had no use.’ ‘They would succumb in any event, and therefore they might as well be used for research on the way through.’ So the argument went: ‘It really wasn’t that bad after all.’

My comments and those of my colleagues those four years ago on this utilitarian approach to human embryos remain. My conviction that what we agreed to then was wrong remains. During that debate, a colleague for whom I have a high regard but with whom I vehemently disagree in this debate had this to say:

I believe strongly that it is wrong—

Senator Patterson interjecting—

Senator ABETZ—You have identified yourself. I did not want to make this a personal debate, Senator Patterson, and that is why I deliberately did not identify you. But Senator Patterson said:

I believe strongly that it is wrong to create human embryos solely for research. It is not morally permissible to develop an embryo with the intent of truncating it at an early stage for the benefit of another human being. However, utilising embryos that are excess to a couple’s needs after a successful implantation is a very different matter. I believe it is disingenuous to suggest that approving this research will open the door to further killing of living human beings when the Prohibition of Human Cloning Bill 2002 bans the creation of a human embryo for a purpose other than achieving a pregnancy.

I confess to being one of those described as ‘disingenuous’. Indeed, I did claim that passage of the legislation then would lead to further consequences. The proposition before us today highlights how quickly we as humans become desensitized once we overstep the mark of respecting human life. As soon as we countenance the commoditisation of human life for utilitarian reasons, we are on a slippery slope. And today we are presented with a proposition that is a lot further down that slope than we were willing to countenance only a short four years ago.

Make no mistake; other attempts will be made in the future to further loosen the controls. You see, once we countenance the destruction of human embryos for research, albeit restricted to a specific class, we countenance the deliberate destruction of human embryos. It then becomes a small step to extend the proposition by extrapolating that if it is not absolutely morally repugnant to destroy human embryos for research, then why would it be wrong to create human embryos to destroy them—once again, of course, in the name of research? Some were cajoled into voting for the Research Involving Human Embryos Bill 2002 on the so-called ‘strong’, ‘ironclad’ prohibitions that would never allow the deliberate creation of human embryos for destruction, no matter how allegedly worthy the cause. But, of course, regrettably that is the very proposition in the bill before us.

To overcome this obvious stark reality, proponents of the change are now, if I may use the word, ‘disingenuously’ changing the terminology in the hope and belief that it will miraculously change the unavoidable fact. You see, a rose will continue to have a soft, sweet scent, even if I decided to call it by
another name, such as ‘somatic cell nuclear transfer’. Hence the old truism remains today: a rose by any other name smells just as sweet. I say to senators: human cloning by any other name, such as ‘somatic cell nuclear transfer’, should still be prohibited, as we decided in 2002. The reality is that an embryo created by the fusion of an egg and sperm is an embryo just as much as if the embryo were created by somatic cell nuclear transfer. An embryo is an embryo is an embryo.

We will be told no doubt that it will be illegal to implant this cloned embryo or allow it to develop beyond 14 days. But I ask two questions. Why this prohibition? And what do we do if it does actually happen?

Why these restrictions unless they are human embryos? The very nature of the restrictions cries out in acknowledgement of their humanity. Do we put these restrictions on animal cloning? No, we do not. The conclusions are inescapable: the human embryos created by cloning are not ethically or morally different from those created by an egg and sperm. Just as much as Dolly the sheep, originating life as she did as a cloned embryo, was accepted as a sheep, called a sheep, had the characteristics of a sheep and looked like a sheep, similarly a human embryo is just that irrespective of the method of its creation. The simple question is: if a cloned human embryo were implanted into a woman’s uterus, would we call the resultant birth anything other than a human? Would that person not be entitled to all the human rights we enjoy, or would the resultant child be considered a lower life form or a lower being? I trust they would not be so considered. That answers fully, in my respectful submission to the Senate, the issue of whether the human embryo produced by cloning or somatic cell nuclear transfer is morally and ethically different from that created by an egg and sperm. Clearly it is not.

To seek to differentiate and argue a qualitative difference for cloned human embryos as somehow being less worthy is unsustainable and untenable.

I now turn to the practical consequences of the proposition before us. For human cloning to be possible, it would require lots and lots of human eggs. Women’s eggs would need to be harvested and, presumably, fertility manipulated to make the harvesting process worthwhile. To commodify human fertility in this way is unconscionable. The manipulation of fertility and the harvesting of eggs would be utterly unrelated to the medical needs of the woman or a desire to fall pregnant. In short, it is demeaning of women and their fertility.

So why is this impractical and unethical proposition being promoted? It is being promoted on the basis of some potential miracle cure although no evidence of a breakthrough is to hand, even during those four years of destroying the so-called surplus embryos. False, cruel and heartless hopes have been raised in those suffering from debilitating diseases. Overwhelmingly, however, adult stem cells are proving to be and are providing exciting developments without the attendant ethical issues.

I accept that, in the purist sense, embryonic stem cell research adds to our total body of knowledge in an abstract sense. But to justify scientific research, we need a moral construct. It simply is not good enough to say that a course of action would add to our body of knowledge; otherwise, we can justify the type of experimentation in the name of science that occurred under national socialism. Science is not an end in itself; it needs to exist in a moral and ethical construct, and the ethical construct suggested by the Lockhart review is unacceptable. Human life, in the form of an embryo, is unfortunately now to be considered as a commodity
for public use. This may sound harsh, but page 3 of the explanatory memorandum to this bill tells us exactly that. It says:

In summary, a person may apply for a licence to:

- create human embryos ... and use such embryos.

What a cold, callous, unfeeling and ugly approach. Here we are creating human embryos for one purpose only, in the words of the explanatory memorandum—to use them. Of course the term ‘use’ is just a euphemism for destroying.

We are to legalise the deliberate creation of human embryos only to destroy them in the name of science and in the hope of some unknown miracle cure. To me, that is repugnant to every instinct within me. And the so-called safeguards are meaningless. Really, they are worth nothing. If it is right to destroy an embryo up to 14 days old, why not when it is 14 days and one second old or 14 days and one minute old—or, for that matter, 15 days old or, indeed, 20 days old? What is the moral, ethical difference? There is none other than that the embryo would simply be even further developed. There is no material, ethical or moral difference.

Once the destruction of human embryos, deliberately created for destruction, is justified then the 14-day limit will be seen as simply irrelevant and extended in the name of so-called scientific progress. As an aside, I note the substantial body of scientific opinion as to the absence of any likely benefits of human cloning and the waste of research funding, denying needed funds in areas where research has actually delivered—for example, with adult stem cells.

Before concluding, I will briefly deal with the issue of public opinion and some polls. As parliamentarians, we are engaged in the act of persuasion. All of us would have experienced walking into a meeting where people had a particular mindset; yet, after listening to the debate in detail, they have acted differently to that which was anticipated. Similarly, opinion polls can show us interesting things, but they do not tell us if people are able to be persuaded. And in any event, we, as parliamentarians, have a duty to make the right, sometimes tough and unfashionable decisions. We cannot outsource that duty to opinion polls or, for that matter, to Lockhart reviews.

In short, the bill fails on many grounds. No coherent case has been made as to why the change is necessary, especially given our unanimous view on cloning only four years ago. The moral and ethical issues are insurmountable if any intrinsic value is to be placed on a human embryo. Frankly, how a human embryo comes into being is irrelevant to its intrinsic value. Further, there is no real indication that this proposed experimentation will in fact lead to any medical successes. On all those counts the bill should fail.

I will close with a quote from a letter to the editor from this morning’s Examiner newspaper in my home state of Tasmania by Father Terry Southerwood of Launceston. He says:

Human life should not be created in order to be destroyed in research programs. Our whole Australian community will be grossly damaged if these bills are passed.

I fully agree with Father Terry Southerwood, and I will be opposing the legislation.

Senator BERNARDI (South Australia) (5.14 pm)—I have listened with great interest to my colleagues as they have shared their thoughts about the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006. I have been struck by the earnestness of the contributions from both the proponents and the opponents of this bill. However, as befits matters of conscience, in
this debate no one argument can lay claim to the absolute truth. Every contribution and viewpoint has been balanced by the beliefs and circumstances that contribute to each person’s personal faith and moral code. Every opinion shared in this chamber is as valid to the speaker and their cause as any other. However, the attempts by both sides to support their position through the selective quoting of eminent Australians or research scientists has only reaffirmed my belief that scientific researchers also have disparate opinions on human cloning.

So who is right? Although it may surprise some of my colleagues to hear it, that is not really the question that we should be pondering. As legislators, the real question we need to resolve is a rather more simple one, and I propose to return to that very issue in a moment. Before I do, there are some immutable facts that must be entered into this debate and they simply cannot be disputed using any rational or honest argument. One of these facts is that an embryo, at any stage of development, is the beginning of human life. This is a fact supported by the Lockhart report. It is a fact supported no less passionately by the response of every woman hoping to have a baby upon discovering that she is pregnant. Also beyond dispute is the fact that cloned embryos could ultimately result in cloned human beings. It is a case of simply adding a womb and hoping for the best.

Also beyond dispute is the value of science to humanity. Scientific research has eradicated smallpox, it has saved millions from tuberculosis and it has given hope to everyone diagnosed with cancer or similar debilitating illnesses. Science has the proven capacity to improve lives and to cure disease, and it gives hope to a secular world. Australia is an acknowledged leader in scientific research and, hitherto, we have done it in an ethical and respectable manner. One example is the 15 years of research it took Professor Chris Parish and his team from the John Curtin School of Medical Research to develop a drug that could stop a cancerous tumour from growing by starving it of blood supply. As a nation, we can be proud of our contribution to science and to the improvement of human life.

But some scientists have also been known to have pushed ethical or community boundaries to further their own knowledge or aspirations. There are numerous historical examples of actions taken in the name of science that have led to morally questionable outcomes. Take for example the scientific epiphany of Darwinian evolutionary theory that developed into the science of eugenics. Sadly, this purported breakthrough led to alarming levels of racism. It led to forced sterilisations on the grounds of racial hygiene. Handicapped people were euthanased in the mistaken scientific and social belief that it was in the best interests of the human species. Incredibly, some of these horrors were not limited to a few despotic regimes. Over 64,000 individuals were forcibly sterilised in the United States under eugenics legislation between 1907 and 1963. Of course, these scientific and social theories were never intended to cause such horrific outcomes. However, the very fact that humans were evaluated according to their materialistic and evolutionary value meant that their innate worth as human beings was cast aside. Individuals suffered from the worst form of degradation as a result and society suffered, but it ultimately saw the light.

Let us not make a similar mistake with this proposal to disregard the value of human life in the name of scientific research. The justification given for research such as that advocated by this bill is often the benefit or potential benefit to mankind. Whilst it is human nature to challenge and to strive for achievement, we are also the only species that is capable of fully comprehending the
implications of such research. We as a society need to be aware of the potential costs of what we are debating. The costs to which I refer are not financial costs but rather the unknown costs to the human condition, and these costs are extracted through a process of desensitisation. Just as we have become desensitised to an increasing level of violence in movies, just as we have become desensitised to an increasing level of bad language in our music and just as we are becoming increasingly desensitised to the use of quasi-pornographic images in advertising, so too are we becoming desensitised to the creation of human life for the sole purpose of medical experimentation.

There is clear and demonstrable evidence of this. When the cloning of mammals was considered impossible, human cloning was the preserve of science fiction. However, with the creation of Dolly the sheep, the world rushed as one to prohibit human cloning. The horror of what might eventually evolve from this extreme science was recognised as a clear affront to mankind. Then the desensitising process began. What was initially considered an outrage suddenly became an opportunity with amazing potential. The scientists said, ‘We just need a few stem cells to experiment with.’ But, despite the promise shown by stem cells given voluntarily by adult patients, this was not good enough. Lawmakers were encouraged by the scientific community to make concessions for research involving embryonic stem cells.

Just four years ago, this parliament made the first concession to researchers by allowing experimentation on surplus embryos within the IVF program. The key justification at the time was that surplus embryos were set to be destroyed anyway and in this way their demise could benefit mankind. Then it was clearly and unanimously agreed by this parliament that the cloning of human embryos was ethically and morally unacceptable. Now just 48 months later we are being asked to support the cloning of human beings and the creation of life for the sole purpose of medical research. That is the next step in the desensitisation process, and if this bill fails I am in no doubt that another variation of it will be presented to this parliament in future years. However, should this bill pass, the process of desensitisation will begin again and further bills will seek to extend the creation and cultivation of human life for the simple purpose of harvesting the result.

This bill reduces the human species to just another species amongst species. Human embryos are not the same as chickens, dogs or monkeys. Human embryos are special for exactly the same reason that we all are. Like us, they are special because they are human, and they deserve to be valued as more than just another part of the animal kingdom.

There are a number of eminent scientists who are trying to suggest that embryos are not really human life—somehow they are regarded as lesser. Somehow we are expected to believe that an embryo at 14 days is less valuable than one at 15 days, 21 days or 28 days. How else can we hope to understand the logic of their limiting the experimentation to embryos of less than 14 days? Creating human life, no matter how basic the cell structure, for the purpose of destruction or experimentation is just wrong. This bill is another example of the process of desensitisation that presents a clear danger to our society.

Even the supporters of this bill acknowledge that there are dangers. They acknowledge that it is dangerous for women, who may be encouraged to supply eggs. And in her speech Senator Stott Despoja said that if there were not enough women to donate eggs for the research to continue then, tough, the scientists will have to learn to do without. I would suggest to Senator Stott Despoja, and
those who support this bill, that we should adopt this exact same approach with regard to those who say that the more than 104,830 embryos currently available for embryonic stem cell research are not enough.

But for many scientists when is enough ever really enough? During this debate we have heard examples of how women in the UK and the United States are being offered incentives to submit themselves to egg harvesting. This bill is the first step in the human spare parts industry. This industry begets the question: do the means justify the ends—the end being a cure, or a treatment, to ease the suffering of thousands of people afflicted by terrible diseases and conditions? And this is a noble end. The desire to heal another’s suffering is indeed a righteous one. It is the proper and fitting purpose of all medical research.

However, what of the means? It is the means that is creating this moral and ethical quandary for our parliament, and for our country. The cloning of human embryos may indeed lead to amazing advances in the treatment and cure of disease. Or it may simply be another mirage giving false hope. So who is right? Well, as I said at the commencement of my address, this is not about who is right; this is about what is right. Creation of human life for the purpose of experimentation is simply wrong, and I urge my colleagues to oppose this bill.

Senator JOYCE (Queensland) (5.26 pm)—The Senate is debating the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006. There are decisions that are made a priori—that is, before an action—and there are decisions that are made a posteriori—that is, after an action. If the waves of misfortune are to throw a person on the rocks where they have to deal with a pregnancy unplanned, that decision is after the issue, which is a posteriori. This debate deals with the full knowledge before fertilisation so it is a priori. So this debate is definitely not the abortion debate and we should not connect the two.

I refer to repeal of subsection 20(1) of the Research Involving Human Embryos Act 2002, and substitution that includes precursor cells from a human foetus. This subsection deals with the use of ovaries from aborted foetuses and, as such, brings forward the concept that an aborted child will have its ovaries surgically removed, with all the ethical connotations that has. Under extension of the 14-day rule, a person could be the grandchild or child of someone who was never born. However, this does prove that they were quite obviously alive. The quandary is, of course, about a person of full rights whose progenitor had none—in fact, who never took a breath.

This debate does more harm than any other to those suffering the afflictions of type 1 diabetes, Parkinson’s disease and spinal cord injuries, because it distracts funds and resources from proven technology and advancements in adult stem cell technology and directs them to the hypothetical and acquisitive aspirations of predominantly pharmaceutical manufacturers.

How can you look a child in the eye and suggest you have a cure for something when you know you have not? Well, results would suggest that you are doing just that when you place hope in embryonic stem cell research that has not been proven in animals. The mirage of embryonic stem cell research has absorbed a budget of $3 billion in California, $30 million for the disgraced and discredited Professor Hwang in South Korea, and immense budgets elsewhere around the world—including, unfortunately, here, where the majority of $100 million has been allocated to the National Stem Cell Research
Centre. The funding is there worldwide, with no tangible embryonic stem cell results. I do not think we should feel left out if we fail to catch up in the subsidisation of the non-delivery of embryonic stem cell extravagance.

As recently as last week a liver was developed by a team led by Professor Colin McGuckin, in Newcastle, England, using stem cells from umbilical cords. This is non-controversial, factual and current, and we are thankful that he was not distracted by the hypothetical results of embryonic stem cell research in this crucial development. The supposed benefits that have been inspired by research on embryonic stem cells—the treatment of type 1 diabetes, spinal cord injuries and a range of other maladies—are belied by the fact that embryonic stem cell therapies cannot even be proven in animals.

Professor Itescu, Director of Transplant Immunology at New York’s Columbia University Medical Centre states that much of the understanding pro-cloning advocates hope to acquire could come from animal work and that:

... returning to this approach would take all of the ethical drama out of the discussion and lay it back on strong scientific foundations.

That is, if we go back to animals, we can lay the scientific foundations that proffer the case of so many who support these bills. Surely this would seem the reasonable first step, unless there is another motivation as to why we wish to work on human life now. Another issue is that, on passing this legislation, we are agreeing with the argument that is put forward in the Lockhart report that:

... embryos formed by fertilisation of eggs by sperm may have a different social or relational significance from embryos formed by nuclear transfer.

That is stating that human life created by this technique has no rights because it has no social or relational significance. With regard to the word ‘may’ how can it be that it may have rights if its purpose is to be destroyed? Refugees have no social or relational significance. So are we by default now presupposing that they have no rights or have we come to the conceit that we can pick and choose our moral premises which can fluctuate as required from issue to issue? Do you have a basic right that others without fault do not have, even in this nation? If the embryo created was allowed to grow, would he or she be something akin to a slave, a person of no social or relational significance or would it be that a slave would have more rights because they may attain these rights whilst those conceived under this legislation would be defined as having none and no prospect of attaining any? Do we implicitly, by association in legislation, say that ovaries are now commercial property disassociated from the person and as property can be extracted from prisoners in China or aborted foetuses in Australia? These so-called ‘useful parts’ will be used in their thousands as test materials for the effects of drugs on human life.

Fast forward from 2002 to 2006 and we are now engaged in another stem cell debate but this time it is about deliberately creating new embryos by the method of somatic cell nuclear transfer, SCNT, or cloning to obtain their stem cells. All of the same reasons for lifting the prohibition on frozen embryos are being used again to argue for the lifting of the prohibition on cloning. Only this time we are told the impediment of tissue rejection can be solved through harvesting stem cells from a cloned embryo of the patient.

As the Lockhart review process was in its early stages, some politicians and members of the media began to talk about the need to legalise the process called somatic cell nuclear transfer as a new way of deriving rejection-free stem cell lines that could lead to the much talked about potential miracle cures.
The use of such technical terminology had the potential to effectively expunge the words ‘embryo’ and ‘clone’ from the debate, sidelining opponents with ethical concerns. However, it soon became clear that SCNT was the same process used to create Dolly the sheep and numerous other animal clones.

To its credit, the Lockhart committee recognised that SCNT did in fact create a human embryo. Lockhart chair Loane Skene did not seek to hide this. On Friday, 20 October, she told the Standing Committee on Community Affairs inquiry into the legislative responses to recommendations of the Lockhart review:

Other people have said to us that what we are talking about today, a somatic cell nuclear transfer embryo, is better not being called an embryo. We did not shy away from calling it an embryo because it is conceivable, as happened with Dolly the sheep, that if that entity were put into a woman, after a lot of care, it could in fact develop into a foetus. So we did call it an embryo.

The only difference between Dolly the sheep and Lockhart style cloning was it would be illegal for the cloned embryo to be allowed to live more than 14 days and to be implanted in a womb. Unlike Dolly the sheep, Snuppy the puppy and Matilda the cow, Billy the human clone will never be born if the Lockhart recommendations are followed. For the first time in our history, we have proposed a law that creates human life and then mandates its destruction. To get around this inconvenient truth, Professor Skene says an SCNT embryo has a ‘different moral status’ from those created in artificial reproductive technology programs.

The Senate Standing Committee on Community Affairs majority report into Lockhart goes to great pains to distinguish between an egg and sperm embryo and an SCNT, Dolly style, embryo. While the words ‘embryo’ and ‘clone’ were allowed, other linguistic techniques are used in the majority report to set our minds at ease. We are asked to believe that there is a difference in the ‘intrinsic value’ between a cloned embryo and an egg and sperm embryo, justifying its destruction. We are asked to consider that an SCNT embryo is not ‘equal to’ a naturally fertilised embryo, that now we are differentiating between what is equal and what is not equal in human life.

Did the living Dolly the sheep have a different moral status from Mary’s little lamb because Dolly grew from a cloned embryo? Sure Dolly died prematurely wracked with arthritis and other genetic defects, but she baed like a lamb, ate grass like a lamb and grew wool like any other lamb. Just because Dolly was disabled as a result of scientists messing with her DNA, does that mean she was of less intrinsic value, of different moral status or less equal to all the other little lambs?

History is littered with examples of relegating various genetic forms of human life to a subgroup of the species. Knowing from the cloned animal models that a cloned human is a real scientific possibility, if we then buy in to the idea that these clones are somehow less human than the rest of us, we have no choice but to be intellectually honest and accept the case for reproductive cloning. If the embryo created through SCNT is of less ‘intrinsic value’ and not ‘equal to’ an egg and sperm embryo, why should this parliament maintain a barrier to reproductive cloning to solve our chronic shortage of transplant organs?

Why is the line drawn at 14 days? It is only because it is ink on paper: we have said 14 days—why not draw the line at 14 weeks, 20 weeks or whatever level you consider relevant? Surely a foetus that develops from an embryo that is subhuman maintains that different moral status Professor Skene talks of. In calling for reproductive cloning, Mel-
bourne’s Professor Julian Savulescu is just following through with the logical extrapolation of the ethical jump this parliament is considering. Writing in the *Journal of Medical Ethics* he says:

It is morally required that we employ cloning to produce embryos or foetuses for the sake of providing cells, tissues or even organs for therapy, followed by abortion of the embryo or foetus.

Perhaps this is the ultimate form of ‘therapeutic cloning’. For those who cross the ethical Rubicon before us this week, the intellectually consistent position will be to join Professor Savulescu in saying it is not only permissible to clone embryos, grow them in a womb and then abort them for their tissues and organs, but it is morally required. At least the professor has the intellectual honesty and the courage to acknowledge that this is where his ethical position on human life takes him—a place we are all headed if we vote for this.

I asked a question of Mick Keelty, director of the AFP, in Senate estimates last week. Do we torture anyone and, if not, why not, as it could achieve attaining a great deal of information? The reason we do not is that, though the outcome could possibly be relevant, the process is anathema. Why do we get so shocked by the statements of Taj al-Din al-Hilali? We do not seriously believe that he has an intention to rape or that he is inspiring people to rape. His statement of culture is repugnant, as he diminishes our basic view on what we believe our value position in Australia to be. The action of rape is not required for the ethos alone to be repugnant. The fact that we are about to legislate the differentiation in the value of human life is repugnant to me.

What does the word ‘conservative’ mean? I always presumed it meant that caution should always prevail when manipulating the fundamental philosophical compass points in our society. Trying to avoid harm is the noble arm of where I believe conservatism in any party should be. Conservatism appears to have descended to mean a belief in fiscal rectitude. When we iron out all the social contours, is this what we are left with to inspire—a fanatical belief in fiscal rectitude? We should maintain the belief in the deeper philosophical guidance that precludes a change of our society that is unwarranted. As there has been billions invested elsewhere in the world to no effect in embryonic stem cell research, I think we can safely say that embryonic stem cell research in Australia is unwarranted.

That we are content with the status quo and are not willing to meddle with the known compass points if it affects the fundamental belief structure that underlines our current freedoms is, in my belief, the foundation of what we are as Australians. This is one of the last contours in Australian ethical debates and takes us to the position that an amorphous and nebulous paradigm of beliefs can sustain the strength of the nation in the threat of future cultural and ethical challenges. Nature abhors a vacuum, and when we legislate away our belief structure do not think for one moment that the position is final. New beliefs will take the place of our current lack of them and fanaticism will walk unimpeded into a new chapter of Australia in the next 50 or so years.

The call we have to make when removing our social and moral contours is: can we instil a belief in our nation, whose strength will be gained from issues such as fiscal rectitude? Will our evolved belief structure be strong enough to impede the growth in the dynamics of other cultures in our nation?

So to those among us here who pride themselves on social justice, I would love to see the passion that is so often extended to other issues delivered to inhibit the creation
of stateless, valueless human life in Australia. I implore you to look at maintaining the wider sincerity to your defence of the rights of all Australians. If you believe in the equality of a person regardless of age, race, sex, religion or other issues then how can you abscond from the defining of a relevant argument as to what stage in your life these inalienable rights descend on a person and why? This argument has been avoided in this debate like the plague: when do we attain rights? By endorsing this bill you acknowledge that there are those in our nation without rights, as there has never been given the clear argument as to why embryos are not human life.

Senator CHAPMAN (South Australia) (5.42 pm)—The debate we are engaged in today on the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006, in essence, is to decide whether any legislative changes are required, in response to the legislative review committee, also known as the Lockhart committee review, to the 2002 laws prohibiting human cloning and regulating research on human embryos. The Australian parliament first considered legislation on cloning and embryo experimentation in 2002 on a conscience vote. The Prohibition of Human Cloning Act 2002 and the Research Involving Human Embryos Act 2002 were the result of many hours of parliamentary debate in this place.

When those bills came before us no parliamentarian spoke in favour of creating embryos for the purpose of research and experimentation. The point of division between parliamentarians at that time was whether experimentation on excess embryos produced during in-vitro fertilisation and other procedures for artificial reproductive technology should be permitted with the consent of the donors. The laws were reviewed three years later by the Lockhart committee. This review made a number of recommendations, including continuing the ban on reproductive cloning and the creation of hybrid embryos. The Lockhart committee has recommended lifting the ban on human embryonic cloning for research, clinical and training purposes, including deriving stem cell lines for possible therapeutic purposes, providing such embryos are not implanted into the womb and are not allowed to develop for more than 14 days. The bill we are debating today gives effect to these recommendations.

It is at this point I have to take issue with arguments I have heard by supporters of the legislation during my intermittent monitoring of the debate during the day. Senator Webber, for example, asserted that opposition to this bill was based on the slippery slope argument that this legislation would pave the way for further changes later, reducing embryonic protection. Let me say that this is not a point I had considered in reaching my position on the bill, and therefore I had not planned to include it in my remarks. However, given that Senator Webber and subsequently Senator Stott Despoja have raised it, let me say that the very fact that we are debating this bill proves the veracity of the slippery slope argument. As I said, four years ago we debated and the parliament passed the Prohibition of Human Cloning Act 2002 and the Research Involving Human Embryos Act 2002, which at the time, it was claimed, went as far as we should go and needed to go on this issue. Yet here we are barely four years later debating another bill to remove restrictions contained in that earlier legislation. I say the slippery slope case is proved. How long before we will be back here again in the name of science removing the very limited protections claimed to exist in this bill?

Senator Stott Despoja also claimed that there would be a lot of misleading arguments put by opponents of the bill in this debate.
However, in her remarks she failed completely to detail the misleading nature of those arguments that she mentioned. Senator Adams justified support for the bill partly on the grounds that there are a number of new senators in this place since the last debate took place. However, unless there have been substantial changes in the science or ethics over those four years, that does not justify a change. In fact, such an argument raises the suspicion that people are coming to this debate with predetermined views rather than seriously examining whether any substantial change has occurred in the facts of the science or the ethics over the last four years.

Neither the bill before us nor the Prohibition of Human Cloning Act 2002 nor the Research Involving Human Embryos Act 2002, as is commonly believed, regulate stem cell research. But they do regulate activities that involve the use of human embryos. The special character of embryos warrants a strict regulatory regime for research involving excess IVF embryos, and this is provided by the current legislation—namely, the Prohibition of Human Cloning Act 2002 and the Research Involving Human Embryos Act 2002. However, indirectly, the laws, including the bill before us, will impact on stem cell research by regulating a possible source of stem cells—the human embryo.

What we are considering today in essence is the fundamentally significant ethical challenge of the creation of embryos for the purpose of research and experimentation. The issue of research involving stem cells derived from human embryos increasingly is the subject of national debate and indeed dinner party conversation. The issue is confronted every day in laboratories as scientists ponder the ethical ramifications of their work. It is agonised over by parents and many couples as they try to have children or to save children already born.

Recent developments in human stem cell research and human cloning have underneath them the profound question of the human embryo. There are many and varying definitions of the embryo in medical, biological, botanic, historic and legal fields. The lack of scientific rigour in definitions renders it difficult to sustain much of the argument in favour of this bill today. On the one hand we hear regularly of the alleged great potential benefits which lie in these areas of research. On the other hand is the great question that is posed right at the starting gate: is it right to engage in research that involves the human embryo? That is the issue that must be addressed and should be the focus of our attention today.

The meaning of an embryo in past debates was considerably simpler than it is today. Five or six years ago one might have said that the embryo was a simple fusion of sperm and egg. Of course, that would have left out Dolly, the product of cloning. Some would say Dolly was never an embryo and question whether she was ever a foetus and perhaps debate if she was even a sheep. These are just a sample of the conundrums arising because of the advances in technology. Let us not overlook that we are not looking at botanic or indeed animal embryos today. One of the consequences of this bill is that it is challenging the very concepts that we have of the entities involved, and the entities in this particular instance are human beings.

One of the things that we do know is that at one time all of us that are here in this chamber were embryos. All of us were fertilised two-cell, four-cell and eight-cell embryos. If the embryos had been destroyed, we would not be here. Some proponents of the destructive embryo research as provided for in this bill try to deny moral status to all early human embryos. They have coined the term ‘pre-embryo’ to describe human em-
bryos in the first two weeks of their development, seeking to justify destructive experimentation during this early stage. However, the term and concept of pre-embryo has never been accepted in international health, medical or ethical debate and is rejected by contemporary textbooks on embryology.

What is indisputable is that a new human embryo, the starting point for human life, comes into existence with the formation of the one-celled zygote. That is the sequence of events that begins with the contact of a sperm with a secondary oocyte, the ovum, and ends with the fusion of their pronuclei—the haploid nuclei of the sperm and ovum and the mingling of their chromosomes to form a new cell. This fertilised ovum, known as a zygote, is a large diploid cell that is the beginning, or primordium, of a human being. The embryo formed by the combination of 23 chromosomes from each pronucleus results in 46 chromosomes in the zygote, which now exists as a genetic unity. In somatic cell nuclear transfer, also known as SCNT, the egg cell’s single set of chromosomes is removed. It is replaced by the nucleus from a somatic cell, which already contains two complete sets of chromosomes. The resulting embryo contains both sets of chromosomes and also forms a genetic unity.

It is a fact that the nuclear transfer group of cells constitutes an embryo. There is the very fact that Dolly was born, and the many species afterwards in which that was done. Accepting the fact that it has a high attrition rate and it has other problems, the fact that it is capable of happening renders the SCNT outcome an embryo. Although produced in a new and bizarre manner, a cloned embryo grows and develops as a living organism in the same way as one produced by fertilisation. The only difference between fertilisation and SCNT lies in where those two sets originated. In both cases, the embryo formed has the potential to grow into a complete human being. It is known as ‘totipotent’ because its potential is total.

After fertilisation or nucleus transfer, the cell is dividing to form a ball of cells. These cells start to differentiate and become specialised a few days after fertilisation. Before they start differentiating, though, each of the cells already contains all the genetic code needed to grow into a foetus; therefore they are all totipotent at this point.

Those supporting this bill attempt to rationalise embryos with less than 14 days of life as being ‘pre-embryonic’ and available for experimentation and destruction. Make no mistake: that cluster of cells is the same way you and I, and all the rest of us, started our lives. Experiments which subject the zygote or embryo to any significant risk are the ethical equivalent of the infamous medical experiments that were inflicted on unwilling and uninformed victims in Nazi death camps. Ends do not justify the means. Thus, no matter how helpful embryo research might claim to be, it should not be undertaken if the embryo is eventually killed or subjected to a significant risk. A human zygote and human adult have equal ‘human-ness’. To destroy the zygote is to destroy an actual human being, not a potential human being.

I cannot support legislation which devalues life, and which callously disregards the right of human life in its earliest stages. I find it alarming that the Senate Standing Committee on Community Affairs, in its final report, considered that embryos formed by fertilisation of eggs by sperm may have a different social or relational significance from embryos formed by nuclear transfer, and hence justified its recommendation to use not only SCNT but, more alarmingly, animal eggs to form hybrid embryos with the nucleus of a human cell.
Proposals to use nucleus transfer techniques in human stem cell research raise a further set of concerns in addition to those of the created embryo. Appropriate sourcing of the thousands of eggs that are needed for SCNT research and experimentation is the first of these concerns. SCNT requires human eggs, which can only be obtained from women. The most common source of these eggs today is eggs that are produced and are in excess of the clinical need during IVF treatment. The IVF egg harvesting procedure in itself carries some health risks—and even the risk of death.

Ovarian hyperstimulation is an extremely painful and risky egg harvesting procedure that millions of women will be required to undergo for embryonic stem cell research to be used widely. It is estimated that the lowest number of women required in order to use embryonic stem cell treatments for diabetes in America—just one disease—is 29 million women. The process of ovarian hyperstimulation involves an intense regimen of hormone shots followed by an extremely uncomfortable egg-harvesting procedure and poses the risk of impaired future fertility, stroke and death.

The question is: how is it that large numbers of women will be enticed to part with their eggs, given those risks? It follows that egg harvesting will result in the commodification and commercialisation of women’s ovaries, and the exploitation of women with financial difficulties, those from a lower socioeconomic background, with lesser education and without the opportunity to fully comprehend the risks and give informed consent. According to the World Health Organisation, these deaths are rare and occur about once in 50,000 treatment cycles. However, if we consider the ratio of the millions of women from whom eggs would need to be harvested for just one disease, that would translate into hundreds, even thousands, of deaths.

Let me now turn to the arguments, firstly, that there are no good alternatives to embryo research and, secondly, the great potential benefits that are going to come from embryo research, meaning the development of all kinds of products which will help to save the lives of millions of people. Apart from the veracity of that claim, it raises another issue which I believe does not get the important attention it deserves in this debate—that is, the question of who is going to benefit. We already know of many examples around the world where people have diseases that we can treat now, with our existing medical technology, but they do not benefit because they do not have access to those known treatments. We also know that 11,000 children die every day from a lack of clean water, yet often you hear in this debate how this is going to be good for our children. We may well ask: which children are those?

Claims made by those proponents of a looser regime on embryonic stem cell research and experimentation—that is, those who do not see a problem with killing human life at its earliest stages—reveal a pattern of public, deceptive hype. The advocates of embryonic stem cell experimentation list a large number of conditions to support their rejection of ethical concerns and list exaggerated promises of dramatic cures for cancer, Parkinson’s disease, diabetes, kidney disease, multiple sclerosis, macular degeneration and a host of other diseases.

I do not question the use of adult stem cells in the treatment of current conditions, but the fact remains that there is no evidence of any therapies for any of these diseases becoming available in the near future from embryonic cells. The California Institute for Regenerative Medicine, the world’s best funded stem cell institute, predicts that there
will be no cures for at least 15 years from embryonic stem cells. In the five years since human cloning to generate stem cells was legalised in the United Kingdom, no clinical therapies have emerged or even seem likely. Indeed, the natural propensity of embryonic stem cells to exhibit chromosomal abnormalities and the abnormalities of cloned mammals act against any future likelihood of success.

The hype and misinformation surrounding the false claims of the potential benefits of embryonic cell research are no justification for the creation of embryos for the sole purpose of conducting scientific experiments. It must not diminish our moral responsibilities in relation to the embryo. Indeed, I draw on the Lockhart committee’s own words on page xiv of their report where they state:

Conversely, where benefits are not yet established, or where there is widespread and deeply held community objection, then total prohibition through the legal system may be justified.

This is precisely what is before us—benefits which are neither clinically nor therapeutically evident, nor likely in the foreseeable future, and, judging from the volume of correspondence to my office, research which is objected to by a significant section of the community. It simply does not follow that the Senate committee should conclude that our community standard has so changed in three or four years that it be reflected in the finding that the creation of embryos specifically for experimentation and destruction is permitted, provided only that the experimentation is aimed at improving the lot of humanity.

Equally abhorrent is the recommendation of the Lockhart committee that animal-human hybrid clones be produced. It states on page 172 of its report:

In order to reduce the need for human oocytes, transfer of human somatic cell nuclei into animal oocytes should be allowed ...

This is an unacceptable alternative to mass harvesting of eggs from women. Stem cells can be derived from sources other than embryos—from adult cells, from umbilical cords that are discarded after babies are born and from human placenta, bone marrow and other adult tissue. Research on these types of stem cells is promising and is delivering results. Many patients suffering from a range of diseases are already being helped with treatments developed from adult stem cells. Other methods of harvesting stem cell lines where embryos are not destroyed are just as effective at producing stem cells and should be fully explored as the first option. There are no specific and credible reasons why Australia needs to approve therapeutic cloning. Recent international scientific developments report ‘reprogramming’ of adult cells to work virtually as embryonic stem cells for the generation of patient-specific cell lines for transplantation or for modelling different diseases.

I am a strong supporter of science, technology, research and development, and I certainly want biomedical research to produce cures for terrible diseases. But there are alternatives to creating embryos for experimentation and research. We should not abandon respect for life by denoting embryos as a means to an end or by creating them with the intent of rendering them less equal by virtue of the nature of their creation. My position on this bill is that of being pro human values. I cannot support any legislation that gives science the justification to create human life only so that it might be experimented on and destroyed without respect for the dignity of that potential human life. I opposed the Research Involving Human Embryos Act in 2002 as a bridge too far. This bill attempts a bridge even further and I reject the bill in its entirety.

Senator FERGUSON (South Australia) (6.03 pm)—I rise to speak briefly on the
Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006 because I believe that I have an obligation to let the Senate and my fellow constituents know why I am taking the position that I am in relation to this bill. I did not find this a difficult decision to make. Many people did, but I did not. As a matter of fact, I must be one of those ‘rebel conservatives’ that I read about a couple of weeks ago in the Financial Review, which was making comment about a document that was supposed to have been leaked to the Financial Review. I must be one of those ‘rebel conservatives’ because I intend to support the bill.

There are a number of reasons why I intend to support the bill, but I preface those remarks by saying that I am a Christian and a regular churchgoer—not quite as regular as I should be, perhaps, but regular nevertheless. One of the things that I took into consideration was that on the Lockhart committee there were also a number of regular churchgoers who came to the unanimous position that they did at the end of their deliberations. As far as I am concerned, this is not a matter of a Christian or a Christian church having a singular view. There are many views amongst people who count themselves as Christians in our community. There are probably many views amongst those who belong to other religions as well, but in this case I will be supporting the bill.

Thirteen years ago my eldest daughter was diagnosed with MS. I do not expect that the research that would be entered into by the passage of this bill is likely to bring a miracle cure; no-one expects miracle cures. But if through the passage of this bill we could give scientists the ability to find a cure for many of the diseases which are now incurable I would never forgive myself if I voted against the bill and did not give medical research the extra possible opportunity to succeed in finding a cure for some of the terrible diseases which are now incurable and which afflict so many in our population. And so I did not find it a difficult decision at all. I have intended to support this bill from the very minute that it was proposed by Senator Patterson.

I also want to talk about the use of this sort of research in other countries. If we in Australia decide that we are not going to proceed down this line of medical research, it is not going to stop the use of embryonic stem cells in research in other countries around the world. Belgium, China, Israel, Japan, Singapore, Spain, Sweden, the United Kingdom and South Korea are all countries which, in some form or other, allow the creation of embryos both by fertilisation and by nuclear transfer. This is certainly the current position for research in the United Kingdom, Belgium and China.

If we do not proceed along this line in Australia, it does not mean that it will not take place. It does mean that many of our brightest and best in the research field might have to go elsewhere to pursue their careers, but it does not mean that it will not take place. I certainly believe there are those in the past who have managed to come up with cures for many of the diseases which terrified the world for a long period of time. Just think of the effect that smallpox had in the 1700s and 1800s. Just think of what the discovery of penicillin did for a whole range of other infections. Just think of all the research that has taken place, many of it by Australian scientists, who are regarded amongst the best in the world. I see Senator Bob Brown in the chamber. I am sure, Senator Brown, that as a medical doctor you would know of the enormous ability of Australian researchers and the amount of work that they have put into medical research, sometimes coming up with cures for diseases which have never been found in other countries. So we have all these other countries in the world which cur-
rently allow this sort of research. The United Kingdom has permitted the creation of embryos via somatic cell nuclear transfer since 2001. Canada permits the use of embryos excess to IVF needs. I have not got a list of all of the countries, only of some of those countries that are currently benefiting from the ability to use this research.

I looked at the committee’s report on the Lockhart review recommendation. I noticed the quality of people who were part of that Lockhart review—a review commissioned by the government. The Lockhart review came up with a number of recommendations to the government, and then the Senate committee has looked into that review in having an inquiry into the bills that were put forward by Senator Patterson and Senator Stott Despoja. I looked carefully at the prohibitions that they had included in their recommendations, and the prohibitions that they have placed on this bill are sufficient for me to support the bill because they have put safeguards to the extent that I do not believe that anyone involved in medical research will be able to misuse the ability to do research that the passage of this bill will provide for them.

These are things such as a prohibition on the implantation into the reproductive tract of a woman of a human embryo created by any means other than the fertilisation of an egg by sperm. That has been prohibited in the past and will continue to be prohibited. It is obvious from the six or seven prohibition clauses in the recommendation that the committee has looked very carefully into the provisions of the private member’s bill proposed by Senator Patterson. And it has decided that putting these prohibitions in place will take care of many of the fears some people may have had about the passing of this bill allowing this research to take place. As I said at the start, it was not at all a difficult decision for me. I know some people have agonised over which way they should vote on this, and I may be voting in a different way from how many of my colleagues and also many of my friends would expect me to vote. But I do so with a conviction that we should give medical research every opportunity it can possibly have to try and rid this world of some of the terrible afflictions that young people today have to live with. You only had to be in the House the other day with the kids with juvenile diabetes to know that they are pleading, ‘Please find a cure.’ They are pleading with research to find a cure for this disease which at times afflicts children from such a young age.

In my personal case, with my daughter with multiple sclerosis, as I said I do not expect miracle cures to come from this. But if a cure can be found—and I hope that one can be—as I said from the start, I would never be able to forgive myself if I did not support a bill that would give medical scientists every chance to find a cure for these diseases.

Senator SANDY MACDONALD (New South Wales—Parliamentary Secretary to the Minister for Defence) (6.12 pm)—The Senate is debating the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006. I will not be supporting Senator Patterson’s bill, although I understand the considerable amount of work and the good intent of her and her supporters. I remember the debate we had on embryonic stem cell research in 2002. It was a very difficult debate, and the parliament was divided on the issue. However, we were not divided on the issue of cloning. There was no voice raised in opposition to the prohibition of human cloning at that time. There was no voice raised saying we should allow the creation of embryo clones for research. Now it is 2006. We are not having the stem cell debate all
over again. We have embryonic stem cell research in Australia. It is already happening. Today we are simply having a debate about cloning. And I have to say that I have not seen sufficient evidence to make me change my opposition to creating embryo clones for research or reproduction.

It is a huge proposition to put to me that I should support human embryo cloning. It is a major step to go from using excess IVF embryos for research to creating embryos that are the clone of a human being and then using them for research. You would need ironclad guarantees that it was going to solve all the woes of medical research in order to go ahead. And they are not there. No-one has even created a human embryo clone yet. No-one has derived stem cells from one, and no-one has proven that the technique will be therapeutic in any way. I need to see a lot more evidence of benefits than I have seen so far in the four years since 2002. As Professor John Martin submitted to the Senate committee:

Any move towards the deliberate manufacture of human embryos for research purposes constitutes a major elevation in the ethical barrier, and the standard of proof required for a positive outcome of that research becomes all the higher.

I was astonished to learn from the NHMRC that only nine licences have been given since the 2002 debate. Only four of these relate to deriving embryonic stem cells and only one—imagine that: only one—has been given with the aim of treating a specific condition. What did we go through all that debate for last time? It makes me extremely wary of listening to the claims by the same people this time around for cloning.

We are legislators. It is our job to allocate resources across competing interests. It is our job to make tough decisions, and, frankly, this one is not tough. 2002 was tough. But human embryo cloning is a no-brainer in my view. Creating human embryos with eggs from cadavers or animals is not a process I would be proud to endorse. Surely there is a lot more to do under the existing regime before we need to go down that road, if we go down it at all. We are not being asked to sign off on a routine medical procedure or a straightforward research proposal here today. We are being asked to sign a blank cheque on an unknown and unproven theory, a hypothesis that one day in our grandchildren’s time might—might—lead to cures for diseases.

I am also very put off by all the division within scientific ranks over the cloning hypothesis. Frankly, I do not understand why we are even considering a proposal for human-animal hybrids when Australia’s Chief Scientist, James Peacock, has called for the banning of animal eggs in therapeutic cloning. Why is this bill running contrary to the advice of Australia’s Chief Scientist?

Amongst all the conflict and division of the experts as they faced the Senate committee hearings, I was struck by the unanimity of one line of reasoning. Everyone seemed to agree that there was a lot that could be done under the present regulatory environment, which was installed after the 2002 debate. I would like to demonstrate this by reading a few quotes from the Senate Committee Hansard. Senator Polley asked in one of the hearings:

... does the current legislation environment allow further human embryonic stem cell research into the areas of proof of concept of treatment in animal experiments, overcoming their teratoma cancer problem and the instability of human embryonic stem cell properties and learning whether disease-specific colonial embryonic stem cell lines will be helpful? Can all of these things be studied now without changing the law?

The reply from Dr Sidhu, the Manager of the Embryonic Stem Cell Group at the Prince of Wales Hospital, was:
Absolutely; we can do that with the existing legislation in place.

Professor Mackay-Sim, a former Queenslander of the Year, was asked a similar question on whether the current legislative environment allows for much further work to be done using embryonic stem cells without cloning being required, and he responded:

That about sums it up, yes.

Professor Tuch, Director of the Diabetes Transplant Unit at the Prince of Wales Hospital, was asked at the Senate committee hearings:

Would you agree that there is still a lot that you could do within the parameters of the current regulatory regime?

And he replied:

The answer to that question is; absolutely yes, of course; under the current situation, yes.

Dr Munsie is the Scientific Development Manager at Stem Cell Sciences Ltd. She reported to the Senate committee on the objectives of a research project currently underway under the existing legislation:

At the moment we are going to learn how to grow embryonic stem cells better, and the crux of this project is exactly that: how to grow them and then how to direct their fate—how to direct them into nerves—so that ultimately we can treat diseases where there is damaged tissue, such as a cardiac infarct or a Parkinson’s disease patient. But we are not at that stage yet.

I think, as Professor Martin Pera previously indicated, there are many hurdles to overcome and we want to address these responsibly. The first is how to grow the cells without animal products. We want to be able to grow cells that are of an acceptable clinical grade. The second issue is how to direct their fate so that we are putting back cells that are going to be beneficial to the patient and that do not have a risk of tumour formation. I think we are a while away.

The point is exactly that—these researchers are a while away from anything conclusive. They are busy doing lots of important things and have lots of other important things to do, all of which can be done under the existing legislation. I think we should let them do just that—get on with the job of proving up their science. They have the tools, including the regulatory environment of 2002, which still has a long shelf life, according to even the most ardent pro-cloning scientists. (Quorum formed)

Senator EGGLESTON (Western Australia) (6.23 pm)—The Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006 before the Senate today, put forward by Senator Patterson to permit somatic cell transfer or cloned embryos to be formed, is to enable, among other things, hybrid animal-human embryos to be created. I am opposed to this legislation because I believe that the Senate is yet again being rushed into enacting laws to suit the interests of the biotechnology industry before there has been time to fully appreciate the implications of these proposals and give adequate consideration to whether changes are needed for the regulatory regime surrounding stem cell research. I am also deeply concerned by the observations of both the Chief Scientist, Professor Jim Peacock, and Associate Professor Sherley, who are on opposite sides of the debate, that federal parliamentarians did not appear to be well informed about the science of stem cell research or the ethical and regulatory considerations needed to surround the use of such technology.

The Senate first debated the issue of the use of stem cell therapy four years ago, in 2002, when a bill was put forward to permit this research to be carried out on human embryos. At the time, quite striking claims were made about the possibility of being able to provide cures for such problems as juvenile diabetes, Parkinson’s disease and motor neuron disease and to repair the injuries to the spinal cord caused by accidents, within a
short period of time. For example, the public were told by Bob Carr, the then Premier of New South Wales, that such treatments would be only four or five years away if stem cell research were permitted to go ahead.

But, as of course so often happens in medical research when miracle breakthroughs are claimed, the reality was not quite so simple. This was conceded by the panel at the forum arranged in Parliament House by the supporters of this legislation a few weeks ago, when it was said that the expectation of when stem cell therapies would be available and the extent of them had been overstated in the hope of attracting support from the federal government and others for such research to be permitted and go ahead.

Today it is recognised that the time frames involved for the development of therapies from stem cells are very long indeed, because there is a great deal of basic research to be done before treatments can be considered, much less used, in human patients. At that meeting in Parliament House some weeks ago, Professor Ian Frazer—who, as you would know, was the Australian of the Year—said that therapies could not be expected to be available to treat patients for at least 75 years. And in a personal conversation I had only last week with Professor Alan Mackay-Sim, from Griffith University in Queensland, he said that the amount of basic research which needed to be done meant that treatments were decades away.

As a doctor, I would of course be delighted if stem cell research were to provide a means of treating some of the serious illnesses which afflict mankind, such as juvenile diabetes and Parkinson’s disease. But also, in this context today, more importantly as a legislator, I am profoundly concerned that the problems associated with the development of stem cell therapies are being glossed over in the haste to enact this legislation before the Senate. For example, it has emerged in the last four years that there is a great deal of uncertainty as to whether embryonic stem cells or adult stem cells have the most potential in providing the basis of further research for the development of therapies for human illnesses. Four years ago we were given the impression that embryonic stem cells had the greatest potential and that adult stem cells would be of very limited value in developing therapies. However, recently, here in Parliament House, we have heard from Professor Sherley and Professor Mackay-Sim that this assumption is far from being the case, and the balance is now tipping towards adult stem cells having the most potential to benefit mankind in treating illnesses.

Likewise, four years ago an impression was created that it was going to be a relatively simple matter to use stem cells to create new tissues to replace diseased ones by simply implanting a stem cell into the appropriate organ of the human body. It is now also clear that there are in fact some very major hurdles to be overcome before stem cells can even be considered for use in treating human illnesses.

Sitting suspended from 6.30 pm to 7.30 pm

Senator EGGLESTON—Firstly and most basically, it is apparent that no-one has discovered how to reliably trigger stem cells to grow into specific organs such as heart, brain or pancreatic cells. In fact, I have been told by Professor Mackay-Sim that this question of reliably inducing stem cells to differentiate is proving very difficult and that no-one has succeeded in developing a method of consistently getting a stem cell to differentiate into a particular type of organ cell. Again, there is a related question regarding limiting
the growth of stem cell implants which in effect could become a tissue culture in the body and keep on growing in the patient’s body, which would be quite catastrophic to the patient. Then there is the fact that stem cells from any person other than the patient would be subject to a rejection reaction just as organ transplants are.

Most importantly, cancer formation in stem cell implants is a problem. It has been confirmed that embryonic stem cells have a propensity to form a highly malignant tumour called a teratoma in 25 per cent of implants. This issue was raised by Professor John Martin, an emeritus professor of medicine at Melbourne University—as reported in the Sydney Morning Herald on 11 October this year—when he said that the risk of cancer from stem cell implants was being glossed over. He criticised the Lockhart committee for failing to highlight the risk of tumours and of genetic defects arising from the use of stem cells. Having cancer form in as many as 25 per cent of stem cell implants is a very serious limiting factor to the use of stem cell based therapies and may mean that it will be impossible for stem cells ever to be used therapeutically. Professor Sherley was quoted in the Sydney Morning Herald on 11 October as saying:

“Some might say we can solve the tumour problem. It is equivalent to saying we may solve the cancer problem.”

In other words, it is a very elusive objective.

Turning to another basic issue, I would question why human tissues are being used at all in stem cell research when usual medical practice is to carry out basic research on animal models first. I have not been able to obtain a satisfactory answer from any of the stem cell scientists I have spoken to as to why animal models are not being used to conduct this research. If animal models were used there would be none of the moral and ethical issues which at present surround stem cell research, leaving the scientists to quietly work to find answers to the very significant problems needing to be solved before the use of stem cell therapy in humans could even be considered as a realistic possibility.

I am deeply concerned by the observations of the Chief Scientist and of Professor Sherley that our federal parliamentarians do not appear to be well informed about either the science of stem cells or the ethical and regulatory considerations needed to surround the development and use of this technology. An example of this is the emphasis some colleagues seem to place on the fact that sperm are not involved in the creation of a cloned embryo, apparently not understanding that sperm are just a vehicle to transport nuclear material and that they play the same role as the glass pipette in the laboratory in making an embryo.

I strongly believe that we have got a long way ahead of ourselves on this matter of stem cell research and of the potential of stem cells being used for treatments. The best thing we could do is stop and take a deep breath and realistically appraise where we really are at with stem cell research and where we are going. Today in the Senate we have before us a bill which would take the boundaries of stem cell research out much further than what was previously regarded as wise by permitting therapeutic cloning and the formation of human and animal hybrid embryos.

I am particularly concerned about the question of permitting therapeutic cloning because allowing therapeutic cloning is a threshold which, once crossed, also means the de facto enablement of cloning humans. This is because once a blastocyst is created from cloning if placed in a woman’s uterus it would develop into a baby. Senator Patterson and the supporters of this bill will say that
such cloning of human beings will not occur because it will be prohibited by this bill. However, I believe the proposers of the bill are extremely naive to imagine that such a ban on cloning humans could not and would not be broken. For example, one of the leading medical scientists in this field said to me late last week, ‘Inevitably some medical scientists will not be able to resist the temptation to produce a cloned baby,’ and Professor Sherley is quoted in the press as holding a similar view on the grounds that scientists would become excited by the prospect of cloning a human being and would want to try to do this.

In developing my views on this matter I recently read a book entitled Our Posthuman Future: Consequences of the Biotechnology Revolution by Francis Fukuyama. Mr Fukuyama wrote:

Cloning is the opening wedge for a series of new technologies that will ultimately lead to designer babies. If we get used to cloning in the near term, it will be much harder to oppose germ-line engineering for enhancement purposes—

that is, of human babies—
in the future.

What Francis Fukuyama is referring to is that the ability to clone humans, coupled with genetic selection technology, will open the way to developments such as designer humans, in which case Aldous Huxley’s Brave New World would no longer be so far fetched. I am sure that none of us in the Senate today would want to open the way to a society that in any way resembled Huxley’s Brave New World, where humans were all clones, developed in vast incubators in which intelligence and other abilities were predetermined by genetic modification and by nutrients given to embryos.

Among those who are urging the passage of this legislation are those interest groups which have consistently sought to minimalise the very real fundamental problems which need to be overcome before stem cell therapies can even begin to be considered. In my view, it is time that we as legislators of Australia called a halt to the false air of urgency surrounding this debate and gave ourselves time to consider more carefully the implications of this legislation. It seems clear to me that the only conceivable beneficiaries from rushing this legislation through the Senate are those in the biotechnology industry. However, as Francis Fukuyama says in his book:

It is important to lay down a political marker at an early point to demonstrate … that societies can take some measure of control over the pace and scope of technological advance.

In conclusion, I urge all senators to give full consideration to the implication of the Patterson legislation, permitting therapeutic cloning and animal-human hybrid embryo formation. I urge you all to reject this legislation on the ground that insufficient time has been given for senators to become fully aware of the actual state of play in stem cell research or of the need for basic problems to be overcome before consideration can be given to developing clinically useable stem cell based therapies, much less the need to permit therapeutic cloning and the creation of animal-human hybrid embryos with all the implications such a decision entails.

Senator SIEWERT (Western Australia) (7.39 pm)—I seek leave to incorporate speeches by Senators Allison and Milne. I would like it to be noted that Senator Milne will be voting no to the legislation.

Leave granted.

Senator ALLISON (Victoria—Leader of the Australian Democrats) (7.40 pm)—The incorporated speech read as follows—

I rise this evening to make some very brief comments on the Prohibition of Human Cloning

Four years ago there was a debate in Parliament on embryonic research and human cloning. At that time there was some extremely strong feelings and debate and it is fair to say that there is still strong feeling on the matter.

The bills that were supported in the parliament in 2002 were designed to deliver a national regulatory system to address concerns about scientific developments in relation to human reproduction and the utilisation of human embryos.

The laws passed in 2002 were in an international sense relatively conservative and they included a provision that the laws be reviewed after 3 years.

Science changes and knowledge grows and presents us with new perspectives. It is right that we revisit issues in the light of new knowledge.

We have done that in this case. The Lockhart Legislation Review was charged with investigating the scope and operation of the 2002 Acts and the Review Committee reached a number of conclusions and made 54 recommendations.

The legislation before us seeks to put into place some of those recommendations.

It is worth noting that the Committee found that “despite the divergent views received by the Committee during the reviews, both proponents and opponents of embryo research agreed that the current system of legislation is valuable. Therefore, the Committee recommended a continuation of national legislation imposing prohibitions on human reproductive cloning and some other ART practices, as well as strict control and monitoring, under licence, of human embryo research.”

In line with that perspective this bill does not alter provisions prohibiting human reproductive cloning.

The existing prohibitions in place to prevent the placement of prohibited embryos in the body of a woman will also be maintained if this bill is passed.

We should be absolutely clear—this bill does not allow the cloning of complete human beings. This is something that the Australian community almost unanimously opposes and there is no intent within this legislation to lessen the prohibition on this.

This bill does however permit Somatic Cell Nuclear Transfer—sometimes referred to as therapeutic cloning. This is a process in which stem cells are produced for use in research by removing the nucleus of an egg and replacing it with the nucleus removed from a donor adult cell.

This single cell is then stimulated to allow development into a collection of cells over a short period of time. The bill before us would limit that to 14 days.

At this stage there would be a structure comprising some 100 to 200 cells. The stem cells are then removed and used for research—in the process destroying the embryo.

The goal here is to produce stem cells—not human beings. It also needs to be pointed out that scientists believe that current indications are that blastocysts developed from somatic cell nuclear transfer are very unlikely to develop further.

In any case, this bill explicitly prohibits the implantation of somatic cell nuclear transfer embryos into the body of an animal or human.

Many of the arguments that have been proposed in opposition to this bill are similar to those that were put forward in opposition to the legislation in 2002.

Several arguments have been advanced against this bill. I will address four of them.

The first argument centres around what is life—at what point is human life formed or defined?

Some people believe that a fertilised human egg from the moment of conception has the moral equivalence of a live born child. For them nascent human life—cloned or not—has to be protected. Indeed many of those who object to the changes proposed in this bill object to embryonic stem cell research in its entirety.

Similarly some believe that somatic cell nuclear transfer is sufficiently similar to normal conception with an egg and spermatozoa that a human person also comes into existence during therapeutic cloning. The process of extracting stem cells destroys the embryo.
Personally I do not believe that a blastocyst, an undifferentiated embryonic collection of cells — whether taken from a fertility clinic or made through cloning—is a human life. It may have the potential to become a human life but it is not a conscious being.

While respecting that others have a different view, I see little difference between the creation and destruction of a collection of cells for the purposes of assisted reproductive technologies—or IVF as we commonly call it—and the creation and destruction of those cells for research into treating conditions other than infertility.

If it is acceptable that we create embryos for IVF with the knowledge that many will be destroyed, I can not see why it is less acceptable to create them for the purposes of research which has the potential to benefit so many people.

This is not the same as saying that anything goes. This bill maintains strict controls and regulations around human embryo research. Controls and regulations which are entirely appropriate. This is not a free for all.

Opponents of the bill have also recycled the argument that we should not proceed with embryonic stem cells when adult stem cell research is available.

But it would seem to me that we still do not know which of these techniques will be most beneficial in the future.

Adult and embryonic stem cells are not the same. Nor are embryonic cells from Somatic Cell Nuclear Transfer the same as embryonic cells from egg and sperm derived embryos.

The potential of these various forms of stem cells to cure disease is not the same.

It was pointed out during the inquiry that because stem cells developed from Somatic Cell Nuclear Transfer processes could be developed from people with identified diseases they would allow for a unique opportunity to look into disease formation—something which is not possible through harvesting stem cells from excess IVF blastocysts.

All of these lines of stem cell research have their place and we will only know what they truly are if we allow all to develop.

Future developments may mean that one line of research will be the more beneficial than the others but at this point in time we do not know if that will be the case. And we certainly do not know which type of stem cell research might be the most beneficial.

Opponents of the bill have argued that there needs to be overwhelming evidence of the benefits of creating cloned embryos for embryonic stem cell research to justify changing the current legislative regime.

This argument is inconsistent with the nature of research. Research is the study of something in order to discover new information. If we knew what we would find we wouldn’t need to conduct the research. If we make research conditional on prior proof of outcomes, we will not be able to conduct any research in this country.

Arguments extolling the need to protect vulnerable women have also been proposed in this debate—much was made of the so-called health risks to women in egg harvesting, as well as the risk of exploitation of women to gain access to more human eggs.

However this bill prohibits the commercialisation of human egg donation. No medical procedure is without risk which is why informed consent is central to all medical procedures. Egg harvesting is a central component of IVF and there is broad community acceptance that women should have access to this technology.

We need to be alert to arguments that make women out to be victims and which may be used by those hiding their religiously based beliefs behind a facade of caring for the health and well-being of women.

I understand that there are people who because of their religious beliefs do not support this bill, as many did not support the bill in 2002.

They are entitled to follow their religious beliefs.

But I do not believe that legislation should be used to outlaw scientific research which is widely supported within the community.

It is the duty of parliamentarians to progress the wider public good.
I will be supporting this legislation because I believe that this bill will benefit the community in the long term.

Senator MILNE (Tasmania) (7.40 pm)—

The incorporated speech read as follows—

Does the Future Really Need us? was a profoundly challenging article written and published in Wired magazine in 2000 by information technology master Bill Joy who invented Java software and who was Chair of US President Clinton’s Information Technology task force. He suggested in this ground breaking article that technology was moving so fast that ‘with the manipulative advances in the physical sciences and the new, deep understanding of genetics, enormous transformative power is being unleashed. These combinations open up the opportunity to completely redesign the world, for better or worse: the replicating and evolving processes that have been confined to the natural world are about to become the realms of human endeavour’.

He argued that an intelligent robot was not too far off with computing power making it possible by 2030. “And once an intelligent robot exists, it is only a small step to a robot species—to an intelligent robot that can make evolved copies of itself.” He says that it is a dream of robotics that we will gradually replace ourselves with our robotic technology.

This is already happening with the implantation of computer and nano-devices into the human body. The human and the robotic are merging. But can we achieve near immortality by downloading our consciousness, as Ray Kurzweil details in The Age of Spiritual Machines.

If we are downloaded into our technology, what are the chances that we will thereafter be ourselves or even human? Will we define a homosapien as a carbon based anatomy? Will we survive our own technologies or will they make us extinct?

Joy argues that we need to stop and think about the synergies between the new technologies before we proceed. “If our own extinction is a likely or even possible outcome of our technological development shouldn’t we proceed with great caution?” he asks. “Knowing is not a rationale for not acting.”

“The nuclear, biological and chemical technologies used in 20th century weapons of mass destruction were and are largely military, developed in government laboratories. In sharp contrast the 21 Century Genetic, Nano, Robotic technologies have clear commercial uses and are being developed almost exclusively by commercial enterprises. In this age of triumphant commercialism, technology—with science as its handmaiden—is delivering a series of almost magical inventions that are the most phenomenally lucrative ever seen. We are pursuing the promise of these new technologies within the now unchallenged system of global capitalism and its manifold financial incentives and competitive pressures.”

“This is the first moment in the history of our planet when any species, by its own voluntary actions, has become a danger to itself as well as to a vast number of others.”

Incredibly for someone at the forefront of his Information Technology and computing field he is thinking in the same way that David Suzuki did about genetics before he (Suzuki) abandoned it.

Joy said, “Software is a tool and as a tool builder I must struggle with the uses to which the tools I make are put. I have always believed that making software more reliable, given its many uses, will make the world a safer better place; if I were to come to the opposite, then I would be morally obliged to stop this work. I can now imagine such a day may come.”

Stephen Hawking recently posed the question on the internet “In a world that is in chaos politically, socially and environmentally, how can the human race sustain another 100 years?” After a month or two he wrote... “I don’t know the answer. That is why I asked the question, to get people to think about it, and to be aware of the dangers we now face.”

He then outlined the dangers as he saw them. The danger of collision with asteroids, nuclear war, climate change and the accidental or deliberate release of genetically engineered virus...

“Each time we increase our technological powers, we add new possible ways in which things could go disastrously wrong. The human race faces an increasingly dangerous future. There’s a sick joke that the reason we haven’t been visited by aliens...
is that when a civilisation reaches our stage of
development, it becomes unstable and destroys
itself. In fact, I think there are other reasons why
we haven’t seen any aliens, but the story shows
how perilous the situation is. The long-term sur-
vival of the human race will be safe only if we
spread out into space, and then to other stars. This
won’t happen for at least 100 years so we have to
be very careful. Perhaps, we must hope that ge-
etic engineering will make us wise and less ag-
gressive.”

It is sobering to think that two of the greatest
thinkers in and around science are contemplating
the extinction of the human species.

It is in this context of whether or not the hu-
man race will last the next 100 years or whether
we will destroy ourselves that we are now debat-
ing the question of whether to permit further re-
search and development of human cloning. With-
out this context cloning is part of modern reduc-
tionist science which deliberately separates every-
thing from everything else, doesn’t feel com-
pelled to identify the risks to any other species or
life support system. This is completely the oppo-
site to nature in which everything is intercon-
nected. You cannot talk about one of the parts
without considering the whole. Cloning must be
debated in the context of all the other rapidly
advancing technologies and its benefits and dan-
gers must be seen in an holistic way. We have to
think about science as well as within science.

Under the proposed legislation human cloning
will only be permitted in Australia under strict
conditions for research and experimentation and
not human reproduction. But it is nevertheless
advancing the science of cloning: the capacity to
replicate a human being. It is wrong to say that
just because there is no sperm involved in creat-
ing an embryo, it is not a proper embryo. It is. It
is exactly the same process that created Dolly the
Sheep.

If we do not think it is appropriate to clone a
human being, if we cannot answer such questions
as whether a clone, a copy, is fully human and
equal to the person from whom he/she is copied,
should we proceed to perfect the process? How
does cloning generate the essence of a person,
sometimes described as soul and if it can’t, then
are we not creating a lesser human, or soulless
category?

It is naive to believe that once mastered, this
capacity will not be tested in conjunction with the
other technologies to improve the cloned person
or manipulate the cloned person for military or
other purposes. Imagine an intelligent clone who
has had the section of the brain that triggers fear
suppressed. Imagine that clone with a nano skin
the pores of which close when it senses toxic gas.
Would that clone be regarded as human or a ma-
chine for warfare? Would his/her rights be equal
to those of his/her inferior original stock? Will the
enhancing of human performance exacerbate the
gulf between those who will be improved by
technological convergence and those who will
remain unimproved by choice or social economic
status? Will we think it is okay to experiment
with enhancing a clone in a way that we would
not experiment on a human created with egg and
sperm?

Respect for human life and dignity is at the
heart of our legal and moral code. Equality is the
basis of our democracy. We are putting in place a
regime that does not respect a SCNT embryo in
the same way that we respect an egg/sperm em-
bryo and nor do we consider it equal. By differen-
tiating between SCNT embryo and an egg/sperm
embryo we are undermining our own legal and
moral code and creating two classes of embryo,
defining the difference between them on the spu-
rious grounds of the relationship we have with
one of them.

In their report to the United Nations entitled,
Science Faith and New Technologies: Transform-
ing Life, The World Council of Churches asks,
“What will happen to the unimproved? Will
physical enhancement become a social imperative
as well as an enforceable legal one? In 2004 a US
Court ruled that prison officials were allowed
forcibly to medicate a death row inmate to make
him sane enough to execute. In a world where
human improvement or enhancement becomes a
technological imperative the rights of people who
do not meet the norm, for example people with
disabilities, will be further eroded and impair-
ments or disabilities will be perceived as techno-
logical challenges rather then issues of social
justice. How long before democratic dissent is viewed as correctable impairment as well?"

The argument that this will not occur does not stand scrutiny. Scientists split the atom for peaceful purposes but it was not used that way. Our society has come to accept almost without question new scientific breakthroughs without realising their potential synergistic consequences.

We now have convergent technologies enabled by means of computer mediated technologies. The National Science Foundation explains, “The phrase convergent technologies refers to the synergistic combination of four major NBIC (nano-bio-info-cogno) provinces of science and technology, each of which is currently progressing at a rapid rate: Nanoscience and nanotechnology; biotechnology and biomedicine, including genetic engineering; information technology, including advanced computing and communications; and cognitive science including cognitive neuroscience.”

Let me give you an example of a world we hardly know exists and has been approved by authorities supposedly acting in the public interest. Researchers in nanotechnology are seeking to exploit the Periodic Table of elements. Whilst they cannot patent an element found in its natural form, they can patent a purified form of it that has industrial uses. “Whereas biotechnology patents make claims on biological products and processes, nanotechnology patents may literally stake claims on chemical elements.” (Transforming Life)

In Hong Kong silver nanoparticles, highly toxic to pathogens and bacteria are being used to disinfect the Metro. But this could have a devastating effect on bacteria in natural systems and has already been shown to be toxic to mammalian cells. They damage rats’ brains and liver cells but are already in use in Hong Kong and are being considered for use in the London Underground.

In Hong Kong also, in spite of the dangers, nano silver has been approved as a base for a spray on female condom and was released commercially last year. No woman purchasing this spray could be deemed to have given informed consent.

As a concerned citizen opposed to cloning and increasingly concerned about the capital and military application of science, I need to know who will benefit and who will bear the risk of cloning experiments.

Whilst much has been said about embryonic cloning, it is adult stem cells that are providing real promise of breakthrough and cure without the vexatious, practical and ethical problems of SCNT. The claims in the media of safe and efficacious cures from embryonic stem cells are not borne out in the Biotext literature review conducted for the Lockhart Inquiry. The Korean research into embryonic stem cells has been proven to be a fraud and much of what has been written, including by the Lockhart Inquiry was based on that work.

The people who will benefit immediately are the drug and pharmaceutical companies and the people who are at immediate risk are women.

As the Gene Ethics Network argues, “The precautionary principle requires any review of the costs and possible benefits of a new technology, to consider both present proposed uses and also all reasonably predictable or foreseeable future uses including all future uses that would become feasible if further development of the technology were permitted now.”

The cloning research that is proposed can go nowhere without women. Women’s bodies are required to provide ova. The procedure has risks both long term and short term. It is clear that women will not provide ova without incentive either financial or preference in IVF or in the belief that it is altruistic. All involve exploitation. There is not a sufficient supply of eggs for this experimentation and will not be without payment or inducement or criminality involved.

The fact that Britain began with a ban on financial incentives and is now removing it because of a lack of donated eggs is a case in point. Eastern European women and many Asian and African women are trafficked already. Now there will be increased incentive for the unscrupulous to use women for profit. Many have been rendered infertile already because of what has been done to them in British clinics. Abuse of human rights and harvesting organs and body parts in China from political prisoners and those on death row
are common place. If prisoners are already being used for body parts in China, why will they not become a source of eggs forcibly taken?

Who will guarantee that cadavers will not be harvested? Who will guarantee that desperate refugees will not be a source of eggs in exchange for permanent asylum? Who will say that young women burdened by debt from university fees or under pressure with a mortgage will not sell their eggs? Some argue that they should be paid since the corporations will make millions from the patients derived from their donations.

Pressure will be brought to bear on those already vulnerable in the IVF programme to give eggs in return for reduced costs or advancement in the queue. The use of lab staff to donate eggs to the experiments of Dr Woo Suk Hwang demonstrates what can happen in the interests of furthering national pride in economies of knowledge and credibility. Altruism will be encouraged on the basis of an imminent cure for a relative or friend playing on women’s compassion.

Women are not commodities. Women’s body parts are not for sale. Women are not selfish walking repositories of eggs that are being wasted because women will not donate them. The fact that we are having this debate about finding ways to encourage women to undergo invasive procedures that have no benefit to themselves and give up body parts demonstrates of itself how far down the road we are to arguing that the advancement of science justifies harming women. No woman can give informed consent because we do not know what the health risks and impact of the hormonal stimulating drugs involved will have years down the track. The end does not justify the means.

The world is globalised. No one can guarantee that research developed here will be kept here. A breakthrough anywhere is replicated in labs around the world regardless of the ethical or regulatory regime in Australia and rapidly commercialised by multinational companies for enormous profit. Private capital will be able to access the results and the public interest may or may not be served. Consider the HIV/AIDS drugs developed in the public interest. Why are they refused to poor countries as generic drugs? Why are African children, and communities in PNG suffering and dying when drugs exist to help them? The PET scanner helps cancer patients who can pay, the poor suffer. Why would a treatment or enhancement derived from cloning be available to anyone other than the industrialised north? Why is work being done on cloning but until Bill Gates came along, not being done on curing malaria, the killer of the world’s poor?

Any Australian researcher who successfully clones a human will have set the human race on a new course because the ethics we may apply will certainly not be applied elsewhere as we have learned from South Korea, Britain and China. We might argue that no human clone can live beyond 14 days but will those in UK labs do the same once they know how to do it? We may move to try to prevent exploitation of women but ask the Eastern European women left infertile after harvesting of their eggs in British labs who protected them?

We argue that each human being is unique, that human life is precious and sacred but we are contemplating a technology that profoundly challenges that notion.

We are even stretching the definitions of what is human and what is animal. I strongly object to the creation of human-animal hybrids.

What of the results of the animal experiments involved in cloning for therapeutic purposes? Whilst no human-animal material is permitted to be implanted into a woman, given the definition of such an embryo as not human, how long will it be before restrictions are lifted and such an embryo will be allowed to live more than 14 days and be implanted into an animal? Is that ethical given the mitochondrial DNA it carries?

As the Gene Ethics Network’s Bob Phelps argues, “An enucleated animal oocyte also contains mitochondrial DNA that interacts with nuclear DNA in ways that are little understood. A hybrid embryo clone produced by SCNT from a human somatic cell into an enucleated animal oocyte would have mixed animal (mitochondrial) and human (mitochondrial and nuclear) DNA in each cell.” You cannot define a hybrid embryo as not a human embryo because all of its nuclear DNA would be of human origin.
Is such a creature animal or human? Will we use human genetic material to improve the intelligence or performance of animals?

What of the animals used in this cloning experimentation? How many animals will be euthanised to access their eggs to reduce the number of human eggs required to determine the fertility of male sperm?

I support the precautionary principle. I recognise the promise of adult stem cells for research and therapeutic purposes and as with all others hope that it may produce the cures so longed for, but I reject human cloning. I reject human-animal hybrids. I reject the commodification of women. I believe that Australia should establish an Office of New Technology to independently and rigorously assess new technologies in the light of the convergence of science and technologies that are capable of redesigning matter, of transforming life, and of challenging the very idea of what it is to be human.

What is the essence of our humanity? We think we understand Nature and the Cosmos and have a right to transform it. Our mistakes, like global warming are threatening the very life support systems of the planet. Henry Thoreau once said that we will be rich “in proportion to the number of things which we can afford to leave alone.” Humankind is part of the natural world. Mother Earth has provided us with awe, mystery, inspiration and the life support systems for our survival for time immemorial. We are not her master and to the extent that we have attempted through human arrogance to be so, we may well have put ourselves on the path to extinction.

Senator FAULKNER (New South Wales) (7.40 pm)—If politicians seek to limit and constrain scientific research, their reasons must be strong. The arguments against the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006 and the arguments in favour of continuing the prohibition against creating human embryos for the purpose of research or using the extra embryos created by assisted reproductive technology are, on the one hand, scientific and, on the other hand, religious. Let me say at the outset that I do not find either argument sufficiently convincing to persuade me that it is appropriate for politicians to be the arbiters of science. The many letters and emails that I have received about this bill—well over 800 at last count—have argued for the continuing ban on the creation of embryos for research because, firstly, other fields of research, such as adult stem cell research, are more promising.

Other fields of research may, indeed, be more promising. When scientists are deciding where to expend their efforts or institutions are deciding where to spend their research dollars, that is no doubt a consideration for them. But should it be a consideration for politicians debating whether or not to ban a particular kind of research? I believe not. After all, the relative value of research has to be consistently reassessed in the light of new discoveries. No politician can predict what discoveries or disappointments lie ahead. We are neither scientists nor soothsayers, and we ought not to pretend that we are either when voting on legislation.

The second argument against this bill arises from religious or moral convictions: opposition to the creation of embryos for research and to the use of excess ART embryos because of the belief that a fertilised embryo ought not to be destroyed for research. This belief is deeply felt and strongly held by some, but I do not share it. My own opinion, also deeply felt and also strongly held, is that fertilisation marks the beginning of a process that ultimately may become human life. I believe that in 2006 public opinion on methods of contraception, termination of pregnancy, IVF and embryonic stem cell research shows that our community also draws a strong distinction between a microscopic group of undifferentiated cells without heart or brain and a human being. It is on the basis of that distinction that I support a
woman’s right to choose to terminate a pregnancy. It is on the basis of that distinction that I support the access by Australian women to contraception methods such as the ‘morning after’ pill and to reproductive technologies that require the creation of multiple embryos, and it is on the basis of that distinction that I will vote in favour of this legislation.

Senator HOGG (Queensland) (7.45 pm)—I have waited for a bit today to get on the speakers list for the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006, so in rising now I take the opportunity while I can. This is both a scientific and ethical debate. It is the intersection of the desires of science and scientists and the dignity of humanity. Scientists will always press their research to the limits of current knowledge and beyond. If they did not do this then many of the basics of human life today would not be at our disposal. However, all of what the scientists do should and must be constrained by ethical values.

The legislation before us seeks to allow the development of cloned human embryos for research purposes. I stress the words ‘cloned’ and ‘human’ quite deliberately. The subsequent purpose or use of a cloned human embryo cannot give any justification for the initial action. No matter how seemingly well intended the subsequent purpose or use might be, the initial action in creating the cloned human embryo crosses fundamental ethical lines. The fact that a human embryo is created by somatic cell nuclear transfer or SCNT—cloning—is beyond doubt. For, if the created embryo under this process were not human, it would rank the same as any other cloned embryo. It would be of little or passing interest to scientists. But, as I have said, that is not the case: it is of prime importance for research purposes and, if it is not human, what is it?

As Dr David van Gend said in evidence before the Senate Standing Committee on Community Affairs in Melbourne on Tuesday, 24 October 2006, at page CA104:
It is an embryo. An egg is a cell in a female body that contains half our genetic material. It is a piece of us. An embryo is a self-contained, self-directed living entity that controls its own future. Given the right environment, as the Lockhart review admitted, the cloned embryo can develop as a normal embryo to the foetal and live birth stage. There is no dispute on that. It has not been tried yet but it has happened in animals: Dolly the sheep, Matilda the lamb, Snuppy the puppy and so on. The process proposed by this legislation is exactly the same as what created Dolly and the other animals. Therefore you are dealing with a human entity which looks and behaves like an embryo; therefore, it is an embryo.

But today we have legislation that crosses a new threshold. It would permit scientists to create human life but to destroy it for research purposes. This legislation advocates a brave new world and, given the general abhorrence expressed previously on using human life destructively for research, why shouldn’t that abhorrence be maintained now? There is no reason whatsoever as to why it should not be.

In 2002, both houses of the Australian parliament unanimously rejected all forms of human cloning—that is, reproductive and therapeutic. At that time, neither senators nor members of the Australian parliament sought to allow therapeutic cloning and ban only reproductive cloning. The ban was absolute against cloning. Nothing has changed since then to warrant a change from the 2002 position. The same ethical constraints apply to cloning now as did then. What has changed is the use of language surrounding the debate, but nothing else. Dr Brigid Vout said in evidence before the Senate community affairs committee in Sydney on Monday, 23 October 2006, at pages CA18 and CA19:
... whether that cloned embryo is then used for therapies or whether it is in fact nurtured and brought to birth—is where we come up with these two terms: ‘therapeutic’ and ‘reproductive’ cloning, respectively.

The quote goes on:

So the use of terms ‘reproductive’ and ‘therapeutic’ cloning has largely been to dress up something which the scientific community is aware that the public does not like. The public has deep-seated concerns about this extreme manipulation of procreation and the uses to which these embryos would be put.

At that same hearing in Melbourne, Dr van Gend tabled a copy of the Nature journal, 7 July 2005, in which an article condemned the International Society for Stem Cell Research under the heading ‘Playing the name game’. It went as follows:

It is true that embryo is an emotive term, but there is little scientific justification for redefining it. Whether taken from a fertility clinic or made through cloning, a blastocyst embryo has the potential to become a fully functional organism. And appearing to deny that fact will not fool die-hard opponents of this research. If anything, it will simply open up scientists to the accusation that they are trying to distance themselves from difficult moral issues by changing the terms of the debate.

Ray Campbell, the Director of the Queensland Bioethics Centre, an agency of the Catholic Archdiocese of Brisbane, said in evidence before the community affairs committee, in Melbourne on Tuesday, 24 October, at page CA112:

We know it is cloning; that is what produced Dolly and started this whole debate. Somatic cell nuclear transfer is the technique of cloning; that is what it is.

Cloning, whether to create embryos for destruction in research or for implantation to lead to birth is still cloning. Neither language nor semantics can disguise this fact. Having crossed the ethical line, where to next? As Mr Mimmo from Don’t Cross the Line said in evidence before the community affairs committee in Sydney on Monday, 23 October 2006, at page CA23:

The point has been made at this table by others that, having developed the technology and the knowledge—this is if it ever comes to fruition in bringing about a cloned embryo—why does it make sense that we should stop at 14 days? Why doesn’t it make sense that science suddenly says, ‘Look, we’ve developed the technology and we’ve developed the information and we just need to go to the next step’—a perfectly logical set of events that will present themselves. The people who said four years ago that we will never go from here to cloning are now saying, ‘Why shouldn’t we go to cloning? The same set of principles will apply if we develop the science any further, so why shouldn’t we go to reproductive cloning? Why shouldn’t we harvest organs that are made, as distinct from stem cells?’

So where does the scientists’ appetite begin and end? The prospects are frightening. This quantum leap—and that is what it is: it is a quantum leap in research—is being advocated well in advance of similar research being done on cloned animal embryos. Some scientists are therefore asking for the freedom to pursue this research on relatively weak grounds purely and simply because they want to go down this path. Bad science cannot justify this freedom, even if it may be regulated by a government authority.

This debate has quite wrongly been portrayed as a debate about the efficacy of adult stem cells versus human embryonic stem cells obtained from excess IVF embryos. That is not the case. This is a debate where my colleagues have to consider giving scientists the right to cross a major ethical line and allow the cloning of human life for destructive research purposes. That is the quantum leap never before given. What took place in 2002 was access to excess IVF embryos, and that battle is over and done. That is not on the table here today. However, this legislation advocates crossing a major ethical line.
It is not a religious line, although it may well be embraced by some people’s religions; it is actually a values line. It is about the value that you place on human life—the dignity of human beings. I say that this is going just that bridge too far. It is a quantum leap across an ethical line which is too daunting indeed; and the legislation, in my view, should be defeated.

Senator MINCHIN (South Australia—Minister for Finance and Administration) (7.56 pm)—I commend Senator Hogg on his contribution, and I agree with every word of his contribution. I also rise to express my profound opposition to the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006, which, as Senator Hogg said, seeks to permit the creation of human embryos by cloning and to permit research upon such embryos which will destroy them.

In expressing my deep hostility to this activity that is sought to be authorised by this bill, I want to comment firstly on the process by which this bill has come before us. I indicate my strong support for the decision of the federal cabinet, of which I am proud to be a member, not to proceed with government legislation to give effect to the recommendations of the Lockhart review. The Lockhart report should not be considered as some flawless study which sits above question and beyond debate. Professor James Sherley, the stem cell expert who visited Australia from the US last month, observed how unfortunately, some Australian parliamentarians have come to regard this report as a biblical guide in their deliberations on legislative change. He noted with concern that some of the fantastical promises of cures from cloning promised in the report are premised on an incorrect understanding of cell behaviour.

The cabinet made the right decision that the Lockhart recommendations involved crossing a very significant ethical line in the sand which this parliament had established only four years ago in unanimously adopting the Prohibition of Human Cloning Act 2002. In the cabinet’s view, the Lockhart committee had not produced persuasive arguments that the prohibition on cloning established by this parliament just four years ago should be overturned with respect to human embryos. The cabinet’s view remains very much my view. Nevertheless I respected the Prime Minister’s decision that the government would facilitate the consideration of a private member’s bill to give effect to the Lockhart committee recommendations and that all coalition members and senators should have a conscience vote on this matter. I welcome the fact that that is the case with the Labor Party.

I also confirm my ongoing respect for the proponent of this bill, Senator Kay Patterson, who is a valued cabinet colleague and who continues to make an important contribution to the Senate, to the Liberal Party and to public life in Australia. I respect Senator Patterson’s motives in sponsoring this bill and her commitment to medical and scientific research, which she sincerely hopes might one day improve the wellbeing of mankind. Nevertheless I am deeply disappointed that this bill is before us and I earnestly hope that the Senate will reject it.

The bill raises issues which go to the heart of one’s political and moral philosophy. One’s attitude to this bill requires thoughtful consideration of whether ends justify means and the role of the state in a modern, civilised society. The bill asks us to accept that the end, the asserted possibility that destructive research on cloned embryos will produce cures for a range of diseases, does justify the means. The means in this case, the creation of human embryos deliberately to
destroy them in the name of scientific research, was unanimously rejected by this parliament just four years ago. The repugnant and thoroughly unethical and objectionable means to be permitted by this bill do not justify the ends.

Human life is an end in itself. It is not, and should not ever be, an instrument of science or a disposable ingredient for improvements in clinical practice, student training and rudimentary scientific research that is very far from passing the test of proof and perfection even in animal studies. And the ends proclaimed by the advocates of this bill are far from being established as likely to be achieved as a consequence of the repugnant means to be allowed by this bill.

The ‘no’ case presented in the Senate committee report on this bill exposes the utterly tenuous basis for the asserted possibilities of cures for diseases being derived from research on human embryos. May I take this opportunity to commend Senator Gary Humphries on his very capable chairmanship of the inquiry and on his authorship with Senator Fierravanti-Wells and Senator Polley of the persuasive case against this bill.

In 2002, parliamentarians were told by scientists who were leading the charge for embryonic research that they would only need access to surplus embryos from IVF donations in order to conduct research to generate cures. Despite the hype four years ago, there have been surprisingly few licences requested or issued. Of the nine licences issued by the NHMRC, only one licence directly pertains to finding therapies for a disease. The other licences relate to purposes such as IVF techniques, training embryologists, and laboratory culture conditions.

The hype of four years ago has returned. Some supporters of the Lockhart agenda have been raising public expectations that if embryonic stem cell research can be extended to include cloning techniques then researchers will unleash an abundant supply of therapies. Even if we would accept that the ends could justify the means, the available medical evidence does not appear to bear out the promise of a wellspring of treatments for disease and disability. Indeed, there is a strong argument that embryonic stem cells may never yield safe and efficient treatments such as those that are presently under development involving adult stem cell research.

Adult stem cells are the only type of stem cell that is suited to treatment of mature tissues, because the asymmetric cell division process of adult stem cells is stable and designed to achieve continuous renewal of the human tissue. By contrast, embryonic stem cells are designed to proliferate aggressively. Tumour formation is therefore a major outcome from the transplant of embryonic stem cells into animals. These teratoma cancers, which result from cloning, are potentially lethal if undetected. Where teratomas are detected, they could require surgery to remove, which in some cases may be life threatening.

It strikes me as very unsatisfactory that the majority on the recent Senate committee inquiry glossed over the issue of cancer formation in a single paragraph in their report. It is one thing to inflate public expectations of cure beyond what the evidence can sustain, but it is even more egregious to frame the debate in a manner which downplays the significance of a very big risk that is inherent in treatments based on embryonic stem cells.

Professor James Sherley argues that:

The only possibility for development of new therapies based on embryonic stem cells would require that they first be converted into adult stem cells. However, the conversion process is formidable compared to use of naturally occurring adult stem cells.
Likewise, Professor Peter Silburn points out that:

It is simpler, more efficient, proficient, safer and more sensible to use the [adult stem] cells initially.

This debate could be described as a debate about hope. While I do respect the good intentions of those on the opposite side of this debate, I do not believe they have a monopoly on compassion or hope or vision. It is a pity that some proponents of embryonic stem cells have sought to downplay the very significant medical advances being delivered through the rival field of adult stem cell research.

Adult stem cells from numerous sources, such as bone marrow, muscle and fat, have been developed and reprogrammed into a variety of different cell types. They are already being used in clinical trials and they can be patient specific. I believe that it is the advocates and sponsors of adult stem cell research who are giving genuine hope to those who suffer from disease or seek remedy for disability. The undisputed evidence that adult stem cell research is much more likely to produce successful outcomes than embryonic stem cell research should persuade the Senate not to cross the ethical chasm which we are urged to cross by this bill’s proponents.

This bill also goes to the heart of one’s philosophy on the role of the state. My general view—that encroachments on individual liberties can generally be avoided if we work actively to limit the role of the state—is, I think, well known. I almost always regard with scepticism proposals to expand the role of the state. Nevertheless, the state obviously has some fundamental roles to perform in a civilised society such as ours. Probably the most important role of the state is the protection of innocent life. At the heart of our law and our institutional structures is that obligation of the state. I imagine that no-one in this chamber would dispute that primary obligation on the state—to protect innocent human life. To apply that injunction to this bill does require one to decide what is human life that would command the state’s protection. I would not have thought that there was any real dispute about the status of a human embryo created by whatever means.

In the majority report of the Senate Standing Committee on Community Affairs, the proponents of this bill attempted to distinguish between a cloned embryo and other human embryos on the basis of the method of creation and on the basis that, at present, there is no proposition to implant such embryos in the womb, nor an intention to let them live beyond an arbitrary limit of 14 days. I, for one, do not consider this semantic attempt to distinguish between cloned embryos and other human embryos at all convincing. It is the cellular composition of an embryo that gives it the integrity of human life, not the manner of its inception or the swiftness of its destruction. The dispute between us is whether the state should permit human life to be created by cloning in order to be destroyed for purposes, outlined in recommendation 21 of the Lockhart report, of: research, training and improvements in clinical practice.

If one accepts that the state’s obligation is to protect innocent human life, that obligation must be triggered at the point at which human life commences. For that reason, I remain strongly opposed to all embryonic stem cell research because it necessarily involves the destruction of human embryos. That is why I opposed the 2002 legislation, and that is why I oppose this even more profoundly objectionable bill, involving as it does the permission of cloning techniques outlawed by this parliament just four years ago.
It is not only innocent life which is at risk thanks to this private member’s bill. This latest legislation gives cause for new ethical concerns about the exploitation of women in vulnerable circumstances. Ms Katrina George from Women’s Forum Australia stated in evidence to the Senate committee:

What we can see from overseas is that it is impossible to obtain near sufficient supplies of ova without offering women some sort of commercial incentive.

Clearly, inducements would be of greater attraction to women in financial need or to women in distressed medical circumstance who are prepared to engage in quid pro quo arrangements. Inducements, in the form of concessional IVF or medical treatment, are not strictly or comprehensively proscribed in either the Lockhart recommendations or the Patterson bill. The Lockhart approach is only to ban the sale of eggs and to leave guidelines for egg donation to the NHMRC. The removal of eggs is medically stressful in itself and not without risk, so it is a concern that this bill leaves a loophole which would allow pressure or inducements to be directed at recruiting women with debilitating illnesses as a source for donations.

I note that clause 23C of the Patterson bill envisages the import and export of cloned embryonic stem cell material, subject to unspecified future regulations to be made within six months. Furthermore, schedule 4 of the Patterson bill deletes key restrictions applying to the export of embryos under regulation 7 of the Customs (Prohibited Exports) Regulations 1958. This existing regulatory framework provides important safeguards which ought not to be removed without close debate or without replacement by an equivalent set of rules. Amongst other things, the regulation prevents the export of embryos if there has been an inducement, discount or priority in the provision of a service to be provided to the relevant woman or to another person but does not include the payment of reasonable expenses incurred by the relevant woman in connection with fulfilling the agreement.

The attempt in the Patterson bill to allow the import and export of embryonic material without guaranteeing to parliament that we retain the safeguards against inducements is only dealt with in a very cursory discussion by the majority report of the Senate committee. I am very concerned that this bill creates a framework that is liable to involve a significant reliance on vulnerable women in Australia or women in developing countries where we have limited capacity to scrutinise compliance with Australian legislative safeguards and clinical practice.

Finally, let me make it clear that I share with the proponents of this bill a desire to achieve medical cures for diseases afflicting our fellow citizens. As a former Minister for Industry, Science and Resources, I have enormous regard for the integrity, skills and expertise of Australia’s scientific community. As the current Minister for Finance and Administration, I oversee considerable public investment in medical and scientific research. Nevertheless, it is the responsibility of the parliament to establish the ethical framework within which medical and scientific research is to be conducted—no matter how desirable it might be, the stated aims of the research or how much the scientists themselves may seek to further their own knowledge. I implore the Senate to demonstrate a consistency of conscience by rejecting this bill, for the reasons I have outlined, thus reinforcing the prohibition of human cloning unanimously set in place by the Commonwealth parliament just four years ago.

Senator RONALDSON (Victoria) (8.10 pm)—I must say to the chamber that my initial views on this matter are not where I have
ended up. I hold Senator Patterson in the highest regard and I hope she will not take as disloyal what I am going to do when the vote on the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006 comes on. In 1996, when I was lying in hospital in Ballarat—I had cancer and I had a kidney removed—Senator Patterson dropped everything she was doing, came to Ballarat and helped run the campaign. So, Kay, I hope you will not view what I am going to do today as being in any way disloyal to you. You are a good friend for whom I have the greatest respect.

Another person for whom I have great respect is Dr Mal Washer, from the other place, an articulate and sensitive man with a medical background. I am also fortunate to have in this chamber another man with a medical background, Dr Alan Eggleston, whom I will be quoting as well. Dr Eggleston wrote a letter to all senators regarding his view on where we should be going. I have taken great note of Senator Eggleston’s views on this matter because he is a man whose opinion I respect.

These debates are always incredibly difficult for someone who was streamed in the humanities in year 10 and remained in the humanities stream until they finished school. I do not profess to have any scientific knowledge; I did not even do basic biology. I am not a man who has in any way studied the sciences. From day one, I studied the humanities. I am not entirely convinced that I am any the poorer for having studied English literature, as opposed to biology, but that is where I finished up.

All senators and members received a letter from Ian Frazer, a former Australian of the Year. It is interesting that we have in this debate such eminent people with such extraordinarily different views on where we should be. In some respects, this marks the debate as being one of great importance. I respect Senator Faulkner’s views about the roles of members of parliament. He is a man of great intellect but, with the greatest respect to him, there are things that we do have to make decisions about. Indeed, we are put in this place to make decisions. As he said, we are not soothsayers; we do not have a crystal ball. But we do have an obligation to the people who put us here to have a look at these issues and make long-term decisions.

I am sure there is not one person in this chamber who would not, as Senator Minchin quite rightly indicated before, do virtually anything to ensure that we give people the opportunity to take advantage of medical advances. Is that to be done irrespective of the cost? I believe not. There are some penalties that I think are actually above that great desire that we all have. We spend every day of our parliamentary lives collectively trying to make things better. We have different approaches to that, but, in nearly 14 years in various guises here and across in the other place, I am yet to meet anyone who is not utterly committed to making this country better. We get there in different ways. We have different philosophical views and we argue those passionately, but I think our desire for a better place actually binds members of parliament as opposed to divides them. Can we take the risks associated with going down the path that Senator Patterson and others have suggested? My view is: no, we cannot. I think the risks are too great.

I was going to quote a large number of articles tonight but, as is my wont, I have changed tack a bit. However, something that does concern me is correspondence that has been flying between Associate Professor James Sherley and Professor Jaenisch—and I hope I have pronounced his name correctly—who are both at the Massachusetts Institute of Technology. Both these men are
presumably sharing similar research facilities, yet both of these men have diametrically opposed views of where we should be going. Is one right to the exclusion of the other? I do not know—but it concerns me when two men from the same institution cannot agree on even the most basic things. That causes me enormous concern.

I believe that we need to give adult stem cell research a chance. If as part of that we let down half a generation, a generation or two generations then I suppose that is something we will have to look at when we leave this place, whenever that might be. I am not convinced by the arguments of where life does or does not begin. I do not pretend to have the answer to that, but I have heard enough to convince me that there is a chance that that small dot, the size of the head of a pin, may be life. Equally, it may not be. But, if it is, I do not think there is a course of action that we can countenance. Senator Eggleston, in his letter to colleagues dated 3 November, stated:

Permitting therapeutic cloning is a threshold which, once crossed, also means de facto enablement of cloning humans, because once the blastocyst created from cloning was placed in a woman’s uterus it would develop into a baby.

I acknowledge that the eminent Professor Trounson says that there is only a one per cent chance of that. I am afraid that I think that is one per cent too many.

I have had the opportunity to look through what I thought was excellent material from the Parliamentary Library. The library is a quite extraordinary resource we are lucky to have in this place, and it did not let me down in relation to this issue. I accept that there is a view that at the moment embryonic stem cell research has identified the potential for therapies. I am concerned however—and Senator Eggleston referred to this in his letter—that they may well be a long, long way off, and I am concerned that, in the desire to make sure that the promises that have been given are kept, the research that has been indicated as going so far but no further may not remain such. A lot of people have staked their reputations on what can or cannot be achieved, and I am concerned that even the best people will be potentially compromised in their desire to push the boundaries even further in an endeavour to obtain the outcome that they so passionately desire.

I am convinced by the argument that the use of adult stem cells does and will provide some, if not all, of the solutions of embryonic stem cells. I am convinced regarding some of the issues that have been raised and addressed. The elasticity of adult stem cells has been indicated as being of concern. There would now appear to be research which would indicate that that is not or will soon not be an issue.

The Parliamentary Library handout indicates that a search of the US National Institute of Health clinical trials for stem cells site reveals burgeoning areas of research. Some adult stem applications include a recent review of research in clinical trials of stem cells used for cardiac repair showing enhanced cardiac repair as an achievable target. By 2002, a patient at the John Hunter Hospital at the University of Newcastle was treated with his own adult marrow cells being injected into his heart to help regenerate heart muscle. It was the first procedure of this type in Australia. There is still controversy about whether blood stem cells from marrow turn into heart cells. It has been suggested that blood stem cells not turning into heart cells may stimulate the development of blood vessels in the damaged area. There are other examples of where this is taking place.

The science is imprecise, but what is precise about this debate is that we do not have the luxury had by those whom we have charged with the conduct of this research in
this country—and that is time. Within the next 48 or 72 hours we must make a decision, on behalf of the people we represent, as to what will be our longer term view of this issue. I am pleased that Senator Patterson is now in the chamber and I hope she heard my earlier comments about her. Kay, you have my enormous respect. While it pains me not to be able to support you when you need support, I am afraid I cannot do so on this occasion and I will be voting against this bill.

Senator JOHNSTON (Western Australia) (8.24 pm)—I wish to say from the outset that I am speaking today in support of the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006, and I congratulate the Prime Minister for showing considerable leadership by allowing a conscience vote on this complex issue. I thank Senator Patterson for her determination and courage in taking this bill on and for improving upon the 2002 reforms in this area. I also pause to pay a small but heartfelt tribute to my good friend and colleague Dr Mal Washer, the member for Moore, for his determination and guidance on this subject.

Twenty-eight years ago the world was in a spin over the birth of Louise Brown. Many senators know why this now adult’s name is significant. She was the world’s first baby to have been created outside her mother’s womb through in-vitro fertilisation techniques. After millions of babies have been born worldwide because of this amazing leap in medical science, it is easy to forget what a stir it caused at the time. The controversy that arose in the late 1960s and during the 1970s centred largely around the same issues we are dealing with here today—uncertainty; advances in research and science; the hopes and dreams of people with an illness; and moral, ethical and religious issues, to name but a few. Interestingly, much of the protest that was levelled at the time—particularly at Drs Steptoe and Edwards, who were responsible for the first successful IVF baby—came from the fact that people simply could not believe it could be done. Not only did some consider it unnatural but also many considered that growing a baby outside the womb was completely unimaginable—unthinkable. While the debate raged amongst scientists, doctors and legislators, I can imagine that the general public remained sceptical too. What turned the tide of opinion for IVF was a photo of a normal healthy little baby born to childless desperate parents—and her name was Louise Brown.

The procedure is so common today that nearly everyone knows somebody who has accessed IVF; I personally know more than a few. Australia has an extraordinarily proud history in the field of IVF. Twelve out of the first 15 babies ever to be born through IVF came from Australia. We achieved the first donor egg pregnancy and the first frozen embryo pregnancy. Australia was the first to successfully deliver the first IVF multiple pregnancy. Most importantly and, I believe, relevant to this debate, Australia was the first to introduce legislation protecting donor gamete pregnancies as well as to manage the IVF process through a regulatory framework, both nationally and amongst our individual states. We are considered world leaders in the inauguration of a system of registration of every IVF cycle and every baby born from IVF—and the rest of the world had to catch up with us after we instigated this system in the 1980s.

We are also leaders when it comes to public funding of IVF. I understand that our treatments are some of the most highly subsidised in the world. Couples in the United States and the United Kingdom, for example, face huge financial burdens when undergoing IVF, including taking out second mortgages to pay for cycles, waiting for years on a public clinic’s waiting list or taking the risk
of having multiple embryos implanted in the one cycle, as their financial circumstances allow them only one opportunity to have a family.

Some couples in the United Kingdom are forced to donate half of their eggs collected to a private clinic, in exchange for a free cycle of IVF. The clinic then uses the donated eggs to give to another couple. This seems to me to create a two-tiered system: childless couples who have money are not required to give away their own genetic material in order to access affordable treatment; however, others who are not as financially able, in reality, have no choice but to do so.

Fortunately, IVF in Australia is accessible to the vast majority of couples, regardless of their income, who would otherwise be unable to have children—and we should be proud of this fact. I think it also reflects the widespread community acceptance of and support for the use of IVF to help infertile couples and the subsequent continuing support since 2002 in the community, particularly amongst IVF couples, for the use of excess embryos for stem cell research. In fact, more than half the couples who have finished their families and have excess embryos now donate them for stem cell research, rather than donate them to another couple or leave them to expire.

The issue of egg donation and how it will be regulated under this bill is something I will address in a moment. I believe that, if people are worried about how this parliament will handle the issues surrounding therapeutic cloning and the impact of this bill, they should consider this country’s sound and successful history in similar scientific breakthroughs as exampled with our IVF model, with its attendant ethical administration and registration management. Traditionally, this country has handled these complex issues with maturity and responsibility. We have been able in the past, to quote John Lockhart, to weigh up the social and moral ‘value that some communities attach to the human embryo against the social and moral value that others attach to the treatment of disease and to helping people have a family’.

This was typical of the late Hon. John Lockhart. The recommendations from his report were made in the full knowledge that there were starkly opposing views on this subject, just as there are in this chamber tonight. His empathy and reason is combined with decisions based on good science and not on ill-informed sensationalism. He acknowledged that, aside from religious or personal beliefs that coloured some opinions in the community, there were other legitimate concerns that could be addressed through adequate regulation and through legislation such as we are debating here this week.

I do not for one moment claim that the successful passage of this bill will lead to dramatic breakthroughs resulting in cures for spinal cord injuries, for Parkinson’s disease or for motor neurone disease. That is not my call. I am neither medical researcher nor qualified scientist—and, as far as I am aware, no-one in this chamber is. As legislators, I do not believe that we need to have such a background to make a judgement call on this bill. But what we do need and what I hope the majority of senators do possess is a sense of vision and a sense of hope that we have the potential and we have the tools to take on the huge challenge of giving us the very best chance of curing such dreadful conditions as I have mentioned—the very best chance of having a go at curing these terribly debilitating diseases.

Medical science does not always provide certainties, but that does not mean that we should put hurdles in front of research on the basis of that uncertainty. Time and time again we have overcome concerns—some
legitimate, some that amount to downright scaremongering—to embrace medical breakthroughs. Paranoia and misinformation accompanied the introduction of treatments such as genetically engineered insulin some years ago, but they were permitted on the market because our medical regulatory systems based their decisions on good science. Without this insulin, we would not have enough human pancreata in the world to obtain the human insulin that is required to treat our diabetic population.

Vaccines also exist today because of genetic engineering—another topic that takes us into the unknown and hence causes controversy. The new genetically modified whooping cough vaccine is actually much safer than the old one as there was always a risk, apparently, of brain damage. The new genetically engineered vaccine does not contain any foreign proteins and therefore removes this risk. Hepatitis B vaccine, which is now recommended for all Australians, has been guaranteed safe because it is produced by genetic modification. Confidence in its safety was not always assured when the product was extracted from high-risk hepatitis B sufferers. Similarly, the cervical cancer vaccine has a genetic engineering genesis and history.

The subject of stem cells and what we may be able to do with them in the very near future is a very exciting prospect. When I think of the opportunity that we have here today to possibly be helping hundreds of thousands of people in Australia and millions around the world, I am acutely aware of the responsibility that is now upon our shoulders with this bill. I think it is all too easy to allow my personal religious or moral beliefs to distract or temper me on the issue of stem cell research when my family and I are all in relatively good health.

Even if I wanted to get into a debate about when human life begins or what individual rights should be bestowed upon an embryo that has been cloned for therapeutic purposes, I do not know if I personally should have that luxury to preach to families whose daughter is a quadriplegic or whose father has motor neurone disease and is slowly watching his body die around him while his mind stays perfectly alert. Those families do not want to hear about my religious convictions; they simply want my positive support, my participation and our collective help to find a cure, to give us the best chance to find a cure—if not for their loved one then for future generations, in the hope of avoiding the suffering and grief that they themselves have endured.

Having said that, this bill is not about the merits or ethical dilemmas of embryonic stem cell research. This has been legal since the 2002 legislation and, as I said earlier, widely accepted within the community. The main area of dispute now, and this was recognised in the community affairs committee report, is the use of therapeutically cloned or somatic cell nuclear transfer embryos as an additional source for research. Other countries have already begun the research on stem cells, and I have every faith in our regulators here in Australia that they will enact the provisions in this bill to the letter. These provisions are wide ranging, thoughtful and come highly recommended from a wide range of experts, many of whom have religious convictions and have weighed up all of the arguments.

This bill does not support reproductive cloning—and I do not think there is anyone in this chamber who does. There is a world of difference between therapeutic cloning and reproductive cloning and, whilst I am respectful of the contrary view, I utterly reject the implication that this is the thin end of the wedge: it is simply not true. We legis-
labeled against reproductive cloning in 2002, and this bill seeks to reaffirm our stance on that issue. Creation of human embryos by fertilisation of human eggs by human sperm will remain restricted to IVF treatment for the purposes of reproduction.

Under this bill, the uses of embryos that may be authorised by a licence may only be authorised for development up to 14 days. In no circumstances can any embryo be developed outside the body of a woman beyond 14 days. Egg donors that may wish to donate eggs towards stem cell research will be donating for altruistic reasons and will not be lured by money or exploited. The NHMRC will develop guidelines for egg donation that will provide for full disclosure to a potential donor of the process involved and the risks associated with an egg donation.

I am concerned about the practical problems that we face in egg collection, because there is little point in approving stem cell research if we do not have any eggs to conduct this research with. Yes, we have excess embryos from IVF that are already available for stem cell research, but if we pave the way for additional powers for therapeutic cloning we will need the cooperation of young women around the country.

I am aware that this is not like going to your local Red Cross for an hour to give blood, and it is hard enough to even find donors to do that. Egg donation involves around a month of hormone injections, tracking and internal ultrasounds—which are quite invasive and time intensive—concluding in another invasive procedure involving twilight anaesthetic to collect the harvested eggs. By and large the donor is required to take at least a day off work and for some it can be several days, depending on how quickly they recover from the procedure.

After all this there is no guarantee of how many eggs will be collected from this one donor—it could be one; it could be 10. Any more and you risk some form of ovarian hyperstimulation syndrome, which can result in hospitalisation, organ failure and, in very rare cases, even death. More minor side effects of the hormone injections include soreness, bloating, weight gain and emotional distress. Women currently go through this process regularly and in a committed way and time again in IVF, but they are doing it in the knowledge that, hopefully, it will one day allow them to have a baby.

I am struggling to be convinced that, once they know all of this and all of the facts, we will find as many women as we might anticipate prepared to do this purely for egg donation for therapeutic cloning research. As I said, we struggle to find people to take an hour out of their lives to give blood. Egg harvesting is far more time consuming, invasive and, indeed, risky. I am not sure if the Lockhart review fully appreciated this, although it did mention egg collection via other means, such as cadaveric donation not unlike other organ donation and donation from women who are having their ovaries removed for medical reasons. The Senate committee also heard evidence that a stem cell bank could be created which could store stem cells that could be propagated indefinitely without the need for continually sourcing out new ova. That certainly helps to allay many of my concerns.

Embryonic stem cells are immortal, which means that they can be multiplied in the lab to produce large numbers of cells. Once the required number of cells has been obtained, they can be directed to form particular types of specialised cells, such as heart muscle, nerve, insulin-producing pancreatic cells et cetera. Yes, it is true that adult stem cells are beneficial in medical advancement; however, stem cells derived from adult tissues appear
to have a more limited potential, as they are not able to differentiate as widely and are often confined to reproducing cells identical to those found in the tissue from which they were harvested. Furthermore, as the Community Affairs Committee heard, research using therapeutically cloned embryos will actually assist in our understanding of cell biology and provide greater potential in the use of adult stem cell treatments.

I know that any kind of breakthrough in stem cell research is probably some years away, but I believe the vast majority of the Australian community will welcome the advances that this has the potential to deliver. Like the controversy surrounding IVF 30 odd years ago, once benefits are gained from therapeutic cloning and applied to effective medical treatment, this cautious welcome will turn into a confident acceptance and, indeed, a demand to have the right to access such treatments through Medicare.

Maybe one day when we are all in our retirement homes another senator in this chamber will look back at this time and wonder what all the fuss was about. Perhaps this senator will use this debate as an example when speaking on a bill that approves some new or wonderful type of research we are yet to even comprehend, in the way that the IVF debate occurred 30 years ago. I still have faith that this chamber does accurately reflect wider community standards and aspirations and I am hoping that it does with the successful passage of this bill.

I want to briefly touch on the issue of surveys and polls of community opinion on this issue. I am always reticent in quoting a result from a poll in this chamber that would back up my particular argument, because, as we all know, polls can be worded to get the result that you actually desire—it is notoriously easy to do that. When we are dealing with an issue that is not comprehensively understood by many, it is even more difficult. I also know that terms such as ‘cloning’ provoke a certain emotive response from many of us, particularly those prone to watching the odd science fiction movie. I note the Community Affairs Committee majority report also considered the issue of community standards and surveys and the difficulties in gauging public opinion on such a complex issue. They acknowledged not all of the polling done on this matter was completely independent, but what stood out was that overall there was a consistent and strong support for stem cell research amongst both men and women in the community.

As the value of an embryo created through an egg and sperm can be considered either greater to or of equal value to the value of an embryo created through therapeutic cloning, it is therefore reasonable to conclude that community support would continue for the measures contained within this bill. As a community we are prepared to accept the use of excess embryos from IVF for stem cell research—we have been doing so now for four years—and we are equally comfortable with using embryos created through somatic cell nuclear transfer or therapeutic cloning.

The measures proposed in this bill are supported by the Lockhart review and its members and my Senate colleagues from the Community Affairs Committee in its majority report. This support has been borne out of careful and considered research into all sides of the argument. I appreciate the considerable and valuable work that they have done and the written material they have produced so I could base my decision on the objective and balanced research therein contained. I commend this bill to the Senate. I wish its successful passage through this chamber and also the one below.

Senator VANSTONE (South Australia—
Minister for Immigration and Multicultural
Affairs) (8.42 pm)—I want to make it very clear at the outset that I will support the legislation. My mind is made up, and it did not take long. I want to thank Senator Patterson and the other senators who have put a lot of effort into this for persisting with it. I very much hope, of course, that the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006 passes.

I was going to do quite a considered, written piece, but I thought that might be a bit egotistical and decided I would simply stick with what I thought and let it speak for itself. So my speech may not take up the time that it otherwise would have if I had laced it with rhetorical flourishes and a lot of material that is clearly on the record already and well understood by those who have an interest.

But I do want to acknowledge the assistance that I have had from reading a book by a fellow called Richard Holloway, who when he wrote the first book that I want to refer to tonight was the Bishop of Edinburgh and the Primus of the Scottish Episcopal Church. He was also the Gresham Professor of Divinity in the City of London and a Fellow of the Royal Society of Edinburgh. But, perhaps more importantly for this discussion, he did serve for seven years on the British Human Fertilisation and Embryology Authority—I think from around 1992 onwards. I do not say by that that he was appointed by a Conservative government. I have no idea who appointed him. I have a deep suspicion that a Conservative government was in power at that time and would have had the capacity to stop it or bring it to an end before seven years if he was considered unsatisfactory. It depends on how long Major lasted. Thatcher left in 1990. We will leave that point aside.

The first reason I support this legislation is that I have a primary, basic view that science offers great hope to humanity—to all of us, to the planet. It is all very well for some people to say, ‘You’re offering false hope,’ if they are not in the position of someone who has not much left but hope. For some people I think it is probably an overstatement to say that hope is all they have left, but it is a large part of what they have left. And to assert that is false, to sort of come in and cut it into ribbons and shreds, when you yourself have no way of knowing whether that is true, is to my mind a callous and incalculably cruel thing to do.

I do not think the hope that is expressed by people who have some particular disease or disability, and others, is always a selfish hope, either. It is not something they necessarily hope for themselves. Everybody in a position of some sort of disability or disease must have, in some small if not large portion of their mind, a hope for themselves. That is perfectly understandable; it is the normal human condition. But I think the hope that these people express when they want this legislation passed is a hope for a better place in the future on the planet—better opportunities, better health care—for people who follow them, not for themselves. So that is my first reason. It is pretty simple; science offers hope to humanity. We have the capacity to control that. That is what we are elected to do. That is the discussion we are having now. It is not a very complex proposition.

Secondly, I believe Australian scientists are at the forefront of this technology. Yet other nations are expanding this field of research. So we can make a choice. We can say to the Australian scientists, ‘You’ll be locked out of this if you stay in Australia,’ and we can risk losing them. You may say that is not the end of the world—people leave Australia all the time; other people come here. But if they leave and the research is not done in Australia then I think Australia is held back. So it is not only that I do not want to hold Australian scientists back; I do not want to
hold Australia back. I think by legislating to limit our opportunities we would be doing simply that. I do not say that we should let the scientists do as they choose. That is the role of this chamber and other bodies as well: to exercise some caution. But I do say that scientific discovery should, as Holloway says, be a cause for celebration and caution rather than for denunciation and rejection.

The next reason I support this legislation is in part to do with previous legislation that I have supported. We already allow the use of eggs fertilised by semen, spare IVF eggs that are frozen, to be used in research. These are the eggs that might otherwise, had they been left where they were, at some point have ended up a human. And we have allowed the research that fertilised them in-vitro. They are frozen, they are spare, they are not going to be used and the people who own them donate them to research. We have done that here. That is what the Australian parliament has agreed to do. So the logic is lost on me as to why we would not then allow eggs that are not in fact fertilised by semen but which have some material removed, which is then replaced with some other material in-vitro, to be used. If anything, quite frankly, to me that might be a preferable situation. I certainly say that, if it is all right for the one we now approve, it is all right for this other one.

The Bulletin magazine a couple of weeks ago had an article in relation to these issues. They produced a photograph that is worth mentioning; it is one of the best I have seen in a long time. It was, as I recall, a human embryo at three days. It was a cluster of I think about 14 cells on a pinhead. It was a fantastic photograph. Obviously, it had been digitally enhanced to make the colours attractive and draw the eye to the page, but, nonetheless, this particular cluster of cells would fit on a pinhead. I think that is about 5,000 on a 5c piece. It is most certainly human tissue, but it is not by any stretch of the imagination a human. There is a tremendous difference between each of us as humans and a piece of skin or some other piece of tissue that is human tissue but not of itself a human.

So we have to resolve all of these issues; we have to come to some agreement about how to go about it. Holloway has one explanation of why we might want to do this. He says:

If we reject the role of God as a micromanager of human morality, dictating specific systems that constantly wear out and leave us with theological problems when we want to abandon them, we shall have to develop a more dynamic understanding of God as one who accompanies creation in its evolving story ...

And that is what we are a part of: the evolving story of humanity. I am not sure that Holloway’s analogy, ‘like a pianist in a silent movie’, works, but he perhaps is more informed in these matters than me.

We are there as part of that evolving story. That is what we have to face: the constant evolution. We have to face it and deal with it. It is mankind’s destiny to constantly search for certainty and to never find it. It is in our make-up that we will always be looking to make things better. If we do not accept that then we cannot understand why we are here. Surely one of the reasons we are here, among possibly many others, is to try to make the world a better place. That means change, and it means uncertainty. We would all like to live without the doubt, without the apprehension and without the occasional moral panic that might strike, but that is not to be. It may be that some of us here—those who are 53 or older; I am 53, so people my age or older—

Senator Sterle interjecting—

Senator VANSTONE—thank you—lived in times when what the church said went. It had an authority for what it said. To make the
statement is no surprise: many of the churches have lost a degree of their moral authority. There are many reasons for that, too many to go into tonight—it could probably be the subject of a PhD for someone who has the time and interest to pursue it—but we can be sure of this: within the reasons for the diminution of the moral authority of churches there are some very painful lessons for the churches themselves.

So we are left to resolve this matter. I understand that there are different views on when life begins, and that is important because each of us will have different views. Not each and every one of us, because there will not be 70 or so different views, but amongst us there will be different views. Some will say that life begins at conception, others will say it begins at the second week of gestation and others will say it begins at the eighth week. Some will say that life begins at implantation. Some others say that perhaps we should do the reverse of saying, ‘When you’re dead, your brain activity ends,’ so you must be alive when it starts. And there would possibly be many other versions of when life begins. There was apparently a point, I was shocked to find in reading some of this material, when people believed that sperm carried the homunculus: a little human being. It was all in the boy’s court; women had nothing to do with it. There was a point at which our understanding of fertilisation was that ignorant.

We have changed our position; I do not think there is much disagreement. I would like to meet the man who would come out today and say that that theory is correct. In any event, I simply mention these things to indicate that amongst us there will be different views. We are all entitled to hold our view, and in my view we are obligated to respect the views of others. But that goes for the others as well: those who do not share my view have an obligation to respect the fact that it is my view and to allow me to hold it, without denigration.

My position is that no religion has the right to seek to have its view legislated. As Bishop Holloway says, ‘Nobody has an exclusive patent on the mind of God.’ There are all too many who would like to claim that. Let me correct myself: there are all too many who do. But I do not believe that anyone has that patent. I have said before in other debates in this place that any God someone believes in surely is after converts, not conscripts. Where is the belief if you are simply doing something because it is a legislative requirement that you do it? You can have any view you like and just do something because you have to do it. To me the value in the good things that are outlined in Christian, Muslim and Hindu theologies, and indeed in the theologies of many other religions of which I have no knowledge, is that you should do good things, not simply because you are told to but because you think they are good things to do.

Because we have these different religious views amongst us in this chamber and out in the community, and because there has been, over my lifetime, a decline in the moral authority of churches, I think we have to construct moral agreements ourselves, together. As Bishop Holloway says in his fantastic little book entitled *Godless Morality*, which I highly recommend, they have to have ‘the authority of reason and the discipline of consent’. But there will always be a breakaway. Get any group of good people and there will always be someone who is at the lowest common denominator, who does the wrong thing. I would like to think that is not the case, but history shows that that is a naïve aspiration. We need ‘the authority of reason and the discipline of consent’, not believing that someone else other than us has a patent on the mind of God and can tell us what to think. So what I am arguing here, and it is
argued very cogently in this book, is that the moral traditions we endorse—and we might think that sounds old-fashioned, but any God should help us if we ever get to the point where we do not have moral traditions that we endorse—should be endorsed because they are ethically appropriate, not because they have some divine warrant.

I hope it is clear, from what I have said, why I support this bill. I will run through very briefly and summarise it again. I support the legislation because I think science is what offers hope. We are charged with the responsibility of controlling the scientists. I do not say that we should let scientists do as they want, when they want and how they want, but I think it is incalculably cruel to cut hope into ribbons for those who are desperately in need of it.

I secondly support the legislation because Australian scientists are at the forefront, and that is when you get ahead. To hold our own back when they are at the forefront is not something this parliament should do. We should not hold Australia back from all the opportunities that might come from going down these alleys and looking at what is there. Sure, some of them would be blind; there would be a lot of the Toyota ad business but I am not allowed to say it. There would be wasted years of research where people in desperate frustration realise they took a wrong turn. That is the history of science. But there would also be the pathways that people went down that would be the right ones.

Having said the primary reasons, I then tried to explain my view that we will all have different religious commitments. We have to respect each other’s right to have those commitments but not ever expect that this place will legislate them for us. Between us we have to come to moral decisions on which we agree that have the authority of reason and the discipline of consent. We have to choose things because they are ethically appropriate and not because we seek to claim that they have some divine warrant.

I might make one more point: the research that has been done, and that we hope will be done, and that I think is limited to 14 days, is on human tissue not on a human. I draw the attention of my colleagues to a second book by Richard Holloway entitled Looking in the distance: the human search for meaning and in particular to his elucidation, on pages 165 and 166, of the folly of alleging that a single group of cells outside of a womb can be called human—in fact, I would recommend the whole book. A simpler way of putting it is that if we took those spare IVF eggs out of the fridge they would not become human. The truth is: when colleagues drop their eyes, drop their voice to sotto voce and say, ‘We let them succumb,’ it is a nice way of saying, ‘They are chucked in the bin.’ That is what it really means. So we should not kid ourselves in anything other than that. Not one of those gets up, runs down the street, goes to university and says, ‘I did it without any help.’ (Time expired)

Senator CAROL BROWN (Tasmania) (9.02 pm)—I rise to speak in favour of the acceptance of the majority report of the Senate Standing Committee on Community Affairs inquiry into the Lockhart review and to recommend the majority report to the Senate. I am firmly of the opinion that it is necessary for the parliament of Australia to approve the Lockhart recommendations and to vote for the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006. I acknowledge the work done by the Senate Community Affairs Committee secretariat and thank them for the final report. The secretariat were presented with a vast array of submissions. The committee received 494 public submissions, complex witness state-
ments, and science and bioethical information, which were dealt with in keeping with the highest traditions of the Public Service.

May I place on record my thanks to Senators Webber, Stott Despoja and Patterson for the hard work they have done on this bill and the work they have put in, getting the bill to this stage. I arrived at my final position only after careful and considered thought, although I admit that I was inclined to my position from the outset. This position was strengthened throughout the committee’s deliberations.

Let me say from the very beginning and let there be no mistake: I am unconditionally opposed to human reproductive cloning. Human reproductive cloning is unethical and unacceptable. But that is not what this bill is about, despite what some in this place would have us believe. Because of my own beliefs I listened intently to the arguments put by those persons and organisations that took a differing view from mine. After all, we are dealing with what for many are their most sacred articles of faith that are central to their lives and how they view the world. We received evidence regarding what, for many, represent the very beginnings of human life and what it means to become human. Such subject matter is not to be dealt with lightly or in a hurried manner.

It is due to the seriousness of this debate that we are able to vote on the bill before the Senate as a matter of conscience. I thank the major political parties for understanding the necessity for a free conscience vote in this matter. Free votes are rare events. They indicate, if any indication is required, that we are dealing with matters of faith and belief.

However, at times it is necessary to examine and hopefully question our beliefs however sincerely and deeply they are held. This debate requires each of us to complete an ethical stocktaking of our own beliefs. Not to do so would be an insult to future generations. I do not believe we would be serving Australia well should we not look closely at matters of such importance.

During the taking of evidence and from reading many of the submissions in great detail, I was particularly struck by the words of the Victorian Scientific Leaders Forum on Stem Cell Research. This group of most eminent scientists affirmed that the Lockhart Legislation Review Committee report on Prohibition of Human Cloning Act 2002 and Research Involving Human Embryos Act 2002 resulted in a comprehensive, balanced and well-considered report. I thank Foursight Associates Pty Ltd for their report and also thank the Victorian Premier for making it available to the committee. It should be noted that the Victorian group is chaired by one of the most distinguished Australians, former Chief Scientist and Australian of the Year in 2000, Sir Gustav Nossal and that the report of the Victorian group appears under the signature of Sir Gustav.

How have we arrived at this position today? Why are we being called on to vote on bills that deal with matters of faith and belief? Without wishing to sound too simplistic, science moves much faster than articles of faith. Scientific research in the 21st century moves at a frenetic pace with breakthroughs that I hope will bring new treatments—and, one day, cures for what presently are incurable illnesses and conditions—to future generations of Australians. I believe that the reduction of human suffering by advancement of medical and scientific knowledge is a sufficient reason for this Senate to vote in favour of the bills. I am prepared to believe the scientists when they say they need embryonic stem cells to progress their work and that adult stem cell research will not bring the benefits we can hope to see from the use of embryonic stem cells.
The personal beliefs of a few cannot be allowed to stop work that will see humanity progress, and what better progress can we imagine than progress in the areas of research into diabetes, motor neurone disease, Alzheimer’s disease, multiple sclerosis, muscular dystrophy and Parkinson’s disease. Today, 91,900 Australians have diabetes type 1, of which one in 700 children have the disease. The Australian Institute of Health and Welfare estimates that type 1 diabetes accounts for about 10 to 15 per cent of all people with diabetes. It is estimated there are 100,000 people in Australia living with Parkinson’s disease and 1,400 people living with motor neurone disease. The peak body providing support and advocacy for the 500,000 Australians living with dementia, Alzheimer’s Australia, is on record recognising that embryonic stem cell research poses ethical dilemmas for some Australians and supports a strong ethical and regulatory framework for Australian stem cell research, as I do. Alzheimer’s Australia fully supports the recommendations of the Lockhart review and believes that the legislation should be expanded to allow further research in this area.

The committee heard from support groups who support stem cell research. Kidney Health Australia said that embryonic stem cells offer great hope to patients with kidney disease. If this is possible, how can we deny the means to secure this outcome? I freely acknowledge that we may be talking about the work of decades, not weeks, months or even years. Embryonic stem cell research offers us the tantalising promise of treatments and medical knowledge we did not even dream of a few years ago.

The following sentiment was encapsulated by Sir Gustav Nossal:

Stem cell science has advanced to the point where it is pushing against the boundaries of current legislation. It is time for the next step. During this debate we will hear that it is not necessary to use embryonic stem cells because adult stem cells are available and that they are every bit as useful as embryonic stem cells. If it were true that adult stem cells could do the work of embryonic stem cells, we would not be having this debate. Regrettably, adult stem cells are not as useful to researchers as embryonic stem cells. This point was well made by Professor Bob Williamson from the Australian Academy of Science. Professor Williamson works with adult stem cells, and he stated why he as an adult cell scientist believed that:

… somatic cell nuclear transfer and embryonic stem cell research is important? … Adult stem cells cannot transdifferentiate.

Only embryonic stem cells have the capacity to grow and grow and grow indefinitely.

He went on to say, ‘Only embryonic stem cells can form heart muscle, neurones and so on, while the adult liver cell can only form another adult liver cell.’ Professor Williamson concluded his remarks to the committee by stating:

My personal view as an adult stem cell scientist is that we need to encourage this— that is, embryonic stem cell— research.

I find myself in agreement again with Sir Gustav when he says ‘embryonic and adult stem cell research should be pursued as complementary avenues of investigation’. By allowing embryonic stem cell research we are not shutting the door on adult stem cell research. I acknowledge that adult stem cell research also holds promise of treatments and cures. I say to the Senate: let both avenues of research flourish in Australia for the good of all Australians.

The committee’s majority report raises a most important question in asking: what has changed since 2002? Central to the argu-
ments of the minority report and to the supporters of the minority report is the fact that nothing has changed since 2002, thus there is no justification for making changes to the current legislation. The position was also put forward by the Prime Minister, in handing down the Matthews Pegg Consulting report, that the government is not disposed to make any changes to the existing national legislative framework for research involving human embryos agreed in 2002. But today on the news the Prime Minister indicated that he had not yet made up his mind.

The Prime Minister based his comments upon a report from Matthews Pegg Consulting. His comments were subsequently reviewed by Professor Peter Schofield, Associate Professor Ian Kerridge and Professor Loane Skene, the latter being the deputy chair of the Lockhart committee. The professors’ review of the Matthews Pegg Consulting report is both thorough and damning in its criticism. The professors found no less than 14 errors in the report, each one being sufficient to throw doubt on its conclusions. Together, the 14 points totally discredit the report. I quote:

In the key area of somatic nuclear cell transfer, the executive summary of the Matthews Pegg Consulting report is misleading …

They go on to say:

The methodology of the … Report is unclear and the rigour of the approach is not sufficiently transparent to allow critique.

I conclude that the Matthews Pegg Consulting report compares apples with pears, and this would be no surprise to senators as the two reports have different terms of reference. There is no wonder therefore that the reports are contradictory and that, predictably, the MPC report came to the conclusion that there has been little change in the state of play since 2002.

Lockhart stated and the majority report agreed that there is a need for change and that need grows stronger each and every week. Australian science cannot afford to be left behind the rest of the world scientific communities. The benefits that occur through SCNT are not available through excess ART embryos. Having access to disease-specific embryonic stem cells is significant, according to evidence given to the committee by Professor Little:

… the derivation of hES—

that is, human embryonic stem—cell lines [by SCNT] will enable us to increase our understanding of normal development, abnormal development, nuclear activity and our ability to reprogram one cell type into another. This understanding will be of great importance to the development of new treatment techniques and the manipulation of cell type during disease. To be able to develop a human ES cell from a patient with a disease of development is likely to give us significant insight into what has gone wrong in embryonic patterning. Such understanding can never be gained by simply harvesting existing hES cells from an IVF blastocyst.

It is also worth noting that somatic cell nuclear transfer is legal in the following countries, many of whom are our close friends and allies: Belgium, China, Japan, New Zealand, South Korea, Singapore, South Africa, Sweden, Thailand, the United Kingdom and the United States of America. Remaining overseas for a moment, it is worth noting that, world wide, more than 80 Nobel laureates have expressed support for embryonic stem cell research. It is concerning to hear that Australia has already lost our top human embryonic stem cell scientist to California. I also worry that we will see many more of our top scientific brains in the field of embryonic stem cell research departing our shores. It is essential that the fetters that were placed on the wrists of our scientists in 2002 be re-
leased to allow them to work in Australia and cooperate with their international colleagues.

The committee received much valuable evidence to support the need for change; however, due to time restraints, I will only refer to the succinct submission of Professor Phil Waite. This can be found at page 31 of the majority report. Professor Waite lists the following advances since 2002:

- Human embryonic stem cells can be differentiated into myelin producing precursor cells and made in sufficient numbers and purity for human use.
- Human embryonic stem cells can repair demyelinating lesions in mice.
- Human embryonic stem cells can improve locomotor function in a rat model of spinal cord injury.

In my opinion the foregoing clearly demonstrates that there have been changes since 2002.

Clearly in a short speech such as this it is simply not possible to canvass the entire range of opinions and positions put to the committee either in person or as written submissions. So far I have attempted to state why I will be voting for the majority position. I hope that I have explained what led me to adopting my position. I have dealt positively with the evidence that was given to the committee—evidence that I believe at times was overwhelming in its intellectual weight and strength. Yet it would be wrong of me not to try and address and, where possible, rebut some of the arguments that were put for the contrary case—arguments that resulted in the minority report. I believe that all arguments were put before the committee in good faith and honourably held by sincere believers.

Let me now turn to the slippery slope argument that appears in letters and was discussed by several opponents of the bills. The Southern Cross Bioethics Institute used this argument to support its opposition to the bills. This argument has been used frequently by those who have opposed abortion and euthanasia, and it is now being used against stem cell research. People oppose a particular course of action, believing it will lead to terrible and unforeseen outcomes. That anyone would suggest that a final horrific outcome can be predicted from an original action is to suggest that, once a process commences, an outcome is somehow inevitable. Clearly such an argument is absurd. It is fallacious. Dr Paul Brook told the committee:

... it's like saying that fertiliser production ... should be banned because it can be used to make bombs.

I began by saying that I support the majority position, and I hope I have in the short time available to me provided some of the reasons I have come to that position. In conclusion I would like to say that debates that mix politics with science and moral principles are bound to cause friction, yet it is good that we can debate such matters. As legislators, it is required of us to make decisions on behalf of the entire community, not just sectional interests—however powerful and influential those interests might be and how sincerely their views are held.

Beliefs reverently held are bound at times to collide with equally strongly held scientific beliefs. While I believe that in such debates the church plays a healthy role when it challenges science, it has to make its case and show good reason why science should not proceed. On this occasion, in my opinion, it has failed to make the case. I would ask honourable members of the Senate to consider carefully before voting on these bills. On reflection I find myself in agreement with these eminent scientists when they say:

... legislative amendments to implement the recommendations of the Lockhart Review are critical to the future of stem cell research in this country
and, more importantly, to the development of new diagnostic tools and treatments for serious diseases.

I think Dr Elizabeth Finkel summed it up best:

Blocking research can have profound costs: the lesson of history shows that the best approach to dealing with ground-breaking, controversial science is to regulate it, not outlaw it.

I commend the bill to the Senate.

Senator WEBBER (Western Australia) (9.20 pm)—I seek leave to incorporate Senator Kirk’s speech.

Leave granted.

Senator KIRK (South Australia) (9.20 pm)—The incorporated speech read as follows—

I will be supporting this bill.

The Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006 was drafted in response to the Lockhart Review which reported to the Parliament in December last year (2005).


These Acts prohibit human cloning; prohibit the creation of human embryos other than to impregnate a woman; and allow the use for research, under strict regulation and licence, of excess embryos created using IVF.

Each Act had a sunset clause, requiring independent review after three years, and in June 2005, the Government appointed a Legislative Review Committee to undertake this task.

The committee was chaired by the late John Lockhart, a former justice of the Federal Court of Australia.

The committee consulted widely including via a review website, written submissions, face-to-face meetings, public hearings, discussion forums and site visits.

It presented its report on December 19, 2005. The committee made 54 recommendations.

I want to pay tribute to the work of the late Justice Lockhart for the Committee’s careful and considered recommendations, and as I have indicated I support this bill which is intended to give legislative effect to those recommendations.

I also want to acknowledge Natasha Stott Despoja’s contribution to this debate, including her exposure draft Bill, co-sponsored by Senator Webber, Somatic Cell Nuclear Transfer (SCNT) and Related Research Amendment Bill 2006.

On September 14 this year (2006), the Senate referred this draft Bill, as well the bill drafted by Senator Patterson which we are debating today, to the Senate Community Affairs Committee for investigation.

The Senate Inquiry into the Legislative Responses to Recommendations of the Lockhart Review reported on Monday last week (October 30, 2006).

I welcome the Prime Minister’s decision to allow a conscience vote on this bill, which as we know, raises serious moral, social and ethical questions.

Some of the questions include:

- When does human life begin?
- How far should we go in allowing research on human embryos?
- Should the creation of human embryo clones by Somatic Cell Nuclear Transfer be permitted under licence for research, training and clinical applications?
- What safeguards should surround research on embryos?
- How do we define an embryo?
- What safeguards should be provided to protect the rights of women?

I have been along—time supporter of ethical medical research, including strictly regulated research using embryonic stem cells.

In 2002 I voted to support therapeutic stem cell research using surplus embryos created using IVF.

In 2002, I also voted in favour of a ban on human cloning, and I want to stress that I continue to oppose any changes in the laws prohibiting human reproductive cloning.
The idea of human reproductive cloning is abhorrent to most people. There is clearly no public support whatsoever for this practice, and this bill does not alter provisions prohibiting human reproductive cloning.

In particular, the bill explicitly prohibits the following:

- creating a human embryo by fertilisation of a human egg by human sperm, for a purpose other than achieving pregnancy in a woman; and
- developing a human embryo outside the body of a woman for more than 14 days.

The bill also prohibits the collection of a viable human embryo from the body of a woman.

I want to spend some time explaining why I am voting in favour of the bill being debated today, which would permit, among other things, the creation and use of cloned embryos provided these are not implanted into the body of a woman or allowed to develop for more than 14 days.

The bill would also permit, under strict conditions and licence, the creation and use of so-called hybrid embryos.

These are complex issues, both medically and morally.

I want to start by spending a few minutes on the basic science of stem cell research and Somatic Cell Nuclear Transfer, and what researchers see as some of the potential benefits.

Some of what I am about to say is from literature by the National Health and Medical Research Council Australia.

Stem cells are ‘unspecialised’ cells that have the unique potential to develop into specialised cell types in the body, for example blood cells, muscle cells or nerve cells.

This can be either for growth and development, or for replenishment and repair.

Stem cells occur at all stages of human development, from embryo to adult—but their versatility and numbers tend to decrease with age.

Given the right conditions in the body or the laboratory, stem cells—unlike muscle cells, nerve cells or blood cells—can replicate themselves many times over.

When a stem cell replicates, the resulting cells can either remain as stem cells or can become specialised cells.

Stem cell research shows promise in medical treatment in two main areas: a better understanding of diseases such as cancer, and making cells and tissues to replace or regenerate tissues that are either diseased or have been destroyed.

By understanding how stem cells transform into the specialised cells that make up our bodies, we can better understand and potentially find cures for diseases such as cancer, which is a major example of where this process has gone wrong.

Stem cells also offer the possibility of a source of replacement cells that could be used to treat diseases and conditions from Parkinson’s disease to heart disease, spinal cord injury, diabetes and arthritis.

Embryonic stem cells, as their name suggests, are derived from human embryos.

They have the potential to develop into all cell types in the body.

Currently in Australia, embryonic stem cells are derived from human embryos that are left over from assisted reproductive technology—or ART—treatment programs and have been donated to research by the couple for whom they were created.

Adult stem cells, often called somatic stem cells, are found in many organs and tissues of the body, where their main function is to replace cells that have died in the tissue or organ where they are located.

In certain circumstances, adult stem cells may transdifferentiate into other cell types.

Adult stem cells extracted from the bone marrow of patients or compatible donors are used routinely in treating diseases such as leukaemia.

Umbilical cord blood, extracted from the umbilical cord and placenta when a baby is born, is a rich source of adult stem cells.

These cells may be useful for medical research or therapeutic use in the future. In the USA in particular, many people are having cord blood frozen for possible use later in life.

The advantages of embryonic stem cells are that they can be grown in the laboratory for long peri-
ods and be made to change into most types of tissue found in the body.
Adult stem cells are present in the body in low numbers, and, with the exception of bone marrow, are difficult to obtain.
Although adult stem cells are currently difficult to grow in the laboratory and may not develop into every kind of cell, recent developments in this field are promising.
Some people who object to this bill say that there has been insufficient proof of concept to justify the need for changes to the law.
There are some who say that there is no need for embryonic stem cell research because adult stem cell research shows just as much, or perhaps even more promise.
Still others, who are not against embryonic research per se, maintain that it is one thing to use embryos which would otherwise be discarded, but that it crosses an ethical boundary to create embryos for the purposes of research. I will come back to this point later.
The terms of reference for the Lockhart Review included reporting on “developments in medical research and scientific research and the potential therapeutic application of such research”.
The Lockhart Report contained a literature review which was commissioned by the NHMRC on behalf of the Minister for Ageing, of recent scientific advances in the areas we are discussing.
While it is true that research using embryonic stem cells and Somatic Cell Nuclear Transfer is in its infancy, as the Lockhart Review shows, there have been significant breakthroughs.
Medical research is not about finding instant cures. Scientists have said at the outset that this technology may take many years to bring about new medical applications.
But while embryonic stem cell research has not yet translated into clinical trials or treatments, the use of excess ART embryos to derive embryonic stem cell lines has contributed to progress in the derivation and culture of the cells and in methods of promoting the growth of different types of cells.
I agree with the view of the Lockhart Committee that “it is not possible or helpful to try to establish the relative experimental or potential therapeutic merits of embryonic and adult stem cells.”
“There have been many preliminary findings in animal studies that indicate sufficient potential to warrant further investigation.”
I’ll now move on to the specific practice of Somatic Cell Nuclear Transfer or SCNT.
This is the scientific technique through which human embryo clones can be created.
SCNT involves obtaining a woman’s egg cell in the same way eggs are obtained for ART treatment, then removing genetic material and replacing it with DNA from a cell of a body.
With the right triggers this new cell can be turned into an embryo.
If a cloned embryo is grown in the laboratory for a few days, stem cells could be harvested from it to form a new embryonic stem cell line.
This possibility is often referred to as therapeutic cloning, since the embryonic stem cells could be encouraged to develop into human tissue or (possibly in the future) a complete organ for transplant.
Because the stem cells from a cloned embryo have identical nuclear DNA to the person who donated the original body cell, this theoretically overcomes the rejection hurdle that exists with current organ or tissue transplants or with stem cells derived from embryos leftover from IVF.
SCNT is widely used in animal research.
It is not illegal to use this technique to create human embryos in countries including the UK, the USA, Singapore and Sweden.
SCNT requires a source of ova. Concern has been raised about the potential for exploitation of women as egg donors and also about the issue of human-animal hybrids.
Lockhart acknowledged that it can be difficult to attract women to donate oocytes for research and that the potential exists for coercion.
To avoid coercion of women in ART programs—no may be asked to donate eggs for research—Lockhart recommends that there be clear separation between the obtaining of eggs for ART practice and research.
The Lockhart Review also recommends that egg donation be managed by strict ethical guidelines. It is important to make it clear that this bill prohibits the commodification of human eggs.

It maintains the current ban on the sale of human eggs, sperm and embryos, allowing only the reimbursement of “reasonable expenses”.

This bill also maintains the ban on implanting into the reproductive tract of a woman of a human-animal hybrid embryo.

In addition the bill continues to prohibit the placing of a human embryo into an animal or vice versa, for any period of gestation.

On the other hand, to reduce the need for human eggs during the developmental stages of nuclear transfer research, the bill permits, under licence, the use of animal oocytes. Again, I will come back to this point, and why, on balance, I think this is desirable.

The Lockhart Committee found that there is strong community support for medical research to help people who suffer from debilitating or incurable disease or conditions.

It found considerable community support for medical research to help people to have children, including the acceptance that this process involves the ‘wastage’ of some embryos.

For some people the values attached to treating disease and overcoming infertility are more important than the value of an embryo.

For others, the value of an embryo, as a potential human being, is predominant.

I acknowledge that there are strongly held and divergent views within the community—and indeed the Parliament—on this issue and I support in full the rights of all groups to participate in this debate.

I know that many Senators speaking today will have looked very closely at the Senate Committee report which as I said was handed down last week (October 30, 2005).

This Committee gave bipartisan support to this bill. The support was not of course unanimous, with 5 members supporting and 3 opposing.

The Committee considered 494 submissions and held public hearings in Canberra, Sydney and Melbourne.

In conclusion, this is what we know:

Most people in the community are very supportive of medical research.

There is evidence of strong support for SCNT.

In June this year (2006), Roy Morgan Research conducted a poll which found that 80 per cent of respondents approved of therapeutic cloning or Somatic Cell Nuclear Transfer.

Like others in the Parliament, it was my task to weigh up the social and moral implications of this bill.

I pay tribute to the Lockhart Review Committee for its very thorough report, and to the Senate Committee who, in a very short space of time, had to grapple with some very difficult issues.

I appreciate—although I don’t share the view that SCNT crosses an ethical boundary.

I believe that while a 14 day embryo deserves respect, on balance, it is for the greater good to allow research that may one day alleviate human suffering and death.

This is also my view in respect to the creation and use of less than 14-day old human-animal hybrid embryos, when conducted under licence, and the strict conditions as laid down in this bill.

There are many people with diseases and conditions to whom stem cell technology offers hope.

This is not pie-in-the-sky research as some opponents indicate, and we have already seen some very promising results.

I have mentioned some of the diseases for which there are potential treatments and cures.

Another one is cystic fibrosis.

My family has a long history of cystic fibrosis. Around two-and-a-half thousand Australians suffer from cystic fibrosis, which is characterised by a build-up of thick mucus in the lungs and pancreas, leading to breathing difficulties and life-threatening infections.

On my mother’s side, my family has lost five members to this disease.
Stem cell research offers great hope for people with cystic fibrosis, and I am pleased to say that significant progress is being made.

In 2004, for the first time, British scientists created a human stem cell line with the mutation for cystic fibrosis.

This was the same team who in 2003 were the first to grow human embryonic stem cells in the UK.

I commend this bill to the Senate.

Senator IAN MACDONALD (Queensland) (9.20 pm)—The debate before us is a complex one that brings out a range of emotions, passions and beliefs. I have read what I can on the Prohibition of Human Cloning for Reproduction and the Regulation of Human Embryo Research Amendment Bill 2006 and the issues surrounding the subject. As best I have been able today, whilst regrettably having been involved in a Senate committee hearing which required my attendance, I have listened to the debate and have appreciated the views of those in favour as well as those against it.

I have also carefully read and listened to all of the many submissions that have been made to me by Australians for and against the bill. I want to thank those people who have taken the time and effort to make me aware of their views. I certainly respect their sincerity and their deep beliefs. I have also attended at least one of the seminars that have been conducted in relation to the bill, and I have read some of the reports of the Senate Standing Committee on Community Affairs inquiry into the bill and some of the transcripts of evidence given to the committee. In spite of all that, I still claim no expertise and a very limited understanding.

The government decided to set up an expert committee to review the Prohibition of Human Cloning Act 2002 and the Research Involving Human Embryos Act 2002 in accordance with the requirement in both acts that they be reviewed by an independent committee by December 2005. The review committee was selected by the government. I am aware that the Prime Minister would have had a view on the appointment of the late John Lockhart AO, QC, a former justice of the Federal Court of Australia, to head the panel. The other members of the panel were clearly chosen by the government for their expertise and understanding of science and ethics. As an aside, I would like to say what everyone in this chamber well knows—that is, the government would not have appointed people to that panel if they thought them to have extreme or radical views on this or any other issue.

Regrettably, I do not have the same mental capacity or time to fully research the issue as the members of the panel of review have and have had. I have enormous confidence in the credibility, sincerity and ability of those leading Australian scientists, medical specialists and clinical ethicists who, as part of the Lockhart review panel, devoted considerable time and thought to their conclusions.

While I do not think the debate is one inordinately influenced by one’s religious convictions or lack of them, I do make reference to a quote from the Hansard report of the evidence given by Professor Skene to the standing committee on community affairs, which reviewed this bill. Professor Skene said in part:

John Lockhart used to describe himself as an agnostic Anglican and he used to like singing in the church choir. Pam McCombe and Barry Marshall are both Roman Catholics. I am a church-going Anglican and Peter Schofield is an evangelical Christian ... We took all this very seriously and it was not easy for us. I want you to know that in the long process of consultation we examined our own thinking and we did not reveal until the end what we were thinking about it.

To suggest that one’s decision depends on one’s religious conviction I think is wrong, and to a degree demeaning. I class myself as
a Christian—although not, I regret to say, one who attends church as regularly as I would like.

The issues and arguments both for and against the bill have been widely canvassed by my colleagues in this debate, and I thank them for their input. I am not going to prolong this debate by repeating a lot of the arguments that have been made or refuting some of the arguments made with which I do not agree. As I say, this has already been done by others.

It is difficult for me to adequately summarise the contents of the bill, the recommendations of the Lockhart committee and the arguments for and against it. I want to simply include a couple of paragraphs again from the Hansard record of Professor Skene’s evidence to the standing committee which highlight in relatively simple layman’s terms the recommendations of the Lockhart committee. I quote from Professor Skene’s evidence:

We believe that there should be prohibitions on certain types of conduct that everybody seems to regard as being morally wrong. We think that there should be a clear division between embryos being created for research and used for research, which must never be implanted in a woman, and the fertility processes in fertility programs where, of course, the goal of the program is to help people have children, or to test before an embryo is implanted...

Professor Skene goes on:

So our first and most basic recommendation was that the current legislation should stay in place and that most of the current prohibitions should also remain, in order to reassure the community that things that they object to will not be allowed to be done and, if those things are done, there are very heavy penalties—15 years imprisonment for the most serious of them.

The professor continued:

The second recommendation was that the current research on embryos that is allowed to be done at the moment should be permitted to continue.

One of our recommendations was that it should be possible to do research on impaired embryos. We also recommended that the time during which it is possible to do research on an egg in the process of fertilisation should be extended to the time when the egg is fully fertilised...

we recommended that scientists should be permitted to create an embryo of this kind for research, we thought in taking this line we were adopting a middle-line approach. The reason for this is that we recommended that it should not be permitted to create what we call the sperm-egg embryo, which combines the gametes, the sperm and egg, of the couple. We took the view that a somatic cell nuclear transfer embryo is different, that it is more like growing bodily tissue to treat a person with some sort of medical disorder.

I have to say that in coming to a conclusion on this issue and other similar issues, for reasons that will be fairly obvious, I have been very heavily influenced by the commitment and views of my colleagues Senator Jeannie Ferris and Dr Mal Washer MP.

I want to make it clear, and I think most other thinking Australians would be of the same view, that I do not anticipate that the mere passage of this bill will allow research that will provide miraculous cures overnight—or even in the short- or medium-term future. I am one of those who looks around at my fellow human beings and realises that, in spite of my inadequacies and deficiencies, I am luckier than most. I have reasonably good health, but I see many others in our society who are afflicted by the most appalling and debilitating of diseases. I have friends who have been traumatised by accidents and other events which have severely impaired their health and lifestyle.

I was myself the beneficiary of scientific research into heart disease which just 10
years ago allowed a mechanical aortic valve
to be inserted in my heart. That prolonged
my life expectancy considerably. In fact if
research had not unlocked the science and
mysteries of cardiac surgery, I would not be
speaking to you tonight. I often wonder if
stem cell research may at some time in the
future cure the diseased aortic valve which I
was born with. It does not really matter to
me now as the mechanical valve which I
have in my heart has been guaranteed by my
surgeon to last for 1,000 years, but it would
be nice for others in the future if there were a
way of repairing a diseased aortic valve so
that those people would not have to be on
‘rat poison’, or warfarin, daily. I take that to
ensure that my blood remains thin enough to
keep flowing through the mechanical valve.
That is all supposition, but one day hopefully
there will be cures for the type of damaged
aortic valve that I had.

I am one of those who believes that any-
thing that can possibly be done to give a bet-
ter quality of life and possible cures in the
future to some of the diseases and disabilities
that afflict my fellow Australians deserves to
be given a chance. This bill and the original
act, in my view, provide all of the safe-
guards—and very substantial penalties
against the breach of those safeguards—that
I believe would ensure that the practices that
we all consider repugnant would not occur in
Australia.

In the end result, I look at the bill in this
way: I have faith and confidence in the ethics
and honesty of our scientists and in the regu-
lations governing research. Accordingly, I do
not accept some of the dire predictions that
have been made as to where passage of this
bill might lead. I dismiss the ‘thin end of the
wedge’ prediction; I have more faith in hu-
mankind. If there is even the remotest possi-
bility that passage of this bill will allow con-
trolled research which might cure one ail-
ment in just one person I think it is worth-
while, and I would be very surprised if the
God that I worship thought otherwise. I sup-
port the passage of the bill.

Before I conclude, I just want to make
some comments on the voting on this bill. I
have clearly indicated, after a lot of thought,
my support for the bill. I originally believed
that I would not be in parliament on Friday,
when it was anticipated that the vote on this
bill might take place. I had accepted an invi-
tation from the Minister for the Environment
and Heritage to represent him at the launch
of a vessel for the Great Barrier Reef Marine
Park Authority up at Airlie Beach. I had, ac-
cordingly, arranged to be paired on Friday
for the taking of the vote. The event that I
was intending to attend on Friday has now,
subsequently, been postponed, but the ar-
rangements that had been made to pair my
vote were required to stand, and I am, of
course, quite willing to continue in that proc-
cess.

I am informed and I believe that my
Queensland Senate colleague Senator George
Brandis, who is currently representing the
government in the United Kingdom, would
have voted against the bill had he been in
parliament when the vote was taken. Accord-
ingly, I re-emphasise my support for the bill
but agree not to take part in the vote so that I
can unofficially pair the vote of Senator
Brandis, who would have been opposed to
the bill. I have written to Senator Ferris, as
the whip unofficially assisting with pairs
here in that fashion, and I seek leave to table
a copy of my letter to Senator Ferris con-
cerning my position on the voting.

Leave granted.

The ACTING DEPUTY PRESIDENT
(Senator Murray)—Senator Macdonald,
thank you for your remarks. I think it may be
necessary to refer the matter of voting to the
President because I think, in the circum-
stance you have outlined for people such as
you and Senator Brandis, it may be best if
your positions were recorded underneath the
normal vote record in the Hansard so that
your remarks are not lost in the text. I will
refer it through the clerks to the President for
consideration of the way it is recorded in the
Hansard.

Senator ELLISON (Western Australia—
Minister for Justice and Customs) (9.33 pm)—Tonight the Senate debates the Prohi-
bition of Human Cloning for Reproduction
and the Regulation of Human Embryo Re-
search Amendment Bill 2006. The impor-
tance of this bill is recognised by the fact that
the vote that we have in the Senate is based
on conscience and is described as a free vote.
It is not often that we have such a vote as
this, and for good reason in this case we have
a conscience vote because it deals with is-
ues not only of science of great importance
to the community and matters of social con-
cern and human welfare but also of ethics.

Four years ago, we debated in this cham-
ber the Prohibition of Human Cloning Bill
2002 and the Research Involving Human
Embryos Bill 2002. The Prohibition of Hu-
man Cloning Bill, which banned any form of
human cloning, was passed unanimously.
The Australian parliament at that time there-
fore emphatically rejected all forms of hu-
man cloning, including reproductive and
therapeutic cloning.

In 2002, the option, therefore, was avail-
able for any senator or member to move an
amendment to allow for therapeutic cloning
whilst banning reproductive cloning—but
no-one did. Many members and senators
who would now support this bill spoke em-
phatically against human cloning. The Re-
search Involving Embryos Bill was passed
with a majority and approval was given for
the release of surplus IVF embryos for re-
search and study. As part of that legislative
process, a review of the legislation was pro-
vided for. And, of course, as a result of that,
we have the Lockhart report which forms the
basis of this bill.

The first question we should ask is there-
fore: what has changed so much in the last
four years as to warrant such a change in
legislation? Let us firstly look at the Lock-
hart report. The report was charged with the
responsibility of reporting on the scope and
operation of the Prohibition of Cloning Act
2002 and the Research Involving Human
Embryos Act 2002 and was charged to take
into account developments in technology in
relation to assisted reproductive technology,
developments in medical research and scien-
tific research and potential therapeutic appli-
cations of such research, community stan-
dards and the applicability of establishing a
national stem cell bank. And of course there
were a variety of other consultations which
the committee was required to undertake.

The report of that committee was deliv-
ered on 19 December 2005 and was subse-
sequently the subject of independent assess-
ment by the Matthews Pegg Consulting
group. This had been commissioned by the
government and it was asked to report on
whether the state of play had changed since
the bills had passed. I think it is fair to say
that, in short summary, Matthews Pegg
found that little if anything had changed to
warrant a change in legislation. And, again, I
ask: what has changed so much in the last
few years so as to warrant this bill?

The argument has been put persuasively
that the 2002 legislation allows for sufficient
research using surplus IVF human embryos.
Four years ago, surplus IVF human embryos
were made available for the purpose of study
and research, as I said earlier. Of the thou-
sands made available, how many are being
used for stem cell research? The Senate
Standing Committee on Community Affairs
report revealed that only 30 per cent of the
surplus IVF embryos have been used for obtaining embryonic stem cells for research, and a limited number of licences have been granted for such research during that time. Some scientists are now seeking other sources of embryonic stem cells—namely, cloned human beings or cloned animal-human hybrid embryos achieved by the process of somatic cell nuclear transfer.

Of course, the scientific community is not united on the benefits of this. Dr Nicholas Tonti-Filippini, quoted at page 53 of the committee report, said:

Nothing has changed scientifically to support some kind of new argument of necessity to use SCNT embryonic stem cells. If anything, the possibility of developing therapies involving cultured embryonic stem cell transplant has become more remote as more has become known about the difficulties.

What Dr Nicholas Tonti-Filippini was saying is that nothing has changed. Indeed, the evidence on whether SCNT is beneficial says quite the opposite.

James Sherley, Associate Professor of Biological Engineering at the Massachusetts Institute of Technology, visited Australia and gave a number of lectures. James Sherley has conducted extensive research with adult stem cells. In a discussion I had with him, he indicated in the strongest terms that demonstrated benefits do arise from the use of adult stem cells. He stated that, no matter whether cloned or natural, embryonic stem cells do not offer the hope that people attach to them. In addition, he believes that cloned embryonic stem cells present real dangers, such as the growing of tumours, when put in adults. That is the opinion of someone who has a great deal of experience in adult stem cell research.

But he is not alone. Professor Alan Mackay-Sim, a prominent stem cell researcher from Griffith University, has also attested that adult stem cell research can provide an ethically responsible alternative to cloning. He has stated that stem cells from adults can generate continually and be used for research into Parkinson’s disease and Alzheimer’s disease. What are we facing here? I will quote some additional comments made by senators in the committee report:

8. This quantum leap in research is being advocated well in advance of similar research being done on cloned animal embryos.
9. Some scientists are therefore asking for the freedom to pursue this research on relatively weak grounds purely and simply because they want to go down this path.
10. Bad science cannot justify this freedom, even if it may be regulated by a government authority.

I seek leave to continue my remarks later.

Leave granted; debate adjourned.

ADJOURNMENT

Senator ELLISON (Western Australia—Manager of Government Business in the Senate) (9.40 pm)—I move:

That the Senate do now adjourn.

Muslim Community

Senator BARTLETT (Queensland) (9.40 pm)—I want to speak about a couple of matters this evening. The Australian Federal Police Commissioner, Mr Keelty, made a speech a week or so ago at the South Australian Press Club in Adelaide which I thought should be more widely acknowledged and noted. He expressed concern about the potential impact on the security of our entire country if there was excessive ramping up of hysteria, anxiety, fear and vilification towards Muslim Australians. I questioned Mr Keelty about his speech and about some of his concerns last week at Senate estimates, and I would recommend his responses to people who are interested in ensuring that our nation is mature enough to debate difficult, complex and emotional issues without resorting to hysteria, exaggeration and feeding frenzies.
Mr Keelty used an example in his speech and he referred to it in his answers at Senate estimates. We were talking about a report a month or two ago that got widespread coverage in Australia—indeed, front-page coverage—alleging that al-Qaeda or Muslim extremists in the UK had planned an attack on the last Ashes cricket series in England. It was alleged that there was a threat against the Australian cricket team and the English cricket team during the Ashes series. Mr Keelty said:

Certainly we—

that is, the Australian Federal Police—

have no evidence of a threat against the Australian cricket team during the last Ashes series, nor have our UK counterparts. When you go back to the origins of the story, if I recall correctly, it was reported in one of the British tabloids and then merely repeated by the Australian media outlets.

It was more than repeated; it was built upon. It was shifted onto the front pages of at least some of our newspapers. We had stories running for a day or so about ‘major threat to our Ashes heroes in the UK’, ‘terrorist threat to cricketers’ and ‘Muslim extremists targeting our Aussie cricketers’. I am sure we can all recall those stories. I remind the Senate that Mr Keelty said the AFP and their UK counterparts had no evidence at all that there was any threat against the Australian cricket team. So, basically, Mr Keelty was saying that story did not seem to have much substance. Making it into a huge front-page scandal is not only inaccurate; it is potentially quite destructive and dangerous when these sorts of fear campaigns are being built up.

I asked a bit of a flippant question regarding whether Mr Keelty was aware that that original story had been corrected in any way by the newspapers concerned. I did not expect that it had been or that Mr Keelty was aware that it had been, but I did at least think: major front-page story; not much substance; they all stopped talking about it; fair enough. Yet, there I was yesterday in Brisbane reading the Sunday Mail, and what do I see but a story stating that an unprecedented security cordon will be thrown around the Gabba and other venues for this summer’s Ashes cricket series. According to the article, that particular action was requested:

... after revelations al-Qaeda had planned a gas attack on the team during last year’s Ashes series in England.

Despite the fact that the head of Australia’s Federal Police said that there was no evidence of any such attack or plan, that his UK counterparts had no evidence of any such plan and that that was quite clearly known—there was no follow-up and no substance to the stories a month or so ago—what we saw just yesterday in the Sunday Mail and perhaps other papers from the same stable, I do not know, was repeated as though it was total fact: ‘revelations al-Qaeda had planned a gas attack on the team during last year’s Ashes series in England’. That will no doubt now go down as being accepted fact that no longer needs to be qualified in any way, shape or form, despite the fact that not only does it need to be qualified but also it should not be mentioned at all because there is no evidence that there is any substance to it.

In those sorts of circumstances, is it any wonder that Muslim Australians get alienated, get frustrated and some of them get very angry about these sorts of stories? The stories make great media—there is no doubt about it. Everybody reacts to scares like that. Everybody can feel some anxiety about the thought. They just want to go along to the cricket. Maybe there will be a terrorist attack. Of course it is great story. But we have to think through what the wider ramifications are. If we are going to have this sort of coverage, we have to be able to do it responsibly.
In that context I would like to also take the opportunity to comment on the media coverage regarding the disgraceful comments by Sheikh al-Hilali from the mosque in Sydney. I condemn those comments, as many people did. But condemning the comments of an individual, even a person with the title of mufti, should not be used as an excuse to have a week-long feeding frenzy vilifying and attacking the entire Australian Muslim community—and that is basically what happened. If we cannot get to a circumstance where we can express appropriate concerns about completely inappropriate statements, whether they are by a mufti, a priest, a politician, a judge or anybody else, without then using them as an excuse to throw blanket smears over an entire community, then frankly we are not only showing ourselves to be immature as a nation but also really setting ourselves up for a very divided community and potential risks for the future—and that is what Commissioner Keelty was warning about.

I very much agree with Commissioner Keelty’s concerns. I do not always agree with everything he says, but this is the person who is charged more than most with having to ensure that some of these potential threats of terrorism or violence of all sorts from all sections of the community do not blossom and do not have fertile soil in which to grow. There is no better prospect for providing fertile soil for these things to grow than to have completely unfair and unreasonable commentary day after day. I criticised the comments as well—and I am certainly not saying that people should not have criticised those comments—but I am concerned that people took the opportunity to then go the extra step and say, ‘Here’s an opportunity for us under the cover of these inappropriate comments, these disgraceful comments, to have a free kick at all the Muslims—a free kick and a feeding frenzy day after day.’

It is simply not appropriate for the Prime Minister or, for that matter, people like Mr Rudd to be instructing Muslims in Australia and saying: ‘You must sack this person. You must do this. You should not do that.’ Imagine how it would go down if we had political leaders saying to the people of the Anglican synod, who recently balloted I think in Melbourne as to who would be their next head bishop, ‘You should not pick this person because he has unsound opinions about this; you should vote for this person,’ or they were lecturing the Catholics, saying, ‘You should get rid of George Pell.’ Some of us may think that is a good idea, but it is not a matter for us. If people within the Catholic Church want to make commentary about that, they can. It is certainly not a matter for us at the leadership level to be lecturing people of any religion about what they should be doing.

The other most frustrating aspect of this is that I know and I am fairly sure that the Prime Minister would know—if he does not, he should—that a lot of Muslims in the Australian community have not been happy for a long period of time about this person having the title of mufti. They are not happy about how it happened, they are not happy that he has it and they look for opportunities to address that. Maybe this situation has presented that. But one thing you can be sure of is that it will be a lot harder for them to do anything about it and to fix up some of those problems if they are perceived by their community and they perceive themselves as doing it because they were told to do it by politicians. Nobody likes doing stuff if they think they are doing it because they are being pressured by the media, politicians or anything else. If we genuinely want positive change, we should be voicing support for our Muslim community. We should be working with them outside of the glare of the feeding frenzies in the
mainstream media. We should be working with them at the community level day after day, doing the sort of work, frankly, that Mr Keelty and plenty of other people in the police force do outside the glare of the media while working to create good relations. That is what politicians should start doing. *(Time expired)*

Gynaecological Cancer

Senator WEBBER (Western Australia) (9.51 pm)—I rise tonight to make a few brief remarks about an entirely different aspect of medical research and the need to support it. Members of this place would be aware that the Senate Community Affairs Committee recently tabled a report on the need to support research and treatment for gynaecological cancers. Along with my good friend Senator Moore, on Saturday night I had the honour of attending a fundraiser called Comedy for Cancer—a benefit that was held in support of the work of ANZCOG and to assist with the fight against ovarian cancer. The evening was hosted by Georgie Parker, well known in the Australian community, and had a number of comic talents donate their services for free to entertain us all. I must say that, having spent last week here in estimates, it was a fairly fitting way to end the week—to end it with a laugh. You do not get too many laughs in this job.

I want to place on record a tribute to Ms Tanya Smith, who now lives in Western Australia and was one of the witnesses to appear before the Senate inquiry. Tanya is a woman who suffers from the trauma of gynaecological cancer. She went to enormous lengths to place her very personal journey on the public record in the hope that it would assist not only our deliberations but also women in the future. In addition, she uses her numerous skills and efforts to assist in the fund-raising effort. In fact, Professor Michael Friedlander, who also appeared before the committee and was at the benefit, shared with Senator Moore and me that three weeks ago Ms Smith underwent some major surgery yet again and, whilst in her post-operative phase, she was busy putting the finishing touches to Saturday night’s event—such is her commitment to the need for research to help, she hopes, prevent other women suffering from this incredibly debilitating disease.

As I say, the comics that appeared donated their time for free. I particularly want to place on record my thanks for and appreciation of Shelly Silberman’s appearance. She announced at the event that it would be her last comic appearance—which I must say is a great pity, because it was one of the more humorous things I have been fortunate enough to experience for some time.

Ms Smith supports the work of the Senate committee and the findings of our report. As is known by all in this place, that inquiry was initiated by a network of women involved in GAIN in Western Australia and by Ms Margaret Heffernan in Victoria. I think it is important that it be brought to the attention of members of this chamber that, since we have tabled our report, GAIN and Ms Heffernan have not let a moment go past. They are now busy emailing their numerous networks of supporters and women in our community informing them that they have now seen the report and fully support all its recommendations and it is now time for action. Therefore, not to let a moment go past, last week I received an email with an attachment, which was a letter from GAIN and Ms Heffernan entitled ‘A call for action! A better future: supporting gynaecological cancer survival, research and diagnosis in Australia’. The letter states:

On 19 October 2006 a Senate report entitled “Breaking the Silence: a National Voice for Gynaecological Cancer” was released. This report is the outcome of the first national Government inquiry into the needs of the gynaecological can-
cer sector which has very high mortality rates and is under funded. By 2011—
that is, in five years time—it is anticipated that there will be a 14% increase in the number of women diagnosed with a gynaecological cancer. Unless funding is given for these recommendations, the impact on the Australian community will also be worsened by 14%.

In order for the recommendations to be translated into reality, we need the Government to support the recommendations and allocate adequate funding as a matter of priority in women’s health.

Before outlining specific steps that women can take, she finishes her plea by saying:

For this to happen—we need you to help us take action.

As I say, Ms Smith is doing her bit in organising fundraising. Ms Heffernan and the women of GAIN are doing their bit to ensure that the word gets out and that, unlike many other reports tabled in this place, this report is not allowed to just gather dust, and that its recommendations are implemented.

Saturday night’s fundraiser was in support of clinical trials. As I say, its main beneficiary was ANZCOG and over $65,000 was raised on the night. As part of its promotion, ANZCOG went on to say:

There are many unanswered research questions on the impact of new prevention, early detection and treatment strategies for gynaecological cancers. Clinical trials are large long-term undertakings. They remain the best way to identify real improvements in treatment. ANZCOG does not have sufficient resources to carry out all clinical trials that are needed to address and answer all of these important questions. Supporting ANZCOG to run clinical trials ensures that women in Australia and New Zealand have access to the best treatments available—a view that I am sure is shared by all in this chamber. So, through the hard work of women like Ms Smith and her friends, Professor Friedlander and his colleagues and the women of GAIN and Ms Heffernan, this chamber and the government are well and truly on notice. It is time to take action.

**Senate adjourned at 9.58 pm**

**DOCUMENTS**

**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—Statements pursuant to subsection 34C(6) relating to the extension of specified period for presentation of reports—
  - CSS Board and PSS Board—Reports for 2005-06.
  - Tourism Australia—Report for 2005-06
  - Aged Care Act—Committee Amendment Principles 2006 (No. 1) [F2006L03559].
- Australian Prudential Regulation Authority Act—
  - Australian Prudential Regulation Authority (Confidentiality) Determination No. 13 of 2006—Information provided by locally-incorporated banks and foreign ADIs under Reporting Standard ARS 320.0 (2005) [F2006L03502].
  - Australian Prudential Regulation Authority Instrument Fixing Charges No. 9
of 2006—Representative Offices of Foreign Banks [F2006L03555]*.
Australian Security Intelligence Organisation Act—Statement of Procedures—warrants issued under Division 3 of Part III [F2006L03543]*.
Civil Aviation Act—
Civil Aviation Regulations—
Civil Aviation Order 20.16.3 Amendment Order (No. 2) 2006 [F2006L03393]*.
Instruments Nos—
CASA 354/06—Revocation of directions [F2006L03394]*.
CASA 382/06—Approval under subregulation 207(2) of CAR 1988 [F2006L03523]*.
CASA EX50/06—Exemption from holding an air traffic control licence [F2006L03477]*.
CASA EX52/06—Exemption—provision of ARFFS at Avalon Aerodrome [F2006L03478]*.
CASA EX53/06—Exemption—flight and navigation equipment [F2006L03483]*.
CASA EX55/06—Exemption—training and checking organisation, flight check system [F2006L03544]*.
Civil Aviation Safety Regulations—Airworthiness Directives—Part—
105—
AD/750XL/8—Fuselage Roof, Station 180.85 [F2006L03405]*.
AD/A320/154 Amdt 1—Integrated Drive Generator Connector [F2006L03490]*.
AD/A320/194—Rudder Actuator Attachment Fittings [F2006L03416]*.
AD/A320/195—Fuel Tank Safety—Fuel Airworthiness Limitations [F2006L03395]*.
AD/A330/32 Amdt 3—Main Landing Gear Retraction Actuator Piston Rod [F2006L03491]*.
AD/A330/64—Engine Fire Extinguishing Bottle Pipe [F2006L03492]*.
AD/A330/65—Main Landing Gear Retraction Link [F2006L03503]*.
AD/A330/66—Inertial Reference System [F2006L03552]*.
AD/AMD 50/39—Third Crew Member Oxygen Box [F2006L03553]*.
AD/AS 355/61 Amdt 1—Starter Generators [F2006L03494]*.
AD/AS 355/66 Amdt 2—Sliding Door [F2006L03408]*.
AD/AS 355/78 Amdt 1—Hoist Operator’s Belt Snap Hook [F2006L03404]*.
AD/AS 355/85 Amdt 2—Sliding Door Rear Fitting Pin [F2006L03407]
AD/AS 355/88 Amdt 1—Cabin Vibration Damper Assembly [F2006L03497]*.
AD/B737/296 Amdt 3—Auxiliary Fuel System [F2006L03498]*.
AD/B747/299 Amdt 1—Yaw Damper Actuator [F2006L03397]*.
AD/BEECH 200/45 Amdt 4—Nose Gear Lower Shock Absorber Assembly [F2006L03403]*.
AD/BELL 206/158 Amdt 2—Fuel Distribution System [F2006L03470]*.
AD/BELL 206/164—Vertical Fin Supports—Inspection [F2006L03396]*.
AD/BELL 430/7—Vertical Fin Attachment Bolts [F2006L03415]*.
AD/BELL 430/8—Lateral Control Tube Assembly [F2006L03414]*.
AD/CESSNA 150/31 Amdt 4—Vertical Fin Attach Brackets, Nutplates and Fittings [F2006L03406]*.
AD/CL-600/69 Amdt 1—Horizontal Stabiliser Trim—Uncommanded Movement [F2006L03505]*.
AD/DAUPHIN/71 Amdt 1—Hoist Operator’s Belt Snap Hook [F2006L03402]*.
AD/DAUPHIN/83 Amdt 1—Tail Rotor and Tail Gearbox Support—Inspection [F2006L03501]*.
AD/DAUPHIN/86 Amdt 1—Starflex Star Arm End Bushes [F2006L03513]*.
AD/DAUPHIN/86 Amdt 2—Starflex Star Arm End Bushes [F2006L03522]*.
AD/DO 328/67—Fuel Tank Safety—Fuel Airworthiness Limitations [F2006L03417]*.
AD/EC 135/12—Tail Rotor Control—Linear Transducer Bearing; Rod & Floor [F2006L03531]*.
AD/ECUREUIL/78 Amdt 2—Sliding Door [F2006L03412]*.
AD/ECUREUIL/101 Amdt 1—Hoist Operator’s Belt Snap Hook [F2006L03401]*.
AD/ECUREUIL/109 Amdt 2—Sliding Door Rear Fitting Pin [F2006L03411]*.
AD/GAF-N22/69 Amdt 5—Ailerons [F2006L03400]*.
AD/GAZELLE/30 Amdt 1—Hoist Operator’s Belt Snap Hook [F2006L03399]*.
AD/SF340/99—MLG Shock Strut and Axle Adaptors [F2006L03410]*.
AD/SF340/100—Fuel Tank Safety—Fuel Airworthiness Limitations [F2006L03428]*.
AD/S-PUMA/S3 Amdt 1—Hoist Operator’s Belt Snap Hook [F2006L03409]*.
AD/S-PUMA/66—Main Rotor Head Spindles [F2006L03518]*.

AD/AL 250/90—Turbine Wheel Event Thresholds and Maximum Overspeed Transients [F2006L03493]*.
AD/CF34/12—Main Fuel Pump Fuel Inlet Strainer [F2006L03499]*.
AD/CON/60 Amdt 2—Fuel Injection Supply Lines [F2006L03500]*.
AD/JT8D/42 Amdt 1—8th Stage High Pressure Compressor Discs [F2006L03504]*.
AD/ROTAX/22—Camshaft Hydraulic Tappet Wear [F2006L03456]*.
AD/SM/A/2—Engine Electronic Control Unit [F2006L03432]*.
AD/TAY/16—Engine Electronic Controller—Inspection/Replacement [F2006L03418]*.

AD/PR/36—Blade Counterweight Capscrew Holes [F2006L03532]*.
AD/WHE/7—Nosewheel Tyres [F2006L03398]*.

Class Rulings—
Addenda—
CR 2006/86.

Corporations Act—Auditing Standard ASA 550—Related Parties [F2006L03392]*.

Currency Act—Currency (Royal Australian Mint) Determination 2006 (No. 3) [F2006L03551]*.

Customs Act—

Select Legislative Instruments 2006 Nos—

264—Customs Amendment Regulations 2006 (No. 4) [F2006L03385]*.

265—Customs (Prohibited Imports) Amendment Regulations 2006 (No. 4) [F2006L03383]*.

Tariff Concession Orders—

0606907 [F2006L03507]*.

0606996 [F2006L03435]*.

0607541 [F2006L03439]*.

0607692 [F2006L03442]*.

0608181 [F2006L03508]*.

0608183 [F2006L03509]*.

0608232 [F2006L03438]*.

0611942 [F2006L03443]*.

0612052 [F2006L03444]*.

0612054 [F2006L03433]*.

0612055 [F2006L03445]*.

0612056 [F2006L03446]*.

0612224 [F2006L03447]*.

0612225 [F2006L03434]*.

0612228 [F2006L03448]*.

0612232 [F2006L03431]*.

0612233 [F2006L03430]*.

0612370 [F2006L03426]*.

0612371 [F2006L03427]*.

0612372 [F2006L03429]*.

0612373 [F2006L03449]*.

0612374 [F2006L03450]*.

0612375 [F2006L03451]*.

0612376 [F2006L03424]*.

0612384 [F2006L03423]*.

0612430 [F2006L03422]*.

0612431 [F2006L03452]*.

0612478 [F2006L03421]*.

0612479 [F2006L03453]*.

0612480 [F2006L03484]*.

0612483 [F2006L03454]*.

0612484 [F2006L03420]*.

0612574 [F2006L03485]*.

0612614 [F2006L03486]*.

0612694 [F2006L03487]*.

0612697 [F2006L03419]*.

0612698 [F2006L03488]*.

0612792 [F2006L03489]*.

0612793 [F2006L03510]*.

0612794 [F2006L03580]*.

0612969 [F2006L03511]*.

0613055 [F2006L03581]*.

0613057 [F2006L03512]*.

0613058 [F2006L03513]*.

0613059 [F2006L03514]*.

0613060 [F2006L03584]*.

0613061 [F2006L03582]*.

0613080 [F2006L03586]*.

0613084 [F2006L03515]*.

0613085 [F2006L03588]*.

0613387 [F2006L03590]*.

0613391 [F2006L03594]*.

0613413 [F2006L03592]*.

Tariff Concession Revocation Instruments—

89/2006 [F2006L03436]*.

90/2006 [F2006L03437]*.

Customs Administration Act—Select Legislative Instrument 2006 No. 263—

Customs Administration Amendment Regulations 2006 (No. 2) [F2006L03390]*.

Dairy Produce Act—Select Legislative Instrument 2006 No. 261—

Dairy Produce (Dairy Service Levy Poll) Regulations 2006 [F2006L03459]*.
Financial Management and Accountability Act—
Adjustments of Appropriations on Change of Agency Functions—
Direction No. 8 of 2006-2007 [F2006L03537]*.
Select Legislative Instrument 2006 No. 268—Financial Management and Accountability Amendment Regulations 2006 (No. 8) [F2006L03472]*.


Health Insurance Act—
Health Insurance (Bone Densitometry) Determination HS/02/2006 [F2006L03524]*.
Health Insurance (Endoluminal Abdominal Aortic Aneurysm Grafting) Determination HS/05/2006 [F2006L03527]*.
Health Insurance (Hyperbaric Oxygen Therapy) Determination HS/06/2006 [F2006L03528]*.
Health Insurance (LeukoScan) Determination HS/08/2006 [F2006L03530]*.
Health Insurance (Pathologist-determinable Services) Determination 2006 (No. 3) [F2006L03605]*.
Health Insurance (Photodynamic Therapy) Determination HS/03/2006 [F2006L03525]*.
Health Insurance (Photodynamic Therapy) Determination HS/04/2006 [F2006L03526]*.
Health Insurance (Sacral Nerve Stimulation) Determination HS/07/2006 [F2006L03529]*.
Select Legislative Instruments 2006 Nos—
269—Health Insurance Amendment Regulations 2006 (No. 3) [F2006L03311]*.
270—Health Insurance (Diagnostic Imaging Services Table) Amendment Regulations 2006 (No. 4) [F2006L03338]*.
271—Health Insurance (Diagnostic Imaging Services Table) Regulations 2006 [F2006L03307]*.
272—Health Insurance (General Medical Services Table) Regulations 2006 [F2006L03304]*.
273—Health Insurance (Pathology Services) Amendment Regulations 2006 (No. 1) [F2006L03306]*.
274—Health Insurance (Pathology Services Table) Regulations 2006 [F2006L03305]*.

Higher Education Funding Act—Declaration under section 4—Adelaide College of Divinity Incorporated and Campion Institute Limited [F2006L03457]*.

Lands Acquisition Act—Statements describing property acquired by agreement for specified public purposes under sections—
40.
125.

Medical Indemnity Act—Select Legislative Instrument 2006 No. 275—Medical Indemnity (UMP support payment exemption) Regulations 2006 [F2006L03295]*.
Migration Act—Migration Regulations—Instruments—
IMMI 06/061—Addresses for Applications for the Subclass 420 (Entertainment) Visa [F2006L03352]*.
IMMI 06/062—Residential Postcodes, Skilled Occupations, Relevant Assessing Authorities and Points [F2006L03359]*.
IMMI 06/077—Occupations, Locations, Salaries, and Relevant Assessing Authorities for the Employer Nomination Scheme [F2006L03554]*.

Miscellaneous Taxation Ruling—Addendum—MT 2025.


National Health Act—
Arrangement No. PB 55 of 2006—IVF/GIFT Program [F2006L03521]*.
Determination HIB 31/2006 [F2006L03539]*.
Pharmaceutical Benefits Determination under subsection 99(4)—Payments to approved hospital authorities for the supply of pharmaceutical benefits prescribed by a hospital employee [F2006L03545]*.

Primary Industries (Excise) Levies Act—Select Legislative Instrument 2006 No. 262—Primary Industries (Excise) Levies Amendment Regulations 2006 (No. 6) [F2006L03461]*.

Privacy Act—Credit Provider Determination No. 2006-5 (Indigenous Business Australia) [F2006L03534]*.

Product Rulings—

Notices of Withdrawal—
PR 2005/24 and PR 2005/35.
PR 2006/82.
PR 2006/148 and PR 2006/149.


Quarantine Act—Quarantine Amendment Proclamation 2006 (No. 5) [F2006L03339]*.

Radiocommunications Act—
Notification that the Australian Communications Authority prohibits the operation or supply, or possession for the purpose of operation or supply, of specified devices Amendment Declaration 2006 (No. 1) [F2006L03389]*.
Radiocommunications (Transmitter Licences—Auction) Determination 2006 [F2006L03388]*.

Remuneration Tribunal Act—Determination—

Safety, Rehabilitation and Compensation Act—Safety, Rehabilitation and Compensation (Licence Eligibility) Notice 2006 (3) [F2006L03546]*.


Superannuation Industry (Supervision) Act—Superannuation Industry (Supervision) (Approved Guarantee) Determination No. 1 of 2006 [F2006L03540]*.

Taxation Determinations—Notices of Withdrawal—
TD 92/196.
TD 93/87, TD 93/88 and TD 93/225.
TD 94/70.
Taxation Rulings—

Notices of Withdrawal

Old Series—IT 2260, IT 2410, IT 2487, IT 2545, IT 2583 and IT 2649.

TR 2000/3.

TR 2006/12.

Telecommunications Act—Telecommunications Numbering Plan Variation 2006 (No. 3) [F2006L03387]*.

Telecommunications (Consumer Protection and Service Standards) Act—Telecommunications (Customer Service Guarantee) Amendment Standard 2006 (No. 1) [F2006L03547]*.

Telecommunications (Interception and Access) Act—

Declaration of eligible authority as agency—Corruption and Crime Commission of Western Australia [F2006L03542]*.

Declaration of eligible authority as agency—Northern Territory Police [F2006L03517]*.


Water Efficiency Labelling and Standards Act—Water Efficiency Labelling and Standards Amendment Determination 2006 (No. 1) [F2006L03468]*.

* Explanatory statement tabled with legislative instrument.
QUESTIONS ON NOTICE

The following answers to questions were circulated:

Prime Minister: Overseas Travel
(Question No. 708)

Senator Chris Evans asked the Minister representing the Minister Assisting the Prime Minister for Women’s Issues, upon notice, on 4 May 2005

(1) In relation to all overseas travel where expenses were met by the Minister’s portfolios, for each of the financial years 2000-01 to 2004-05 to date what was the total cost of travel and related expenses in relation to: (a) the Minister; (b) the Minister’s family; and (c) the Minister’s staff.

(2) In relation to all air charters engaged and paid for by the Minister and/or the Minister’s office and/or the department and its agencies, for each of the financial years 2000-01 to 2004-05 to date: (a) on how many occasions did the Minister or his/her office or department and/or agency charter aircraft, and in each case, what was the name of the charter company that provided the service and the related respective costs; and (b) what was the total cost.

Senator Vanstone—The Minister Assisting the Prime Minister for Women’s Issues has provided the following answer to the honourable senator’s question as follows:

(1) (a) Nil, (b) Nil, (c) Nil

(2)

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<tr>
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<tr>
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<td>Cape Air Transport</td>
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<tr>
<td>Corporate Air</td>
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<td>Air Ngukurr</td>
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<td>$330</td>
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For each financial year from 2000-01 to 2002-03 can the following information relating to advertising be provided:

1. (a) What advertising campaigns were commenced; and (b) for what programs.
2. In relation to each campaign: (a) what was its total cost, including a breakdown of advertising costs for: (i) television placements, (ii) radio placements, (iii) newspaper placements, (iv) mail outs with brochures, and (v) research on advertising; and (b) what was the commencement and cessation date for each aspect of the campaign placement.
3. For each campaign: (a) on which television stations did the advertising campaign screen; (b) on which radio stations did the advertising campaign feature; and (c) in which newspapers did the advertising campaign feature.
4. Which: (a) creative agency or agencies; and (b) research agency or agencies, were engaged for the campaign.
5. In the event of a mail out, what database was used to select addresses – the Australian Taxation Office database, the electoral database or other.
6. (a) What appropriations did the department use to authorise any of the payments either committed to be made or proposed to be made as part of this advertising campaign; (b) in which financial year will these appropriations be made; (c) will the appropriations relate to a departmental or administered item or the Advance to the Minister for Finance and Administration; and (d) if an appropriation relates to a departmental or administered item, what is the relevant line item in the relevant Portfolio Budget Statement for that item.
7. Was a request made of the Minister for Finance and Administration to issue a drawing right to pay out moneys for any part of the advertising campaign; if so: (a) what are the details of that request; and (b) against which particular appropriation is it requested that the money be paid.
8. Did the Minister for Finance and Administration issue a drawing right as referred to in paragraph (7); if so, what are the details of that drawing right.
9. Has an official or minister made a payment of public money or debited an amount against an appropriation in accordance with a drawing right issued by the Minister for Finance and Administration for any part of the advertising campaign.

Senator Abetz—The Minister for Small Business and Tourism has provided the following answer to the honourable senator’s question:

This question was also asked of the Minister for Industry, Tourism and Resources (Question No. 754). The Minister for Industry, Tourism and Resources will provide a portfolio response to this question.

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**Advertising Campaigns**

**Question No. 767**

Senator Chris Evans asked the Minister representing the Minister for Small Business and Tourism, upon notice, on 4 May 2005:

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<tr>
<td>Inland Pacific Air</td>
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<td>Northern Air Charter</td>
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This question was also asked of the Minister for Industry, Tourism and Resources (Question No. 754). The Minister for Industry, Tourism and Resources will provide a portfolio response to this question.
Australian Technical Colleges
(Question No. 1308)

Senator Allison asked the Minister representing the Minister for Vocational and Technical Education, upon notice, on 13 October 2005:

With reference to the statement made by the Parliamentary Secretary, Senator Colbeck (Senate Hansard, 10 October 2005, p.9) that, “Business plans submitted by Australian technical college authorities involving any large advertising amounts would be monitored in any case. However, if an ATC does need to spend more than $100,000 on advertising to recruit quality staff and to attract students and employers, this amendment will have the affect (sic) of delaying the Australian technical college’s ability to do its work”:

(1) (a) How will ATC business plans be monitored; (b) what will be the reporting mechanism of that monitoring; and (c) when will it occur.

(2) How will the notification of, or accounting for, the standard information required to undertake such a project, such as its purpose and nature, the intended audience, who authorised it, its cost etc., in other words all the standard information required to undertake the project, delay the project.

Senator Vanstone—The Minister for Vocational and Technical Education has provided the following answer to the honourable senator’s question:

(1) (a), (b) and (c) Each Australian Technical College (ATC) is required to develop a detailed business plan and budget. The business plan forms an attachment to the Funding Agreement which is signed by the Commonwealth and the ATC Authority. It comprises a strategic plan, implementation plan and annual operating plan. The ATCs will provide quarterly financial reports, including reports on operating expenditure which may include marketing and promotion. At the end of September each year, the ATC will be required to provide an update of the annual operating plan for the coming year, based on the past year’s experience. In addition, ATCs will be required to provide an Annual Report at the end of March each year, outlining the outcomes of activities undertaken during the previous calendar year.

(2) The proposed amendment to the Australian Technical Colleges (Flexibility in Achieving Australia’s Skill Needs) Bill (now Act) was that funds appropriated under that legislation could not be used for advertising projects in excess of $100,000 unless the Minister had presented to the Senate a statement setting out the details of the proposed advertising project. This wording implies that that an ATC would need to defer such advertising until the statement could be presented to the Senate. Most importantly this is an additional regulatory burden that is not imposed on other schools.

Taxation
(Question No. 1404)

Senator Sherry asked the Minister representing the Treasurer, upon notice, on 30 November 2005:

What is the estimated number of taxpayers within each tax threshold income range for the tax thresholds from 1 July 2005, and tax thresholds to apply from 1 July 2006.

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

Data on the numbers of taxpayers by income is published by the ATO in ‘Taxation Statistics’. The most recent Taxation Statistics publication applies to the 2003-04 year.
Bass Electorate: Programs and Grants
(Question No. 1507)

Senator O’Brien asked the Minister representing the Minister for Human Services, upon notice, on 18 January 2006:

(1) What programs and/or grants administered by the department provide assistance to the people living in the federal electorate of Bass.

(2) When did the delivery of these programs and/or grants commence.

(3) For each of the financial years 2002-03, 2003-04 and 2004-05, what funding was provided through these programs and/or grants for the people of Bass.

(4) For the 2005-06 financial year, what funding has been appropriated for these programs and/or grants.

(5) For the 2005-06 financial year, what funding has been approved under these programs and/or grants to assist organisations and individuals in the electorate of Bass.

Senator Kemp—The Minister for Human Services has provided the following answer to the honourable member’s question:

Core Department
DHS administers the Job Capacity Assessment programme and this is available to eligible clients in all electorates.

Child Support Agency
(1) The following programs are conducted by the Child Support Agency in the electorate of Bass:

- CSA runs Community Information Sessions (primarily held at Launceston), which provide CSA clients with information about the child support scheme.
- CSA runs its outreach program (individual client interviews) in the Bass electorate.
- The piloting of the Parent Support Services (PSS) Program in conjunction with Relationships Australia was run in Launceston.

(2) The Community Information Sessions and the outreach program have taken place since the early 1990s, the PSS program commenced within the last 18 months.

These programs are run Australia wide and it would be difficult to apportion an amount of funding to the Launceston region.

CRS Australia
(1) CRS Australia provides vocational rehabilitation programs to people living in the electorate of Bass.

(2) CRS Australia has been providing vocational rehabilitation programs to people living in Bass since the 1940s.

(3) The funding for these programs provided in the financial years 2002-03, 2003-04 and 2004-05 was approximately $1.02m, $0.98m and $1.07m respectively.

(4) Funding for CRS Australia vocational rehabilitation programs is not appropriated by electorate, but total expenditure for 2005-06 is estimated at approximately $1.02m.

(5) As at 12 May 2006, approximately $0.95m has been approved under programs commenced in the current financial year to assist individuals in the electorate of Bass.

To prepare this answer it has taken approximately 6 hours and 30 minutes at an estimated cost of $290.
Organised Crime Related Activities
(Question No. 1641)

Senator Ludwig asked the Minister for Justice and Customs, upon notice, on 22 March 2006:

With reference to the article ‘Australians chased by anti-Mafia investigators’, in the Age of 22 March 2006, that four Australians are allegedly under investigation by Italian authorities for organised crime-related activities:

(1) Has that matter been referred to the Commonwealth Director of Public Prosecutions (CDPP); if so: (a) by whom or by which agency was it referred to the CDPP and on what date was it referred; (b) what is the current status of the brief; and (c) was it returned on the basis of insufficient evidence and the case closed; if not, on what basis was prosecution of the case rejected.

(2) Regarding the offer of an Italian ‘undercover operative’ to testify in Australia, was the testimony a part of the abovementioned brief; if not: (a) why not; (b) did the CDPP assess this testimony separately; and (c) why was the offer of an Italian operative to testify in Australia rejected.

Senator Ellison—The answer to the honourable senator’s question is as follows:

(1) The CDPP does not routinely comment on whether matters have been referred to it for advice or prosecution or the detail of any material which may be referred to the Office. Such information becomes public if charges are laid and a prosecution commences.

(2) See answer to (1)

Australian Customs Service: Integrated Cargo System
(Question No. 1770)

Senator Ludwig asked the Minister for Justice and Customs, upon notice, on 10 May 2006:

(1) What information is a business or person required to provide to the Australian Customs Service (ACS) for the damages claim arising out of the implementation of the Integrated Cargo System

(2) Who is eligible to claim damages under the scheme.

(3) What is the criteria for damages.

(4) How many separate claims has the ACS received for compensation.

(5) How much in total has been claimed for so far.

(6) How are the claims being assessed.

(7) Are the claims being assessed by an independent authority or are they being assessed by ACS.

(8) If the claims are not being assessed by ACS, who are they being assessed by and how was this body chosen.

(9) If the claims are being assessed by ACS, what body within ACS is undertaking the assessment.

(10) (a) Of the claims received so far, how many of them have been processed; and (b) of those processed: (i) how many have been approved, (ii) how many have been partially approved, and (iii) how many have been disallowed.

(11) (a) What appeal mechanisms for a claim which has been disallowed or only partially allowed; and (b) in how many cases have claimants availed themselves of those mechanisms.

(12) How much compensation has been approved so far.

(13) How much of the compensation that has been approved has been released.
(14) What is the average waiting time between the date on which the ACS receives a claim form and the date on which it releases compensation.

Senator Ellison—The answer to the honourable senator’s question is as follows:

(1) All businesses or persons that have submitted an intention to claim have been provided with a claims package consisting of a questionnaire and statutory declarations. The intention of the claims package is for claimants to provide information considered to be essential to enable Customs to properly consider their claim. An example of the claims package has been attached.

(2) Any business or person is eligible to submit a claim for damages.

(3) All claimants have been advised in the covering letter to the claim form that Customs would consider the possibility of compensation being paid for costs, which were directly attributed to some fault of Customs associated with the implementation of ICS, and that their claims would be considered on a case-by-case basis.

(4) As at 6 October 2006, Customs had received 513 separate claims for compensation.

(5) As at 6 October 2006, Customs had received claims totalling $11.035m.

(6) Customs and its legal advisors, Phillips Fox lawyers, are assessing claims on a case by case basis. Where requested by a claimant, an independent assessor, appointed by Customs legal advisor, will undertake a review of those claims which were partly or fully rejected by Customs.

(7) Refer to Question (6).

(8) Refer to Question (6).

(9) Refer to Question (6).

(10) Of the claims received as at 6 October the assessment has been completed on 396 claims. Of these assessed claims offers are being made to claimants for the full amount claimed in relation to 215 claims and part compensation is being offered in relation to 111 claims and 70 claims have been rejected.

(11) The appeals mechanisms available to claimants are outlined in the advice letters being sent to claimants by Customs. Claimants can request a re-consideration of the assessment in relation to their claim and are invited to provide more information to substantiate their claim for costs which have not been accepted by Customs. In such instances the claim will be re-considered by Customs and a revised offer may be made by Customs based on this re-assessment.

For claims where costs are still not being accepted after a re-assessment by Customs the claim will be reviewed by the independent assessor.

In addition to the above, Claimants are also being advised that they have the right to apply to the Commonwealth Ombudsman for a review of the decision in relation to their claim and are also provided with the contact number for the Commonwealth Ombudsman.

(12) In relation to the claims assessed to date Customs is offering compensation to claimants of $687,583.

(13) If an offer of compensation is made to a claimant the claimant is asked to sign and return a deed of release if they wish to accept the amount of compensation being offered. On receipt of a completed deed of release Customs will make payment of the compensation amount within 30 days. As at 6 October payments of compensation have been made to 239 claimants totalling $368,588.

(14) The current average timeframe for claims being assessed and settled varies with the complexity of each claim or if further information is required from the claimant. Consequently, the average time taken is not consistent and as such is not readily available.
Air Paradise
(Question No. 1881)
Senator O’Brien asked the Minister for Justice and Customs, upon notice, on 6 June 2006:
With reference to the suspension of Air Paradise services in November 2005:
(1) How many people in Australia who purchased tickets from travel agents but did not travel due to the suspension of the service also paid the PMC at the time of purchase.
(2) Was this PMC remitted to the Australian Customs Service; if so what was the total amount remitted.
(3) Have all persons who paid the PMC but did not travel due to the suspension of the service receive a full refund; if not
   (a) why not; and
   (b) what quantum remains not funded.
Senator Ellison—The answer to the honourable senator’s question is as follows:
(1) to (3) The Passenger Movement Charge Collection Act 1978 requires that the PMC be imposed in respect of the departure of a person from Australia. The PMC is a component of the ticketed fare paid to the airline or ticketing authority and is not remitted to Customs until after the passenger has departed on the flight. Therefore no PMC has been remitted to Customs from Air Paradise for flights that did not take place.

As the PMC is a component of the ticketed fare, the people who purchased tickets paid the PMC. Only Air Paradise has the information on the total number of tickets sold in Australia. Any person seeking to obtain a refund will need to do so from Air Paradise, their designated ticketing authority or the Operator’s receivers.

Customs would not have received the proceeds of the PMC collected by Air Paradise for passengers who did not depart Australia and cannot return funds it has not received.

Centrelink Offices
(Question No. 1939)
Senator O’Brien asked the Minister representing the Minister for Human Services, upon notice, on 8 June 2006:
(1) Can details be provided of all Centrelink offices closed since October 1996, including the date of closure, street address, post code and electorate.
(2) Can details be provided of all Centrelink offices downgraded since October 1996, including the date of downgrading, street address, post code and electorate.

Senator Kemp—The Minister for Human Services has provided the following answer to the honourable senator’s question:
(1) The attached table lists all Department of Social Security / Centrelink offices closed since October 1996.
<table>
<thead>
<tr>
<th>Location Name</th>
<th>Address</th>
<th>State</th>
<th>Post Code</th>
<th>Electorate</th>
<th>Closing Date</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mermaid Beach Department of Social Security Office</td>
<td>Pacific Square, Gold Coast Highway</td>
<td>QLD</td>
<td>4218</td>
<td>Moncrieff</td>
<td>04-Nov-96</td>
<td>Staff/Customer transferred to Southport and Palm Beach Regional Offices</td>
</tr>
<tr>
<td>West Bundaberg Department of Social Security Office</td>
<td>Heidke Street</td>
<td>QLD</td>
<td>4670</td>
<td>Hinkler</td>
<td>15-Nov-96</td>
<td>Amalgamated into Bundaberg Regional Office</td>
</tr>
<tr>
<td>Boronia Regional Office</td>
<td>2-4 Langwith Avenue</td>
<td>VIC</td>
<td>3155</td>
<td>Aston</td>
<td>22-Nov-96</td>
<td>Staff/Customer transferred to Glen Waverley and Knox (Wantirna) Regional Offices</td>
</tr>
<tr>
<td>Haymarket Regional Office</td>
<td>695-699 George Street</td>
<td>NSW</td>
<td>2000</td>
<td>Sydney</td>
<td>29-Nov-96</td>
<td>Staff/Customer transferred to Darlinghurst, Leichhardt and Ryde Regional Offices</td>
</tr>
<tr>
<td>Wendouree Regional Office</td>
<td>1233-1237 Howitt Street</td>
<td>VIC</td>
<td>3355</td>
<td>Ballarat</td>
<td>02-Dec-96</td>
<td>Staff/Customer transferred to Ballarat Regional Office</td>
</tr>
<tr>
<td>Wodonga Regional Office</td>
<td>High Street</td>
<td>VIC</td>
<td>3690</td>
<td>Indi</td>
<td>02-May-97</td>
<td>Staff/Customer transferred to Albury Regional Office</td>
</tr>
<tr>
<td>Perth East Regional Office</td>
<td>108 Stirling Street</td>
<td>WA</td>
<td>6000</td>
<td>Perth</td>
<td>12-Jul-97</td>
<td>Staff/Customer transferred to Milligan Street Regional Office</td>
</tr>
<tr>
<td>Warravong Customer Service Centre</td>
<td>Westfield Shopping Town</td>
<td>NSW</td>
<td>2502</td>
<td>Throsby</td>
<td>31-Oct-97</td>
<td>Staff/Customer transferred to Wollongong Customer Service Centre (Warravong subsequently reopened on 6 June 1999)</td>
</tr>
<tr>
<td>Coburg/Brunswick Customer Service Centre</td>
<td>Bell Street, Coburg</td>
<td>VIC</td>
<td>3058</td>
<td>Wills</td>
<td>12-Jan-98</td>
<td>Relocation/amalgamation to Moreland Customer Service Centre</td>
</tr>
<tr>
<td></td>
<td>Sydney Road, Brunswick</td>
<td></td>
<td>3056</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dee Why Customer Service Centre</td>
<td>818-820 Pittwater Road</td>
<td>NSW</td>
<td>2099</td>
<td>Warringah</td>
<td>19-Jun-98</td>
<td>Staff/Customer transferred to Northern Beaches (Brookvale) Customer Service Centre</td>
</tr>
<tr>
<td>South Rockhampton Customer Service Centre</td>
<td>Corner East and Fitzroy Streets</td>
<td>QLD</td>
<td>4700</td>
<td>Capricornia</td>
<td>01-Aug-98</td>
<td>Amalgamated into Rockhampton Customer Service Centre</td>
</tr>
<tr>
<td>Location Name</td>
<td>Address</td>
<td>State</td>
<td>Post Code</td>
<td>Electorate</td>
<td>Closing Date</td>
<td>Comments</td>
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</tr>
<tr>
<td>Joondalup Family Service Centre</td>
<td>140 Grand Boulevarde</td>
<td>WA</td>
<td>6027</td>
<td>Moore</td>
<td>31-Dec-98</td>
<td>Amalgamated into Joondalup Customer Service Centre</td>
</tr>
<tr>
<td>St Kilda/Prahran Customer Service Centre</td>
<td>23-27 Wellington St, St Kilda 325-343 Chapel Street, Prahran</td>
<td>VIC</td>
<td>4671</td>
<td>Melbourne Ports/ Higgins</td>
<td>27-Jan-99</td>
<td>Relocation/amalgamation to Windsor Customer Service Centre</td>
</tr>
<tr>
<td>Tuggerah Customer Service Centre</td>
<td>15 Anzac Road</td>
<td>NSW</td>
<td>2259</td>
<td>Dobell</td>
<td>28-Jan-00</td>
<td>Staff/Customers transferred to Wyong Customer Service Centre</td>
</tr>
<tr>
<td>Annerley Customer Service Centre</td>
<td>471-473 Annerley Road</td>
<td>QLD</td>
<td>4103</td>
<td>Griffith</td>
<td>11-Feb-00</td>
<td>Staff/Customers transferred to South Brisbane and Stones Corner Customer Service Centres</td>
</tr>
<tr>
<td>Marden Customer Service Centre</td>
<td>375 Payneham Road</td>
<td>SA</td>
<td>5070</td>
<td>Sturt</td>
<td>24-Mar-00</td>
<td>Staff/Customers transferred to Norwood Customer Service Centre</td>
</tr>
<tr>
<td>Westcourt Customer Service Centre</td>
<td>277 Malgrave Road</td>
<td>QLD</td>
<td>4870</td>
<td>Leichhardt</td>
<td>30-Apr-01</td>
<td>Staff/Customers transferred to Cairns Customer Service Centre</td>
</tr>
<tr>
<td>Queenstown Customer Service Centre</td>
<td>34 Orr Street</td>
<td>TAS</td>
<td>7467</td>
<td>Lyons</td>
<td>06-Jun-03</td>
<td>Centrelink services subsequently provided from Services Tasmania office</td>
</tr>
<tr>
<td>Milligan St (Perth) Customer Service Centre</td>
<td>647 Wellington Street (Cnr Milligan St)</td>
<td>WA</td>
<td>6000</td>
<td>Perth</td>
<td>29-Aug-03</td>
<td>Staff/Customers transferred to Morley, Victoria Park and Fremantle Customer Service Centres</td>
</tr>
<tr>
<td>Kwinana Customer Service Centre</td>
<td>Gilmore Avenue</td>
<td>WA</td>
<td>6167</td>
<td>Brand</td>
<td>30-Nov-03</td>
<td>Staff/Customers transferred to Rockingham Customer Service Centre</td>
</tr>
<tr>
<td>St Helens Customer Service Centre</td>
<td>23 Quail Street</td>
<td>TAS</td>
<td>7216</td>
<td>Franklin</td>
<td>03-Jul-04</td>
<td>Centrelink services subsequently provided from Services Tasmania office</td>
</tr>
<tr>
<td>Bondi Junction (Families/Aged)</td>
<td>251 Oxford Street</td>
<td>NSW</td>
<td>2022</td>
<td>Wentworth</td>
<td>10-Dec-04</td>
<td>Staff/Customers transferred to Maroubra Customer Service Centre</td>
</tr>
<tr>
<td>Parkside Customer Service Centre</td>
<td>257 Fullarton Road, Parkside</td>
<td>SA</td>
<td>5063</td>
<td>Adelaide</td>
<td>18-Feb-05</td>
<td>Staff/Customers transferred to Norwood Customer Service Centre</td>
</tr>
<tr>
<td>Location Name</td>
<td>Address</td>
<td>State</td>
<td>Post Code</td>
<td>Electorate</td>
<td>Closing Date</td>
<td>Comments</td>
</tr>
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<td>----------------------------------------</td>
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<td>---------------------------------------------------------------------------</td>
</tr>
</tbody>
</table>
| Fitzroy/Richmond Customer Service Centre | 62-70 Johnston Street Fitzroy                 | VIC   | 3065      | Melbourne  | 24-Jun-05     | Relocation/amalgamation to Yarra Customer Service Centre (Fitzroy subsequ-
|                                        | 168-172 Bridge Road, Richmond               |       | 3121      |            |              | ently reopened on 6 August 2005)                                          |
| Ashfield/Strathfield Customer Service Centre | 320-326 Liverpool Road, Ashfield Strathfield Plaza | NSW   | 2131      | Grayndler  | 24-Oct-05     | Relocation/amalgamation to Burwood Customer Service Centre                |
|                                        |                                              |       | 2135      | Lowe       |              |                                                                            |
| Perth City Customer Service Centre     | 263 Adelaide Terrace                         | WA    | 6000      | Perth      | 24-Feb-06     | Staff/Customers transferred to Victoria Park Customer Service Centre      |
(2) It is not usual practice for services and Centrelink offices to be downgraded. Over time, Centrelink’s service delivery changes and this results in the requirement to change Customer Service Centre layout. At times, services can be transferred from one location to another to better meet customer needs.

Centrelink is continuously working at improving services to customers, with the implementation of improved self service options and enhancements to services in the face-to-face and call channels. Centrelink is committed to improving services to rural, regional and remote Australia and continues to explore initiatives that will increase equity of access and service delivery options for all its customers irrespective of geographic location.

Centrelink has a ‘no wrong door’ policy where all customers will be attended to at any Centrelink site.

To prepare this answer it has taken approximately 8 hours and 42 minutes at an estimated cost of $467.

**Child Support Agency Offices**

**(Question No. 1941)**

Senator O’Brien asked the Minister representing the Minister for Human Services, upon notice, on 8 June 2006:

1. Can details be provided of all Child Support Agency offices closed since October 1996, including the date of closure, street address, post code and electorate.
2. Can details be provided of all Child Support Agency offices downgraded since October 1996, including the date of downgrading, street address, post code and electorate.

Senator Kemp—The Minister for Human Services has provided the following answer to the honourable senator’s question:

The details of the Child Support Agency (CSA) office closures and relocations since October 1996 are listed below:
<table>
<thead>
<tr>
<th>Office</th>
<th>Address</th>
<th>Post Code</th>
<th>Electorate</th>
<th>Date of Closure</th>
<th>Comment regarding the downgrading of public services as a result of office closures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chatswood</td>
<td>Zenith Centre, 28 Railway Street, Chatswood</td>
<td>2067</td>
<td>Bradfield</td>
<td>Mid 1997</td>
<td>The Australian Taxation Office (ATO) closed its Chatswood office in mid 1997. This closure included the CSA as it was part of the ATO at this time. The CSA’s staff and services were transferred to the ATO’s Sydney CBD, Parramatta and Newcastle offices. In December 1997 the ATO closed its Bankstown office and staff and services were transferred to the Parramatta and Penrith offices. The CSA commenced visitation services at Centrelink’s Bankstown offices in early 1998.</td>
</tr>
<tr>
<td>Bankstown</td>
<td>Meredith Street, Bankstown</td>
<td>2200</td>
<td>Blaxland</td>
<td>December 1997</td>
<td>The ATO closed its Bankstown office in late 1998, and staff and services were relocated to Box Hill, Dandenong and to a lesser extent Moonee Ponds. The CSA was part of the ATO when the decision was made to close Cheltenham Office.</td>
</tr>
<tr>
<td>Cheltenham</td>
<td>Napean Highway, Cheltenham</td>
<td>3192</td>
<td>Goldstein</td>
<td>Late 1998</td>
<td>Staff and Services from Chermside and Upper Mount Gravatt relocated to the CSA’s Brisbane CBD office in late 1999. These moves occurred as part of the CSA’s disengagement from the ATO and allowed the CSA to implement a more efficient organisational structure and improve its customer service delivery model. The CSA commenced visitation services to Centrelink offices in both these locations at this time.</td>
</tr>
<tr>
<td>Upper Mount Gravatt Chermside</td>
<td>1221-1223 Logan Road, Mt Gravatt 10 Banfield Street, Chermside</td>
<td>4122 4032</td>
<td>Bonner Lilley</td>
<td>Late 1999</td>
<td>The CSA disengaged from the ATO in Hurstville in June 2001. This move of predominantly call centre staff to Sydney CBD was prompted by the CSA’s requirement for a more efficient organisational structure and a need to improve the cost effectiveness of its call centre operations. The CSA commenced community outreach services and visitation services at Centrelink’s Hurstville office at this time.</td>
</tr>
<tr>
<td>Hurstville</td>
<td>12-22 Waioria Road, Hurstville</td>
<td>2220</td>
<td>Watson</td>
<td>June 2001</td>
<td></td>
</tr>
<tr>
<td>Office</td>
<td>Address</td>
<td>Post Code</td>
<td>Electorate</td>
<td>Date of Closure</td>
<td>Comment regarding the downgrading of public services as a result of office closures</td>
</tr>
<tr>
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<td>----------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Alice Springs</td>
<td>60-62 Hartley Street, Alice Springs</td>
<td>0870</td>
<td>Lingiari</td>
<td>July 2002</td>
<td>Due to a long-term and persistent difficulty in recruiting and retaining suitable CSA staff at Centrelink’s Alice Springs office, the CSA was required to cease operations at this office in July 2002. The CSA implemented outreach visits to provide face-to-face service delivery to its customers in Alice Springs after this closure. The targeted outreach program also allowed customer contact in outlying areas not previously serviced.</td>
</tr>
<tr>
<td>Moonee Ponds</td>
<td>6-20 Gladstone Street, Moonee, Ponds</td>
<td>3039</td>
<td>Maribyrnong</td>
<td>June 2004</td>
<td>The CSA relocated services from the ATO’s Moonee Ponds office in late June 2004 when the CSA’s Melbourne Central office opened. With this opening call centre staff from Box Hill and Dandenong voluntarily relocated to Melbourne Central. These moves occurred as part of the CSA’s disengagement from the ATO and allowed the CSA to implement a more efficient organisational structure and improve the cost effectiveness of its call centre operations.</td>
</tr>
<tr>
<td>Box Hill</td>
<td>990 Whitehorse Road, Box Hill</td>
<td>3128</td>
<td>Chisholm</td>
<td>March 2005</td>
<td>In late March 2005, the CSA disengaged from the ATO’s Box Hill office. Staff and services were relocated to the CSA’s Melbourne Central office.</td>
</tr>
<tr>
<td>Penrith</td>
<td>121-125 Henry Street, Penrith</td>
<td>2750</td>
<td>Lindsay</td>
<td>April 2006</td>
<td>The CSA disengaged from the ATO in Penrith and moved the majority of its staff to a new site in Parramatta on 28 April 2006. The CSA established a Regional Service Centre with Centrelink in Penrith before this move to ensure that the small percentage of the CSA’s customers who prefer to access services through face-to-face contact were not affected.</td>
</tr>
</tbody>
</table>
Background to CSA's Office Closures and Service Delivery

Prior to 1998 all the CSA office closures were undertaken as part of the ATO’s broader accommodation strategy. In 1998 the CSA became part of the Department of Family and Community Services (FaCS) and the major driver for closure and relocation of the CSA’s offices was the need to disengage from the ATO and to improve the CSA’s organisational structure to support its new service delivery model. In October 2004 the CSA became part of the Department of Human Services.

The CSA’s service delivery is characterised by the multiple customer channels required to meet differing customer needs. Contact by telephone accounts for 83% of all inbound customer contact, this supports the CSA’s Phone First service delivery methodology. Contact through the CSA’s online service channel accounts for a total of 15% of inbound customer contact. This includes visits to the web site, online forms, emails and other online services including a secure web service. 2% of the CSA’s customer contact is through its written correspondence channel. Whilst inbound face-to-face customer contact equates to a small percentage of the CSA’s customer service delivery a significant expansion of outbound face-to-face service delivery was established in early 2000 with the establishment of 22 Regional Service Centres. These services are primarily directed at customers with complex issues to be resolved.

The CSA’s outreach program further supports face-to-face delivery of services to parents in locations where the CSA does not have a permanent presence. This program includes Targeted Client Interview Services and Community Information Sessions. These sessions focus on providing information about the child support scheme. They aim to help parents examine their options and make choices on how they can both be responsible for the financial wellbeing of their children. These sessions also involve Centrelink, legal, financial and parenting groups within the community.

Additional Government funding provided in the 2005/06 budget will further expand the CSA’s face-to-face services with the establishment of an additional 5 Regional Service Centres and the further expansion of the CSA’s outreach services.

The existing 22 Regional Service Centres are located in Centrelink Offices with the exception of Darwin which is located within the ATO. The selection of Regional Service Centre sites is primarily based on:

• number of CSA clients potentially serviced by each site;
• level of outstanding debt;
• number of new registrations processed;
• number of complaints received from the area; and
• distance from an existing CSA service.

The Table below details the location of each of the CSA’s Regional Service Centres.

<table>
<thead>
<tr>
<th>Office</th>
<th>Address</th>
<th>Post Code</th>
<th>Electorate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Penrith</td>
<td>598 High Street, Penrith NSW</td>
<td>2750</td>
<td>Lindsay</td>
</tr>
<tr>
<td>Ballina</td>
<td>117-121 Tamar Street, Ballina NSW</td>
<td>2478</td>
<td>Page</td>
</tr>
<tr>
<td>Campbelltown</td>
<td>8-10 Brown St, Campbelltown NSW</td>
<td>2560</td>
<td>Macarthur</td>
</tr>
<tr>
<td>Coffs Harbour</td>
<td>21-25 Duke Street, Coffs Harbour NSW</td>
<td>2450</td>
<td>Cowper</td>
</tr>
<tr>
<td>Dubbo</td>
<td>Commonwealth Government Centre, Wirgewarra</td>
<td>2830</td>
<td>Parkes</td>
</tr>
<tr>
<td></td>
<td>Street, Dubbo NSW</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gosford</td>
<td>C/- Centrelink, 9 Watt Street, Gosford NSW</td>
<td>2250</td>
<td>Robertson</td>
</tr>
<tr>
<td>Wagga</td>
<td>63 Tompson Street, Wagga Wagga NSW</td>
<td>2650</td>
<td>Riverina</td>
</tr>
<tr>
<td>Cairns</td>
<td>480 Mulgrave Road, Earlville QLD</td>
<td>4870</td>
<td>Leichhardt</td>
</tr>
<tr>
<td>Bundaberg</td>
<td>26 Woongarra Street, Bundaberg QLD</td>
<td>4670</td>
<td>Hinkler</td>
</tr>
<tr>
<td>Office</td>
<td>Address</td>
<td>Post Code</td>
<td>Electorate</td>
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<tr>
<td>-------------</td>
<td>----------------------------------------------</td>
<td>-----------</td>
<td>------------</td>
</tr>
<tr>
<td>Mackay</td>
<td>28 Grandview Drive, Greenfields North Mackay</td>
<td>4740</td>
<td>Dawson</td>
</tr>
<tr>
<td></td>
<td>QLD</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maroochydore</td>
<td>5-7 Maude Street, Maroochydore QLD</td>
<td>4558</td>
<td>Fisher</td>
</tr>
<tr>
<td>Palm Beach</td>
<td>1085 Gold Coast Highway, Palm Beach QLD</td>
<td>4221</td>
<td>Mcherson</td>
</tr>
<tr>
<td>Rockhampton</td>
<td>190-194 Musgrave Street, North Rockhampton QLD</td>
<td>4701</td>
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To prepare this answer it has taken approximately 17 hours at an estimated cost of $1,261.

**Compensation for Detriment Caused by Defective Administration Scheme**

(Question No. 1966)

Senator O’Brien asked the Minister representing the Treasurer, 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 Minchin—The Treasurer has provided the following answer to the honourable senator’s question:

**Australian Bureau of Statistics**
The Australian Bureau of Statistics has not made any payment under the above scheme since October 1996.

**Australian Competition & Consumer Commission**
The ACCC has not made any payments under the Compensation for Detriment Caused by Defective Administration Scheme.

**Australian Office of Financial Management**
The AOFM has not made any payments under the Compensation for Detriment Caused by Defective Administration Scheme.

**Australian Prudential Regulation Authority**
APRA is not subject to the Defective Administration Scheme.

**Australian Securities and Investments Commission**
The CDDA scheme is not available for Commonwealth agencies that operate under the Commonwealth Authorities and Companies Act 1997. ASIC is such an agency. Accordingly, ASIC has made no payments under this scheme.
Australian Taxation Office
For the financial years 1997–2003 the following amounts are payments under the Compensation for Detriment Caused by Defective Administration (CDDA) Scheme that have been extracted from ATO systems.

Financial year 1996/1997 - $49,914
Financial year 1998/1999 - $114,352
Financial year 1999/2000 - $210,866
Financial year 2000/2001 - $54,567
Financial year 2001/2002 - $80,194
Financial year 2002/2003 - $190,362

From the 2003 year, a separate system has been used to record finalised monetary claims, especially CDDA claims. Payments in respect of CDDA claims finalised in financial years 2004 – 2006 were:

Financial year 2003/2004 - $315,554
Financial year 2004/2005 - $2,155,623
Financial year 2005/2006 - $600,243

The variation in the amount of CDDA payments between the financial years 2003/2004 and 2004/2005 was due to enhanced efforts by the ATO in financial year 2004/2005, including the deployment of additional resources, in order to resolve outstanding CDDA claims.

Corporations & Markets Advisory Committee
The Corporations & Markets Advisory Committee has not made any payment under the above scheme since October 1996.

Inspector-General of Taxation
The Inspector General of Taxation has not made any payment under the above scheme since October 1996.

National Competition Council
The National Competition Council has not made any payment under the above scheme since October 1996.

Productivity Commission
The Productivity Commission has not made any payment under the above scheme since October 1996.

Royal Australian Mint
The Royal Australian Mint has not made any payment under the above scheme since October 1996.

Treasury
The Department of the Treasury has not made any payment under the above scheme since October 1996.

Treasury: Monetary Compensation
(Question No. 1987)

Senator O’Brien asked the Minister representing the Treasurer, upon notice, on 8 June 2006:
What is the quantum of payments made as settlements to claims for monetary compensation by the departments and agencies for which the Minister is responsible that are consistent with Legal Services
Directions issued under section 55ZF of the Judiciary Act 1903, by financial year, since the first Legal Services Directions were issued.

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

**Australian Bureau of Statistics**
The Australian Bureau of Statistics has not made any payments as settlements to claims for monetary compensation under section 55ZF of the Judiciary Act 1903 since the first Legal Services directions were issued.

**Australian Competition & Consumer Commission**
The Australian Competition & Consumer Commission has not made any payments as settlements to claims for monetary compensation under section 55ZF of the Judiciary Act 1903 since the first Legal Services directions were issued.

**Australian Office of Financial Management**
The Australian Office of Financial Management has not made any payments as settlements to claims for monetary compensation under section 55ZF of the Judiciary Act 1903 since the first Legal Services directions were issued.

**Australian Prudential Regulation Authority**
The Australian Prudential Regulation Authority has not made any payments as settlements to claims for monetary compensation under section 55ZF of the Judiciary Act 1903 since the first Legal Services directions were issued.

**Australian Securities and Investments Commission**
The relevant part of the Legal Services Directions (paragraph 4) applies to agencies which are subject to the Financial Management and Accountability Act 1997 and generally does not apply to agencies which are subject to the Commonwealth Authorities and Companies Act 1997.

ASIC has always been an agency of the latter type and so has made no payments of the kind referred to in the question.

**Australian Taxation Office**
Payments made by the ATO as settlements to claims for compensation consistent with the Legal Services Directions, issued under section 55ZF of the Judiciary Act 1903, since the directions commenced on 1 September 1999 (excluding payments under the Compensation for Detriment Caused by Defective Administration Scheme) are as follows:

- Financial year 1999/2000 - $903,830
- Financial year 2000/2001 - $206,603
- Financial year 2001/2002 - $1,320,941
- Financial year 2002/2003 - $2,063,776

The variation in the amount of payments by way of settlement for compensation claims (excluding CDDA payments), between the financial years 2003/2004 and 2004/2005 was due to enhanced efforts by the ATO in financial year 2004/2005, including the deployment of additional resources, in order to resolve outstanding claims.
Corporations & Markets Advisory Committee
The Corporations & Markets Advisory Committee has not made any payments as settlements to claims for monetary compensation under section 55ZF of the Judiciary Act 1903 since the first Legal Services directions were issued.

Inspector-General of Taxation
The Inspector General of Taxation has not made any payments as settlements to claims for monetary compensation under section 55ZF of the Judiciary Act 1903 since the first Legal Services directions were issued.

National Competition Council
The National Competition Council has not made any payments as settlements to claims for monetary compensation under section 55ZF of the Judiciary Act 1903 since the first Legal Services directions were issued.

Productivity Commission
The Productivity Commission has not made any payments as settlements to claims for monetary compensation under section 55ZF of the Judiciary Act 1903 since the first Legal Services directions were issued.

Royal Australian Mint
The Royal Australian Mint has not made any payments as settlements to claims for monetary compensation under section 55ZF of the Judiciary Act 1903 since the first Legal Services directions were issued.

Treasury
The Department of the Treasury has not made any payments as settlements to claims for monetary compensation under section 55ZF of the Judiciary Act 1903 since the first Legal Services directions were issued.

Promoting Global Democracy
(Question No. 2124)

Senator Bob Brown asked the Minister for Finance and Administration, upon notice, on 7 July 2006:

(1) Can the following details be provided on the $8 million program “Promoting Global Democracy”, listed as an expense measure for the department:

(a) what is the nature and purpose of the program;
(b) who is administering it;
(c) who is advising or providing any other form of assistance with its development or implementation, including their names and organisation;
(d) when was the program initiated;
(e) what activities will be undertaken under the program;
(f) (i) how will funding be allocated, (ii) who will decide how it is allocated, and (iii) what criteria will be used; (ii) how will the program be monitored and evaluated;
(g) has any money been committed or spent; if so, can details be provided;
(h) what are the reporting arrangements; and
(i) can copies be provided of all documents that outline the genesis, development and content of the program.
QUESTIONS ON NOTICE

Can details be provided of all other publicly funded programs or expenditures that benefit federal parliamentary political parties or their members, directly or indirectly, apart from the standard entitlements available to members of parliament and, in each case: (a) what is the name of the program; (b) what amount is allocated for the 2006-07 financial year and each of the next 3 financial years; (c) what is the nature and purpose of the program; and (d) who will, or is eligible, to benefit.

Senator Minchin—The answer to the honourable senator’s question is as follows:

1. (a) The Australian Political Parties for Democracy Programme (APPDP) aims to strengthen democracy internationally by providing support for the international activities of Australia’s major political parties. The programme will achieve these objectives by providing grant funding to Australia’s major political parties - the Liberal Party, on behalf of the Coalition, and the Australian Labor Party - to support international activities to promote democracy within the region and the rest of the world.

   (b) The programme is administered by the Department of Finance and Administration.

   (c) Development and implementation of the programme and the programme documentation was coordinated by the Department of Finance and Administration, in consultation with the Department of the Prime Minister and Cabinet, the Department of Foreign Affairs and Trade and the Australian National Audit Office. Exposure drafts of the programme documentation were provided to the prospective grant recipients for comment.

   (d) Funding for the programme was announced in the 2005-06 Mid-Year Economic and Fiscal Outlook and programme documentation was approved by the Government on 23 June 2006.

   (e) APPDP grant funding may be used to assist activities consistent with the programme’s objectives, including: providing training, education and advice; supporting democratic activities and programmes in overseas countries; providing assistance in the conduct of local, regional or national elections in overseas countries; supporting the involvement of Australia’s political parties in international activities that promote the objectives of the programme, such as liaison with international organisations for the specific purpose of achieving the programme’s objectives; and visits by Australian party officials (but not Australian Parliamentarians), to overseas countries or to support visits to Australia.

   (f) (i) and (ii) total programme funding will be up to $2 million per annum, comprising $1.0 million each to the Liberal Party of Australia, on behalf of the Coalition, and to the Australian Labor Party. In 2005-06, due to the timing of programme implementation, up to $0.5 million was available to each party. Only these two organisations are eligible to apply for funding. (iii) Funding will be provided by the Department of Finance and Administration on receipt of a properly completed grant Application Form and is subject to the grant recipient signing a Grant Deed and complying with the programme Guidelines including accountability and audit requirements.

   (g) The programme may be reviewed by the Department of Finance and Administration in consultation with the grant recipients, at any time and changes may be made to the programme Guidelines and accountability arrangements, as necessary. The first review will occur at the end of 2006-07.

   (h) In 2005-06 the Liberal Party of Australia applied for and was granted $0.2 million, and the Australian Labor Party applied for and was granted $0.5 million.

On 7 September 2006, the Liberal Party of Australia’s application for $1 million in 2006-07 funding was approved, of which $500,000 has been paid as at 11 October 2006.

On 9 October 2006, the Australian Labor Party’s application for $1 million was approved, and $500,000 will be paid following completion of Grant Deeds by the Australian Labor Party.
(i) Grant recipients must submit to the Department of Finance and Administration within three months of the end of the grant period an audited statement including details of:
- the organisations which received assistance;
- the amount and type of assistance provided;
- the purpose of the assistance;
- international activities funded;
- international activities attended;
- costs of travel and accommodation and living expenses either by Australian party officials or by members of eligible organisations;
- names of people and the organisations they represent of those travelling; and
- outcomes achieved.

The financial statements should also show the portion of the grant used for administration purposes. Further payments may be delayed until previous grants have been properly acquitted.

(j) Programme documentation comprises Guidelines, an Application Form, an Accountability Template and a Grant Deed. These documents are attached to this response as follows:
- Guidelines (Attachment 1)
- Application Form (Attachment 1a)
- Accountability Template (Attachment 1b)
- Grant Deed (Attachment 2)

(2) (a) to (d) The Department of Finance and Administration administers a number of Grants in Aid. Details of Grants in Aid to organisations with links to political parties are as follows:

The Menzies Research Centre Ltd received $175,000 in 2005-06, to be increased by CPI annually thereafter. The Menzies Research Centre is affiliated to the Liberal party of Australia and uses this funding for its general expenditure and to enable it to undertake general research into globalisation related projects, a public lecture series, website development, and production of an issues magazine and policy digest.

The Chifley Research Centre Ltd received $175,000 in 2005-06, to be increased by CPI annually thereafter. The Chifley Research Centre is affiliated to the Australian Labor Party and uses this funding for its general expenditure and to enable it to undertake general research into social and economic policies for the benefit of the Australian public.

The Page Research Centre Ltd received $87,500 in 2005-06, to be increased by CPI annually thereafter. The Page Research Centre is affiliated with the National Party of Australia and uses this funding for its general expenditure and to enable it to host a series of lectures, a conference, publish a policy journal, and continue research programmes.

The Don Chipp Foundation Ltd received $50,000 in 2005-06, with the same amount to be paid annually going forward. The Don Chipp Foundation is affiliated with the Australian Democrats, and uses this funding for its general expenditure and to enable it to undertake and/or commission research projects, seminars and publications on environmental, social, cultural, economic and political policies, and foster debate on fairness, freedom and the future.
1. Programme Objective
The Australian Political Parties for Democracy Programme (APPDP) aims to strengthen democracy internationally by providing support for the international activities of Australia’s major political parties. Encouraging the spread of strong and robust democracies benefits Australia and its people.

The programme will achieve these objectives by providing grant funding to Australia’s major political parties - the Liberal Party, on behalf of the Coalition, and the Australian Labor Party (“the grant recipients”) - to support international activities to promote democracy within the region and the rest of the world.

2. Activities
APPDP grant funding may be used to assist activities consistent with the programme’s objectives, including:

- providing training, education and advice;
- supporting democratic activities and programmes in overseas countries;
- providing assistance in the conduct of local, regional or national elections in overseas countries;
- supporting the involvement of Australia’s political parties in international activities that promote the objectives of the programme, such as liaison with international organisations for the specific purpose of achieving the programme’s objectives; and
- visits by Australian party officials (but not Australian Parliamentarians), to overseas countries or to support visits to Australia*.

* Parliamentarians have access to other forms of funding for travel purposes such as the overseas study entitlement and Parliamentary delegation travel.

3. Organisations that cannot be assisted
A grant recipient shall not provide support in any way to a “proscribed organisation”.

A “proscribed organisation” means:

- An organisation that promotes or is associated with terrorism. A list of such organisations can be found at:
  - www.dfat.gov.au/icat/freezing_terrorist_assets.html; and

- A non-government organisation, including a religious body, union organisation or employer organisation, but not including an organisation with which the grant recipients have international affiliations.

A grant recipient must be satisfied through its own enquiries that an organisation it supports is not a proscribed organisation.

If a grant recipient believes any proposed assistance to an individual or organisation could adversely impact on Australia’s foreign policy interests, the grant recipient should consult the office of the Minister for Foreign Affairs prior to providing any assistance.

4. Limits on the use of Funding
Living expenses of Australian party officials must not exceed the rates published by the Department of Foreign Affairs and Trade for public servants at the Senior Executive Service level for the relevant countries visited. Accommodation expenses must be reasonable and appropriate to requirements.
Accommodation and living expenses of members of organisations visiting Australia must not exceed the rates set by the Department of Employment and Workplace Relations for public servants at the Senior Executive Service level.

Both kinds of rates can be advised by Ministerial and Parliamentary Services in Finance.

All travel should be purchased on the basis of best value for money and undertaken at a standard appropriate in the view of the general community. In nearly all cases this view is likely to be that Government-funded travel should be taken at Economy or Business Class only, and that stopovers should be kept to the minimum necessary for official purposes.

Whenever possible, Frequent Flyer Points accrued as a result of APPDP activities should be used to offset the cost of future APPDP travel. Frequent Flyer Points accrued through travel funded under the programme may not be used for personal benefit.

No more than fifteen percent (15%) of the grant funding (excluding interest earned) provided to grant recipients under the programme may be used to fund incremental administrative expenses associated with the programme, such as audit fees, office costs (including telephone expenses and stationery) and staff expenses. Corporate overheads (such as building rental and IT infrastructure costs) should not be included. Prior to or following submission of an audited statement for each financial year (see paragraph 6 below), any unspent programme funds will generally be returned to the Department of Finance and Administration. However, grant recipients may approach the Secretary of the Department of Finance and Administration in writing to seek approval, at his discretion, to carry-over any portion of the unspent funds into the next financial year.

5. Funding

Total programme funding is $2 million per annum, comprising $1 million each to the Liberal Party, on behalf of the Coalition, and to the Australian Labor Party. Funding will be provided in quarterly instalments.

6. Applying for Funding

The Department of Finance and Administration will forward to the grant recipients prior to the beginning of each financial year a letter advising of the programme and providing the grant application form attached as Attachment A.

Funding will be provided on receipt of a properly completed grant application from the grant recipient and is subject to the grant recipient signing a deed of grant and complying with programme guidelines including accountability and audit requirements.

The Liberal Party may decide to apportion an amount of funding under the programme to its Coalition partner, The Nationals. In this event, the Liberal Party will remain responsible for all audit, reporting and accountability requirements.

7. Audited Statements

Grant recipients must submit to the Department of Finance and Administration within three months of the end of the grant period an audited statement, conforming to clause 5 of the Deed of Grant, and including:

• the organisations which received assistance;
• the amount and type of assistance provided;
• the purpose of the assistance;
• international activities funded;
• international activities attended;
• costs of travel and accommodation and living expenses either by Australian party officials or by members of eligible organisations;
• names of people and the organisations they represent of those travelling; and
• outcomes achieved.

A template showing how to present this information and the level of detail required is at Attachment B.

The financial statements should also show the portion of the grant used for administration purposes. Further payments may be delayed until previous grants have been properly acquitted.

Where there is a Federal election held in the first quarter of a financial year, the Secretary of the Department of Finance and Administration may agree, at his discretion, to extend the grant acquittal period.

8. Programme Review

The programme may be reviewed by the Department of Finance and Administration in consultation with the grant recipients, at any time and changes may be made to the programme guidelines and accountability arrangements, as necessary. The first review will occur at the end of 2006-07.

9. Programme reporting

Expenditure under this program will be reported as a separate item in the Department of Finance and Administration’s Portfolio Budget Statement and Annual Report.

AUSTRALIAN POLITICAL PARTIES FOR DEMOCRACY PROGRAMME
APPLICATION FORM
Attachment 1a
2006-07

Details of Applicant Organisation

Name

Address

Postal Address (if different from above)

Office Bearers

Name | Position
---|---

Bank account details

Please provide full details of the bank account into which the programme funds are to be paid (see clause 3 of the Grant Deed).

QUESTIONS ON NOTICE
Bank and Branch ……………………………………………………………..
Name of Account………………………………………………………………..
BSB No…………………………………………………………………………
Account No……………………………………………………………………

Funding Information Details
Please provide details of the purposes for which funds are planned to be expended in 2006-07, including how these purposes promote the aims and objectives of the programme.

Please list the non-government organisations with which your organisation has an established international affiliation, and which will be funded under, or assisted by, the programme during 2006-07.

Please nominate the total amount of funding sought for 2006-07. The maximum available is $1,000,000. Payment is scheduled to be made in four equal instalments, at the earliest opportunity after the first day of each of the months of July 2006, October 2006, January 2007 and April 2007.

I certify that the information provided above is accurate at this date.

Signed…………………………………………………………………………

Attachment 1b
Australian Political Parties for Democracy - Accountability template

Organisation assisted:
Solomon Islands Electoral Commission

Country of origin of organisation assisted:
Solomon Islands

Amount and purpose of funding:
Activity One:
$20,000 to cover travel to, and accommodation costs in, Australia over the period 01 – 10 March 2008 by 3 officials from the Solomon Islands Electoral Commission to view the NSW State Government elections and attend a training course conducted by the NSW Electoral Office.
Officials participating were: (Include names of each official and the office they hold in the Solomon Islands Electoral Commission).
$20,000 covered the following costs: $xxx for airfares (at $xxx per person); $xxx for accommodation (at $xxx per person per night); $xxx for meals and living expenses (at the relevant DEWR SES rates);
$xxx for ground transport; and $xxx for sponsorship of the official’s attendance at an NSW Electoral Office training course on managing the distribution of information to political candidates.

This activity resulted in an increased understanding of how electoral commission officials can effectively pass information to all candidates and maintain their impartiality within the election process.

Activity Two:

$5,000 to sponsor town hall meetings organised by the Solomon Islands Electoral Commission in April 2008, to answer questions from the public about the election process.

The General Manager of the Solomon Islands Electoral Commission arranged a series of town hall meetings in 27 major regional centres to explain how independent electoral observers are selected and how the process of ballot counting is undertaken.

$5,000 contributed approximately 37% of towards the total cost of $13,500 incurred by the Solomon Islands Electoral Commission for hiring the halls and hosting the meetings.

This activity has resulted in a perception of increased transparency in the electoral process in the Solomon Islands and may also support the activities of a number of domestic election monitoring organisations. Approximately 4,000 members of the community attended the meetings and the events received significant coverage in the local media.

Activity Three:

$12,000 to cover travel to, and accommodation costs in, Honiara over the period 12 – 16 May 2008 by one official from Party Headquarters and 2 consultants from Jones, Smith and Brown Pty Ltd to conduct a training course on the design of ballot and voting information papers.

Participants were: (Include names of each person and their official title).

$12,000 covered the following costs: $xxx for airfares (at $xxx per person); $xxx for accommodation (at $xxx per person per night); $xxx for meals and living expenses (at the relevant DFAT rates); $xxx for ground transport; $xxx for consultancy fees and $xxx (for hire of training facilities).

This activity will result in increased voter education in the Solomon Islands, through the provision of clear and accessible information about the election process. The conduct of workshops with Electoral Commission officials to design two specific products for the upcoming elections had particularly valuable outcomes.

Outcomes achieved:

In combination, all of the above activities will assist the Solomon Islands Electoral Commission build a strong domestic and international reputation for professionalism and impartiality.

Attachment B

AUSTRALIAN POLITICAL PARTIES FOR DEMOCRACY PROGRAMME

GRANT DEED

BETWEEN

COMMONWEALTH OF AUSTRALIA

as represented by the Department of Finance and Administration

AND

[NAME OF GRANTEE]

TABLE OF CLAUSES

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<td>3</td>
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<tr>
<td>2. Grant Payment</td>
<td>5</td>
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QUESTIONS ON NOTICE
Monday, 6 November 2006

THE SCHEDULE

Signature Blocks

THIS DEED is made on the day of 2007

BETWEEN

the COMMONWEALTH OF AUSTRALIA (“the Commonwealth”) as represented by the Department of Finance and Administration (“the Department”)

AND

[Name of Grantee] (“the Grantee”).

RECITALS

A. The Department administers certain grants-in-aid to provide funding to bodies to assist them in fulfilling international responsibilities in supporting democracy for the benefit of Australia and its people.

B. In [month/year], the Department received an application from the Grantee for a grant-in-aid for the 2006-2007 financial year.

C. The Department accepts that the Grantee is an eligible body for the purposes of the grant-in-aid, and that the Department may grant it financial assistance under the programme.

D. The Department is required by law to ensure accountability for grant funds and, accordingly, the Grantee is required to be accountable for the grant funds received.

E. The Commonwealth grants financial assistance in the amount of $[amount] to be used subject to the terms and conditions set out in this Deed and in accordance with the Guidelines.

NOW IT IS AGREED AS FOLLOWS:

1. INTERPRETATION

1.1 In this Deed, unless the contrary intention appears:-
“Commonwealth material” means any material provided by the Department to the Grantee for the purposes of this Deed or material which is copied or derived from material so provided; “Department” means the Department of Finance and Administration or other such Department as may, from time to time, administer this Deed on behalf of the Commonwealth; “Departmental Contact Officer” means the person for the time being holding, occupying or performing the duties of the office of the Department specified in Item C of the Schedule or any other person specified by the Secretary in writing and notified to the Grantee; “Grant Period” means the period specified in Item A of the Schedule (although the reporting obligations stipulated in this Deed subsist beyond the Grant Period); “Grantee” means the organisation specified in Item D of the Schedule, and, where the context so admits, includes the officers, employees, agents and subcontractors of the Grantee, and the Grantee’s successors and assigns; “Guidelines” means the guidelines attached to this Deed as amended and/or issued from time to time by the Department; “Intellectual Property” includes business names, copyrights, and all rights in relation to inventions, patents, registered and unregistered trade marks (including service marks), registered designs, and semiconductor and circuit layouts, and all other rights resulting from intellectual activity in the industrial, scientific, literary or artistic fields; “Interest” means interest calculated at an interest rate equal to the cash rate target (published by the Reserve Bank of Australia on www.rba.gov.au) that applied at the beginning of the quarter in which Grant funds were first paid under this Deed; “Material” includes documents, information and data stored by any means brought into existence for the purpose of or in connection with the nominated purposes and general expenses of the Grantee; “Report” means the report specified in clause 5; “Secretary” means the person for the time being holding, occupying or performing the duties of the office of the Secretary to the Department; “Uncommitted” means money not committed and evidenced by way of an invoice or where payment could not otherwise be avoided.

1.2 In this Deed, unless the contrary intention appears:
(a) words in the singular number include the plural and words in the plural number include the singular; and
(b) words importing a gender include any other gender; and
(c) words importing persons include a partnership and a body whether corporate or otherwise; and
(d) clause headings, words capitalised or in bold format are inserted for convenience only, and have no effect in limiting or extending the language of provisions, except for the purpose of rectifying any erroneous cross reference; and
(e) all references to clauses are clauses in this Deed; and
(f) all references to dollars are to Australian dollars and this Deed uses Australian currency; and
(g) reference to any statute or other legislation (whether primary or subordinate) is to a statute or other legislation of the Commonwealth and, if it has been or is amended, is a reference to that statute and other legislation as amended; and
(h) reference to a document or agreement, or a provision of a document or agreement, is to that document, agreement or provision as amended, supplemented or replaced from time to time; and
(i) where any word or phrase is given a defined meaning, any other part of speech or other grammatical form in respect of that word or phrase has a corresponding meaning.

1.3 The Schedule and the Guidelines form part of this Deed. In the event of any conflict between the terms and conditions contained in the clauses of the Deed (including as varied from time to time), and any part of the Schedule or Guidelines then the terms of the clauses shall take precedence.

2. GRANT PAYMENT

2.1 The Commonwealth shall pay the Grant to the Grantee at the times and in the manner specified in Item B of the Schedule.

2.2 Any payment under this Deed may be deferred or suspended by the Commonwealth if the Grantee has outstanding or unacquitted moneys under any agreement between the Commonwealth as represented by the Department and the Grantee. Notwithstanding such suspension or deferral of any payments, the Grantee must continue to perform any obligations under this Deed not directly related to the suspended or deferred payments.

3. GRANT USE AND ACCOUNTS

3.1 The Grant must be expended only in accordance with the terms and conditions set out in this Deed and the attached Guidelines.

3.2 The Grantee must open a bank account controlled solely by the Grantee to hold the Grant funds and immediately deposit all Grant funds received into that account.

3.3 The Grantee must notify the Commonwealth, in writing, prior to the receipt of any Grant funds, of details sufficient to identify the account. The Grantee must ensure that a thorough audit trail of Grant funds is maintained and allow electronic payment of Grant funds into the account.

3.4 The bank account must not contain any monies other than Grant funds and interest earned on the Grant funds.

3.5 The Grantee must keep proper accounts and records of its transactions and affairs in relation to the use of the Grant in accordance with accounting principles generally applied in commercial practice and as required by law, and must do all things necessary to ensure that all payments out of its moneys are correctly made and properly authorised and adequate control is maintained over the incurring of liabilities.

3.6 The Grant must not be used as security for the purposes of obtaining commercial loans or entering into hire purchase arrangements nor for the purpose of meeting existing loan obligations.

3.7 Funds earned by the Grantee from interest on the Grant must be used and dealt with by the Grantee as if those funds earned were part of the Grant.

3.8 The Grantee must retain all records and account books for at least four (4) years from the time of making, despite any expiration of the Grant Period or termination of the Deed during that time.

4 REPAYMENT OF GRANT FUNDS

4.1 If:

(a) on the expiry of the Grant Period or on any earlier termination of this Deed, any Grant Funds (including any Interest earned thereon):

(i) remain unspent or Uncommitted; or

(ii) cannot, by reconciliation between the accounts and records maintained by the Grantee and the Budget, be shown to the reasonable satisfaction of the Department to have been spent or committed in accordance with this Deed; or

(b) at any time the Department forms the reasonable opinion that any Grant funds have been used, spent or committed by the Grantee other than in accordance with this Deed;

QUESTIONS ON NOTICE
the Department may by written notice to the Grantee require the Grantee to repay the relevant Grant funds, and the Grantee must repay to the Department the amount set out in the notice, within 28 days of receipt of the notice.

4.2 If the Grantee fails to repay the Grant funds in accordance with a notice issued under clause 4.1:
(a) the Grantee must pay the Department Interest on the amount set out in the notice from the date it was due, for the period it remains unpaid; and
(b) the amount set out in the notice, and Interest owed under this clause, will be recoverable by the Commonwealth as a debt due to the Commonwealth by the Grantee.

4.3 The Grantee acknowledges that Interest payable under clause 4.2(a) represents a reasonable pre-estimate of the loss incurred by the Department as a result of the loss of investment opportunity for, or the reasonable cost of borrowing other money in place of, the amount which should have been repaid.

4.4 In the event of winding up of the Grantee, any unexpended Grant funds (including Interest earned on the Grant funds), which does not include accrued expenditure, must be returned to the Department as soon as practicable.

4.5 The operation of this clause survives the expiration or earlier termination of this Deed.

5 AUDIT AND MONITORING
5.1 No more than three months after the end of the Grant Period, or the date of any earlier termination of this Deed, the Grantee must provide to the Department:
(a) an audited statement of receipts and expenditure in respect of the Grant which must include a statement as to whether the financial accounts are true and fair, and a statement of the balance of the Grantee’s banking accounts;
(b) a certificate certifying that all Grant funds received were expended in accordance with this Deed, prepared by the Chief Executive Officer of the Grantee, or a person holding or performing the duties of an equivalent position and signed by the auditor; and
(c) a Report, as detailed in clause 5.2.

5.2 The Report should include information on the following:
(a) the organisations which received assistance;
(b) the amount and type of assistance granted;
(c) the purpose of the assistance;
(d) international activities funded;
(e) international activities attended;
(f) costs of travel and accommodation and living expenses either by Australian party officials or by members of assisted organisations;
(g) names of people travelling and the organisations they represent; and
(h) the portion of the Grant used for administration purposes, which can be a percentage of the total grant specified in Item B of the Schedule, not including the interest earned, but which must not exceed fifteen percent.

5.3 The audit referred to in this clause must be carried out by a person who is not an officer or employee of the Grantee and is a person who is registered as a company auditor or such like under a law in force in the State or Territory in which the Grantee is incorporated or principally operates, or a member of the Institute of Chartered Accountants or of the Australian Society of Certified Practising Accountants.

6. INTELLECTUAL PROPERTY RIGHTS
6.1 Subject to this clause, Intellectual Property in all Material brought into existence for the nominated purposes under this Deed vests immediately in the Grantee.
6.2 The Grantee grants to the Commonwealth a permanent, irrevocable, royalty-free and licence fee free licence to use any of the Report or other Material that the Grantee may have produced for the nominated purposes under this Deed for any purpose, including to report on or to promote the Grant or for the purposes of the Grant.

6.3 The Grantee must at all times indemnify and hold harmless the Commonwealth, its officers, employees and agents (in this clause referred to as “those indemnified”) from and against any loss (including legal costs and expenses on a solicitor/own client basis) or liability incurred or suffered by any of those indemnified arising from any claim, suit, demand, action or proceeding by any person in respect of any infringement of Intellectual Property rights by the Grantee, its employees, agents or subcontractors in the course of, or incidental to, performing a project, in the event that Grant funds are expended for this purpose, or the use by the Commonwealth of the Report or any Materials that the Grantee may provide under this Deed.

6.4 The indemnity referred to in subclause 6.3 survives the expiration or termination of this Deed.

7. INDEMNITY

7.1 Subject to the provisions of this Deed, the Grantee must at all times indemnify and hold harmless the Commonwealth, its officers, employees and agents (in this clause referred to as “those indemnified”) from and against any loss (including legal costs and expenses on a solicitor/own client basis), or liability, reasonably incurred or suffered by any of those indemnified arising from any claim, suit, demand, action or proceeding by any person against any of those indemnified where such loss or liability was caused by any wilful, unlawful or negligent act or omission of the Grantee, its employees, by agents or subcontractors in connection with this Deed.

7.2 The Grantee’s liability to indemnify the Commonwealth under subclause 7.1 will be reduced proportionally to the extent that any act or omission of the Commonwealth or its employees or agents contributed to the loss or liability.

7.3 The indemnity referred to in subclause 7.1 survives the expiration or termination of this Deed.

8. INSURANCE

8.1 The Grantee must, for so long as any obligations remain in connection with this Deed, effect and maintain insurance required under workers compensation legislation or other law applicable where the activities of the Grantee under this Deed occur, and for public liability.

8.2 Whenever requested, the Grantee must provide the Commonwealth with a certificate of currency and a copy of any insurance policy effected in accordance with subclause 8.1.

9. ENTIRE AGREEMENT AND VARIATION

9.1 This Deed constitutes the entire agreement between the parties and supersedes all communications, negotiations, arrangements and agreements, whether oral or written, between the parties with respect to the subject matter of this Deed.

9.2 No agreement or understanding varying or extending this Deed is legally binding upon either party unless in writing and signed by both parties.

10. TERMINATION

10.1 Where:
(a) the Departmental Contact Officer is satisfied that the terms of this Deed have not been complied with by the Grantee; or
(b) the Grantee does not maintain and provide information as requested by the Departmental Contact Officer which will enable an assessment to be made of the Grant expenditure;
the Commonwealth may, as the case requires, by notice in writing given to the Grantee, terminate this Deed.

QUESTIONS ON NOTICE
10.2 Where the Commonwealth terminates this Deed under subclause 10.1, the Commonwealth:
(a) will not be obliged to pay to the Grantee any outstanding amount of the Grant; and
(b) will be entitled to recover from the Grantee any part of the Grant which
   (i) has not been expended by the Grantee (including interest earned thereon);
   (ii) has not been legally committed for expenditure by the Grantee in accordance with this Deed;
   or
   (iii) has not, in the Department’s opinion, been expended by the Grantee in accordance with the
        terms and conditions of the Deed,
and all such moneys will be regarded as a debt due to the Commonwealth capable of being recov-
ered as such in any court of competent jurisdiction.

11. DEFAULT
11.1 If the Grantee:
(a) goes into liquidation or a receiver and manager or mortgagee’s or chargee’s agent is appointed;
(b) in the case of an individual, becomes bankrupt or enters into a scheme of arrangement or compro-
mise with creditors; or
(c) suffers alteration of its membership, structure or nature so that in the opinion of the Departmental
    Contact Officer the Grantee cannot carry out its obligations under the Deed,
the Commonwealth may, by notice in writing, terminate this Deed without prejudice to any right of
action or remedy which has accrued or which may accrue in favour of either party and the provisions of
clause 10 will apply.

12. WAIVER
12.1 A waiver by either party in respect of any breach of a condition or provision of this Deed will not
be deemed to be a waiver in respect of any continuing or subsequent breach of that provision, or breach
of any other provision. The failure of either party to enforce at any time any of the provisions of this
Deed will in no way be interpreted as a waiver of such provision.

13. COMPLIANCE WITH LAW
13.1 The Grantee must, in carrying out this Deed, comply with the provisions of all relevant statutes,
regulations, by-laws, and requirements of any Commonwealth, State, Territory or local authority or of
any other country in which the Grantee is carrying out activities under the Grant.

14. APPLICABLE LAW
14.1 This Deed is to be governed by and construed in accordance with the laws of the Australian Capital
Territory.

15. SEVERABILITY
15.1 Each provision or part of this Deed must, unless the context otherwise necessarily requires it, be
read and construed as a separate and severable provision or part. If any provision or part is void or oth-
erwise unenforceable for any reason, then that provision or part must be severed and the remainder must
be read and construed as if the severable provision or part had never existed.

16. ACCESS TO RECORDS
16.1 Without derogating from any other right under this Deed, the Grantee must ensure that at all rea-
sonable times the Departmental Contact Officer, or any person authorised in writing by the Secretary, is
given free access to all accounts, records, documents and papers of the Grantee relating directly or indi-
rectly to the receipt/expenditure or payment of the Grant.
16.2 Upon receipt of reasonable written notice from the Departmental Contact Officer, the Grantee must
provide any information required by the Commonwealth for monitoring and evaluation purposes.
17. NEGATION OF EMPLOYMENT, PARTNERSHIP AND AGENCY
The Grantee must not represent itself, and must ensure that its employees or sub-contractors do not represent themselves, as being an employee, partner or agent of the Commonwealth, or otherwise able to bind or represent the Commonwealth.

17.2 The Grantee must not by virtue of this Deed be, or for any purpose be deemed to be, an employee, partner or agent of the Commonwealth or as having the power or authority to bind or represent the Commonwealth.

18. INCORPORATION
18.1 The Grantee warrants that its rules, articles or memorandum of association (if any) are not, and will not be, inconsistent with the provisions of this Deed.

19. NOTICES
19.1 Any notice, request or other communication must be in writing and be delivered by post, facsimile or email:
(a) if given by the Grantee to the Commonwealth: addressed and forwarded to the Departmental Contact Officer at the address indicated in Item C and E of the Schedule; or
(b) if given by the Commonwealth to the Grantee: signed by the Departmental Contact Officer and forwarded to the Grantee at the address indicated in Item D and F of the Schedule.

19.2 Any notice, request or other communication will be deemed to be received:
(a) if sent by post, three days after the date of posting; or
(b) if sent by facsimile, on the business day next following the day of dispatch providing that the sender receives an “OK” code in respect of the transmission and is not notified by the recipient by close of business of the next business day following the day of dispatch that the transmission was illegible; or
(c) if sent by email, when it enters the Department’s or the Grantee’s information system.

20. NO ASSIGNMENT
20.1 The Grantee must not assign or otherwise transfer its rights under this Deed.

THE SCHEDULE

<table>
<thead>
<tr>
<th>Item A</th>
<th>The Grant Period commences when this Deed is signed by the last party and ends on 30 June 2007.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Clause 1.1)</td>
<td>The total grant shall be in the amount of $[amount] dollars payable subject to completion of the application form and approval of the grant. Payment is scheduled to be made in four equal instalments, at the earliest opportunity after the first day of each of the months of July 2006, October 2006, January 2007 and April 2007.</td>
</tr>
<tr>
<td>Item B</td>
<td>Departmental Contact Officer</td>
</tr>
<tr>
<td>(Clause 2.1)</td>
<td>Branch Manager</td>
</tr>
<tr>
<td></td>
<td>Entitlements Policy Branch</td>
</tr>
<tr>
<td></td>
<td>Ministerial and Parliamentary Services</td>
</tr>
<tr>
<td></td>
<td>Phone: (02) 6215 3401</td>
</tr>
<tr>
<td></td>
<td>Fax: (02) 6267 3080</td>
</tr>
<tr>
<td></td>
<td>Email: <a href="mailto:kim.clarke@finance.gov.au">kim.clarke@finance.gov.au</a></td>
</tr>
<tr>
<td>Item D</td>
<td>[Name and address of grantee]</td>
</tr>
<tr>
<td>(Clause 1.1)</td>
<td></td>
</tr>
</tbody>
</table>
Estimates Training Sessions
(Question Nos 2158 and 2160)

Senator O’Brien asked the Minister representing the Minister for Foreign Affairs and the
Minister for Trade, upon notice, on 14 July 2006:

(1) What Senate estimates training sessions have officers of the Minister’s departments and agencies
attended in the past 3 financial years, by year.

(2) For each of the past 3 financial years: (a) how many officers participated in; and (b) what was the
total cost of, training for Senate estimates, by department and agency and by financial year.

(3) Where training has been provided by a private provider, what was the name of the provider and the
associated cost.

Senator Coonan—The following answer has been provided by the Minister for Foreign
Affairs and the Minister for Trade to the honourable senator’s question:

DFAT

(1) DFAT staff have attended Senate estimates training seminars provided by the Department of the
Senate in each of the past three financial years.

(2) (a) and (b) In 2005-06, 4 DFAT officers participated in Senate estimates training seminars provided
by the Department of the Senate at a total cost of $830.

In 2004-05, 4 DFAT officers participated in Senate estimates training seminars provided by the De-
partment of the Senate at a total cost of $770.

In 2003-04, 2 DFAT officers participated in Senate estimates training seminars provided by the De-
partment of the Senate at a total cost of $380.

(3) n/a
ACIAR
(1) Nil
(2) n/a
(3) n/a

AusAID
(1) AusAID staff have attended Senate estimates training seminars provided by the Department of the Senate in two of the past three financial years.

(2) (a) and (b) In 2005-06, 2 AusAID officers participated in Senate estimates training seminars provided by the Department of the Senate at a total cost of $400

In 2004-05, 8 AusAID officers participated in Senate estimates training seminars provided by the Department of the Senate at a total cost of $1,685

In 2003-04, no AusAID officers participated in Senate estimates training seminars provided by the Department of the Senate.

(3) n/a

Austrade
(1) Austrade staff have attended Senate estimates training seminars provided by the Department of the Senate in two of the past three financial years. In addition, Austrade officers scheduled to represent Austrade at Senate Estimates hearings participated in discussions with a private adviser/consultant prior to hearings conducted in 2004-05 and 2005-06.

(2) (a) and (b) In 2005-06, 2 Austrade officers participated in Senate estimates training seminars provided by the Department of the Senate at a total cost of $400

In 2004-05, no Austrade officers participated in Senate estimates training seminars provided by the Department of the Senate.

In 2003-04, 3 Austrade officers participated in Senate estimates training seminars provided by the Department of the Senate at a total cost of $810

(3) Len Early Pty Ltd. Costs paid were as follows: financial year 2004-05, $10,010; financial year 2005-06, $2642.64.

EFIC
(1) Nil
(2) n/a
(3) n/a

Council of Australian Governments Trial
(Question No. 2243)

Senator Chris Evans asked the Minister representing the Minister for Families, Community Services and Indigenous Affairs, upon notice, on 21 July 2006:

With reference to the Wadeye Council of Australian Governments (COAG) Trial:

(1) What is the name of the consultant conducting the evaluation.

(2) In a response by the department to a question on notice it was stated that at February 2006, the final report was awaiting approval by the Evaluation Reference Group:

(a) (i) who are the members of the Evaluation Reference Group;

(ii) how many people are in this group; and

(iii) how was this group selected.
(b) was the evaluation group provided with the full final report for its approval; and
(c) has the final report received approval from the Evaluation Reference Group.

(3) The department has previously indicated that the final report would be submitted in May 2006: has the final evaluation report been submitted; if not, what is the reason for the delay.

(4) Will the Minister authorise the public release of this final report; if so, can a copy be provided.

(5) Can a copy be provided of the most recent assessment of the total cost of the consultancy.

(6) (a) What has been the total amount of departmental expenses that have been incurred as a result of the Wadeye COAG trial for each financial year since it began to date; and
(b) Can an explanation be provided as to what those expenses include.

(7) What is the amount of departmental travel costs incurred during each financial year over the course of the Wadeye COAG trial for departmental staff visiting the Wadeye community, including airfares, accommodation, travel allowance, car hire and any other related costs.

Senator Kemp—The Minister for Families, Community Services and Indigenous Affairs has provided the following answer to the honourable senator’s question:

Mr Bill Gray from WJG and Associates undertook the evaluation of the Wadeye COAG Trial. The total cost of the consultancy was $45,400.

The Evaluation Reference Group comprised representatives from the former Department of Family and Community Services (FACS), the Office of Indigenous Policy Coordination (OIPC), the Northern Territory Office of Indigenous Affairs and the Thamarrurr Regional Council. There were four people in the group until the Office of Indigenous Policy Coordination merged with FACS to form the Department of Families, Community Services and Indigenous Affairs (FACSIA). From that time onwards, only one person represented FACSIA, leaving the group with three members.

The Reference Group were supplied with, and approved, the final report.

The consultant submitted the final report in May 2006. Release of the final report will be a matter for the trial partners to determine. The Minister has agreed in principle to the release of all COAG Trial evaluation reports conditional upon agreement by trial partners.

It is not possible to identify travel costs for every departmental officer to visit the COAG Trial site, due to the fact that travelling staff often visit multiple locations, and because it would place a heavy burden on agencies to retrospectively compile individual travel accounts.

The table below contains information on FaCSIA departmental expenditure on the Wadeye COAG Trial site.

<table>
<thead>
<tr>
<th>AGENCY</th>
<th>Appropriation Source</th>
<th>2003-04</th>
<th>2004-05</th>
<th>2005-06 (to 29.5.06)</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Department of Families and Community Services and Indigenous Affairs</td>
<td>Departmental</td>
<td>$1,110,642</td>
<td>$765,146</td>
<td>$371,329</td>
</tr>
<tr>
<td></td>
<td>Departmental funds spent on staff related expenses (eg salaries, travel, training etc), projects at Wadeye and CAEPR research</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Council of Australian Governments Trial**

(Question No. 2244)

Senator Chris Evans asked the Minister representing the Minister for Families, Community Services and Indigenous Affairs, upon notice, on 21 July 2006:

With reference to the Cape York Council of Australian Governments (COAG) trial:
(1) Has the Office of Indigenous Policy Coordination (OIPC) assumed responsibility as lead agency for the trial.

(2) When did OIPC assume responsibility as lead agency for the trial.

(3) With reference to the answer to question on notice no. 1562 (Senate Hansard, 27 March 2006, p. 208) which indicated that the evaluation of the trial had not begun as at 24 February 2006 and that a ‘request for quote documentation is being finalised’:
   (a) can the Minister confirm whether a consultant has been appointed to evaluate this trial; if so, what is name the consultant; if not, can a reason for the delay be provided;
   (b) has the evaluation begun; if not, when is the planned start date;
   (c) will any community members have an opportunity to read or approve the draft report; if so, how and when will this happen;
   (d) has a community ‘evaluation reference group’ been appointed; if so:
      (i) who is on this group,
      (ii) how many people are in this group, and
      (iii) how were they selected;
   (e) when is the expected date of submission for the final report;
   (f) if the report has already been submitted, will the Minister make this report publicly available; if so, can a copy be provided; and
   (g) what is the most recent assessment of the cost of this consultancy.

(4) Since employment was a priority area in this trial, will any data on employment outcomes be used as part of this evaluation.

(5) Has any baseline data on employment outcomes been collected for the Cape York region; if so, when was this data collected.

(6) Does the department have any evidence of improved employment outcomes as a result of this trial; if so, can the relevant data being used as evidence be provided.

(7) What is the amount of departmental travel costs incurred during each financial year over the course of the Cape York COAG trial for departmental staff visiting Cape York, including airfares, accommodation, travel allowance, car hire and any other related costs.

Senator Kemp—The Minister for Families, Community Services and Indigenous Affairs has provided the following answer to the honourable senator’s question:

At the end of 2005, the Secretary of DEWR announced his Department would no longer be the lead agency for the trial. The Office of Indigenous Policy Coordination has since been representing the Australian Government in a whole-of-government context in Cape York.

OIPC appointed Urbis Keys Young to undertake the Cape York COAG Trial evaluation, which commenced at the end of May 2006. The consultancy cost was $62,187.

The evaluation was of a formative nature, i.e. seeking to ascertain what aspects of the trial were working and what aspects could be improved. Employment outcomes were not considered as part of this evaluation.

The draft report was distributed to the five community councils – Wujal Wujal, Hope Vale, Lockhart River, Aurukun and Napranum – in September for their comment and endorsement. Community consultation was undertaken with the representatives of community councils or their equivalent and various community members at each site within the trial area.
OIPC expects a final report from the consultant by mid October 2006. Release of the final report will be a matter for the trial partners to determine. The Minister has agreed in principle to the release of all COAG Trial evaluation reports conditional upon agreement by trial partners.

No specific baseline data on employment outcomes has been collected for the Cape York region, however the Department of Employment and Workplace Relations is able to monitor improvements in employment outcomes through its employment programmes.

The Department cannot provide evidence of improved employment outcomes as a result of the trial. However, job placements in the Cairns Employment Services Area (which includes the trial site) have increased each year since the trial commenced.

It is not possible to identify travel costs for every departmental officer to visit the COAG Trial site, due to the fact that travelling staff often visit multiple locations, and because it would place a heavy burden on agencies to conduct such a level of auditing of individual travel accounts.

Key Australian Government funding agencies were asked to identify Departmental items (such as computers, plant and equipment assets) used in providing goods and services, as well as employee expenses, supplier costs and other administrative expenses (including travel), where these staff, equipment, assets etc are 100% dedicated to the Trial site. These expenses are indicated in the table below.

<table>
<thead>
<tr>
<th>AGENCY</th>
<th>Appropriation Source</th>
<th>2003-04</th>
<th>2004-05</th>
<th>2005-06</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department of Employment and Workplace Relations</td>
<td>Departmental</td>
<td>$744,384</td>
<td>$755,557</td>
<td>$416,272</td>
<td>$1,916,213</td>
</tr>
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</table>

**Council of Australian Governments Trial**

*(Question No. 2245)*

Senator Chris Evans asked the Minister representing the Minister for Transport and Regional Services, upon notice, on 21 July 2006:

With reference to the evaluation of the Council of Australian Governments (COAG) Trial in East Kimberley:

(1) Is the department the lead agency for this trial.

(2) What were the objectives of the trial.

(3) What has been the total amount of expenditure for each financial year over the course of the trial, specifying:

   (a) the amount of administered funds and departmental expenses for each financial year; and

   (b) what the administered funds were used for.

(4) What is the amount of departmental travel costs incurred during each financial year over the course of the COAG trial for departmental staff visiting the East Kimberley, including airfares, accommodation, travel allowance, car hire and any other related costs.

(5) With reference to the answer to question on notice no. 1562 (Senate *Hansard*, 27 March 2006, p. 208) provided by the Department of Families, Community Services and Indigenous Affairs which indicated that Quantum Consulting had begun the evaluation of the trial on 15 November 2005 and had already submitted a draft report, and a final report was planned to be submitted on 28 April 2006: on what date was the final report submitted.

(6) Will the Minister make this evaluation report publicly available; if so, can a copy be provided.

(7) Did any community members have an opportunity to read or approve the draft report; if so:

   (a) how and when did this happen;

   (b) which people were consulted.

QUESTIONS ON NOTICE
(c) how many were consulted; and  
(d) how were these people selected.  

(8) What is the most recent assessment of the cost of this consultancy.  

Senator Kemp—The Minister for Families, Community Services and Indigenous Affairs has provided the following answer to the honourable senator’s question:  
The Department of Transport and Regional Services is the lead agency for the East Kimberley COAG Trial site.  
The objective of the COAG Trials is to improve the way governments interact with each other and with communities to deliver more effective responses to the needs of Indigenous Australians.  
The table over contains information on departmental expenditure and Indigenous-specific administered funding to the East Kimberley COAG Trial site from key Australian Government funding agencies.  
It is not possible to identify travel costs for every departmental officer to visit the COAG Trial site, due to the fact that travelling staff often visit multiple locations, and because it would place a heavy burden on agencies to conduct such a level of auditing of individual travel accounts.  
In the table below, Departmental expenditure figures include funding for items such as computers, plant and equipment assets used by agencies in providing goods and services, as well as employee expenses, supplier costs and other administrative expenses (including travel), where these staff, equipment, assets etc are 100% dedicated to the Trial site.  
The final evaluation report of the East Kimberley COAG Trial was received on 14 September 2006.  
Community members were consulted on the findings of the formative evaluation in meetings on 24 August 2006.  
Release of the final report will be a matter for the trial partners to determine. The Minister has agreed in principle to the release of all COAG Trial evaluation reports conditional upon agreement by trial partners.  
The total cost of the consultancy is estimated to be $53,586 (including GST).
### Indigenous Specific Funding Expended in East Kimberley CoAG Trial Site by Agency

<table>
<thead>
<tr>
<th>AGENCY</th>
<th>Appropriation Source</th>
<th>2003-04</th>
<th>2004-05</th>
<th>2005-06</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office of Indigenous Policy Coordination</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Departmental</td>
<td>$9,247,471</td>
<td>$4,716,998</td>
<td>$791,422</td>
<td>$13,755,891</td>
<td></td>
</tr>
<tr>
<td>Administered funds spent on promoting public awareness of Indigenous culture, Native Title representation, communities in crisis, women's leadership development, community and regional engagement and Shared Responsibility Agreements.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sub-Total</td>
<td>$9,247,471</td>
<td>$4,716,998</td>
<td>$791,422</td>
<td>$13,755,891</td>
<td></td>
</tr>
<tr>
<td>Department of Families, Community Services and Indigenous Affairs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Departmental</td>
<td>$5,297,201</td>
<td>$4,635,983</td>
<td>$11,301,668</td>
<td>$21,234,852</td>
<td></td>
</tr>
<tr>
<td>Administered funds spent on community housing, municipal services, Aboriginal Health Strategy, child care, and playgroups.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sub-Total</td>
<td>$5,297,201</td>
<td>$4,635,983</td>
<td>$11,301,668</td>
<td>$21,234,852</td>
<td></td>
</tr>
<tr>
<td>Department of Health and Ageing</td>
<td></td>
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<tr>
<td>Departmental</td>
<td>$1,711,656</td>
<td>$1,708,139</td>
<td>$1,196,700</td>
<td>$4,616,495</td>
<td></td>
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<tr>
<td>Administered funds spent on support for Indigenous medical services and equipment, promotion and support activities, primary health care access, chronic disease prevention and management, and health capital works.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
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**QUESTIONS ON NOTICE**
Council of Australian Governments Trial
(Question No. 2246)

Senator Chris Evans asked the Minister representing the Minister for Health and Ageing, upon notice, on 21 July 2006
With reference to the evaluation of the Council of Australian Governments (COAG) Trial in the Anangu-Pitjantjatjara Lands:

(1) Is the department the lead agency for this trial.
(2) What has been the total amount of expenditure for each financial year over the course of the trial, specifying:
   (a) the amount of administered funds and departmental expenses for each financial year; and
   (b) what the administered funds were used for.
(3) Can the Minister confirm that the consultant Urbis Keys Young was appointed to evaluate the trial beginning on 15 November 2005.
(4) With reference to the answer to question on notice no. 1562 (Senate Hansard, 27 March 2006, p. 208) provided by the Department of Families, Community Services and Indigenous Affairs which indicated that the expected date for the submission of the final report was 6 March 2006: on what date was the final evaluation report submitted to the department.
(5) Will the Minister make this report publicly available; if so, can a copy be provided.
(6) Did any community members have an opportunity to read or approve the draft report; if so:
   (a) how and when did this happen;
   (b) which people were consulted;
   (c) how many were consulted; and
   (d) how were these people selected.
(7) What is the most recent assessment of the cost of this consultancy.
(8) Does the department have any evidence of improved employment outcomes as a result of this trial; if so, can the relevant data be provided.
(9) What is the amount of departmental travel costs incurred during each financial year over the course of the trial for departmental staff visiting the Anangu-Pitjantjatjara lands, including airfares, accommodation, travel allowance, car hire and any other related costs.

Senator Kemp—The Minister for Families, Community Services and Indigenous Affairs has provided the following answer to the honourable senator’s question:
The Department of Health and Ageing is the lead agency for the COAG Trial in the Anangu-Pitjantjatjara (AP) Lands.
The table over contains information on departmental expenditure and Indigenous-specific administered funding to the AP Lands COAG Trial site from the key Australian Government funding agencies.
It is not possible to identify travel costs for every departmental officer to visit the COAG Trial site, due to the fact that travelling staff often visit multiple locations, and because it would place a heavy burden on agencies to conduct such a level of auditing of individual travel accounts.
In the table over, Departmental expenditure figures may include funding for items such as computers, plant and equipment assets used by agencies in providing goods and services, as well as employee expenses, supplier costs and other administrative expenses (including travel), where these staff, equipment, assets etc are 100% dedicated to the Trial site.

QUESTIONS ON NOTICE
Urbis Keys Young was appointed to evaluate the AP Lands COAG trial on 15 November 2005. The cost of the consultancy was $43,428.

OIPC specified in the Statement of Requirements for the evaluation that the consultant meet with the:
- Anangu Pitjantjatjara (Land Council) and PY Services
- PY Media Corporation
- Nganampa Health Council
- NPY Women’s Council
- PY Education Committee
- Anangku Arts.

The report was provided to the community at a meeting of the Anangu Pitjantjatjara Council on the 6 April 2006. The report was also provided to other community organisations not on the council, which were consulted as part of the evaluation. The Anangu Pitjantjatjara Council provided their endorsement of the report on 9 May 2006.

The final evaluation report was submitted on 30 March 2006. Release of the final report will be a matter for the trial partners to determine. The Minister has agreed in principle to the release of all COAG Trial evaluation reports conditional upon agreement by trial partners.

Two endorsed COAG Trial projects on the APY Lands are improving employment outcomes for Anangu workforce participation: Mai Wiru (Stores Policy) and PY Ku Network (Rural Transaction Centres).

During 2005, Mai Wiru hosted 17 Anangu retail traineeships in community stores.

Seven staff are currently employed by the PY Ku Network, delivering a range of Centrelink and South Australian Government services.

It is anticipated that by the end of 2006, around 28-30 Anangu will be employed in PY Ku Centres and Mai Wiru aims to employ upwards of 45.
## INDIGENOUS SPECIFIC FUNDING EXPENDED IN APY LANDS COAG TRIAL SITE BY AGENCY

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