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SITTING DAYS—2007

<table>
<thead>
<tr>
<th>Month</th>
<th>Date</th>
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</thead>
<tbody>
<tr>
<td>February</td>
<td>6, 7, 8, 9, 26, 27, 28</td>
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<tr>
<td>March</td>
<td>1, 20, 21, 22, 26, 27, 28, 29</td>
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<td>June</td>
<td>12, 13, 14, 18, 19, 20, 21</td>
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<td>August</td>
<td>7, 8, 9, 13, 14, 15, 16</td>
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<td>September</td>
<td>10, 11, 12, 13, 17, 18, 19, 20</td>
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<td>October</td>
<td>15, 16, 17, 18, 22, 23, 24, 25</td>
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<td>November</td>
<td>5, 6, 7, 8, 12, 13, 14, 15, 26, 27, 28, 29</td>
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<tr>
<td>December</td>
<td>3, 4, 5, 6</td>
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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
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. Nigel Gregory Scullion
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 Fiona Joy Nash
Opposition Whips—Senators George Campbell, Linda Jean Kirk and Ruth Stephanie Webber
Australian Democrats Whip—Senator Andrew John Julian Bartlett
Australian Greens Whip—Senator Rachel Siewert

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

<table>
<thead>
<tr>
<th>Senator</th>
<th>State or Territory</th>
<th>Term expires</th>
<th>Party</th>
</tr>
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<tbody>
<tr>
<td>Abetz, Hon. Eric</td>
<td>TAS</td>
<td>30.6.2011</td>
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<td>Campbell, Hon. Ian Gordon</td>
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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 Citizenship The Hon. Kevin James Andrews MP
Minister for Education, Science and Training and Minister Assisting the Prime Minister for Women’s Issues The Hon. Julie Isabel Bishop MP
Minister for Families, Community Services and Indigenous Affairs and Minister Assisting the Prime Minister for Indigenous Affairs The Hon. Malcolm Thomas Brough MP
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. Joseph Benedict Hockey 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 Water Resources The Hon. Malcolm Bligh Turnbull MP
Minister for Human Services Senator the Hon. Ian Gordon Campbell

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

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

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

Minister for the Arts and Sport
Senator the Hon. George Henry Brandis SC

Minister for Community Services
Senator the Hon. Nigel Gregory Scullion

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

Special Minister of State
The Hon. Gary Roy Nairn MP

Minister for Vocational and Further Education
The Hon. Andrew John Robb MP

Minister for Ageing
Senator the Hon. Santo Santoro

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

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

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

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

Assistant Minister for Health and Ageing
The Hon. Christopher Maurice Pyne MP

Assistant Minister for the Environment and Water Resources
The Hon. John Kenneth Cobb MP

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

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

Parliamentary Secretary to the Minister for Defence
The Hon. Peter John Lindsay MP

Parliamentary Secretary to the Minister for Transport and Regional Services
The Hon. De-Anne Margaret Kelly MP

Parliamentary Secretary to the Minister for Immigration and Citizenship
The Hon. Teresa Gambaro MP

Parliamentary Secretary to the Prime Minister
The Hon. Anthony David Hawthorn Smith MP

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

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

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

Parliamentary Secretary to the Minister for Foreign Affairs
The Hon. Gregory Andrew Hunt MP
<table>
<thead>
<tr>
<th>Position</th>
<th>MP Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leader of the Opposition</td>
<td>Kevin Michael Rudd MP</td>
</tr>
<tr>
<td>Deputy Leader of the Opposition, Shadow Minister for Employment and</td>
<td>Julia Eileen Gillard MP</td>
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<tr>
<td>Industrial Relations and Shadow Minister for Social Inclusion</td>
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<td>Leader of the Opposition in the Senate and</td>
<td>Senator Christopher Vaughan Evans</td>
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<td>and Shadow Minister for Communications and Information Technology</td>
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<td>Shadow Assistant Treasurer and Shadow Minister for Revenue and</td>
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<td>Anthony Stephen Burke MP</td>
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<tr>
<td>Shadow Minister for Ageing, Disabilities and</td>
<td>Senator Jan Elizabeth McLucas</td>
</tr>
<tr>
<td>Carers</td>
<td></td>
</tr>
</tbody>
</table>
Shadow Minister for Federal/State Relations and Shadow Minister for International Development Assistance

Robert Francis McMullan MP

Shadow Minister for Primary Industries, Fisheries and Forestry

Senator Kerry Williams Kelso O’Brien

Shadow Minister for Human Services, Housing, Youth and Women

Tanya Joan Plibersek MP

Shadow Minister for Health

Nicola Louise Roxon 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 Education and Training

Stephen Francis Smith MP

Shadow Treasurer

Wayne Maxwell Swan MP

Shadow Minister for Finance

Lindsay James Tanner MP

Shadow Attorney-General and Deputy Manager of Opposition Business in the House

Kelvin John Thomson MP

Shadow Minister for Public Administration and Accountability, Shadow Minister for Corporate Governance and Responsibility and Shadow Minister for Workforce Participation

Senator Penelope Ying Yen Wong

Shadow Parliamentary Secretary for Foreign Affairs

Anthony Michael Byrne MP

Shadow Parliamentary Secretary for Defence and Veterans’ Affairs

The Hon. Graham John Edwards MP

Shadow Parliamentary Secretary for Environment and Heritage

Jennie George MP

Shadow Parliamentary Secretary for Treasury

Catherine Fiona King MP

Shadow Parliamentary Secretary for Education

Kirsten Fiona Livermore MP

Shadow Parliamentary Secretary to the Leader of the Opposition

John Paul Murphy MP

Shadow Parliamentary Secretary for Industrial Relations

Brendan Patrick John O’Connor MP

Shadow Parliamentary Secretary for Industry and Innovation

Bernard Fernando Ripoll MP

Shadow Parliamentary Secretary for Northern Australia and Indigenous Affairs

The Hon. Warren Edward Snowdon MP

Shadow Parliamentary Secretary to the Leader of the Opposition (Social and Community Affairs)

Senator Ursula Mary Stephens
CONTENTS

THURSDAY, 1 MARCH

Chamber

Petitions—
  Falun Gong ................................................................. 1
  Climate Change ............................................................. 1
  Health: Medical Services ................................................ 1
  Child Abuse ...................................................................... 2

Notices—
  Presentation ..................................................................... 2

Committees—
  Selection of Bills Committee—Report ................................ 12

Business—
  Rearrangement ................................................................ 13
  Rearrangement ................................................................ 14

Notices—
  Postponement .................................................................. 14
  Postponement .................................................................. 14

Parliamentary Zone—
  Approval of Works .......................................................... 14

Marriage (Relationships Equality) Amendment Bill 2007—
  First Reading ................................................................... 14
  Second Reading .................................................................. 14

Electoral (Greater Fairness of Electoral Processes) Amendment Bill 2007—
  First Reading .................................................................... 16
  Second Reading .................................................................. 16

Migration Legislation Amendment (Removal of Unjust Restrictions) Bill 2007—
  First Reading .................................................................... 18
  Second Reading .................................................................. 19

Migration Legislation Amendment (Access to Judicial Review of Migration Decisions)
Bill 2007—
  First Reading .................................................................... 19
  Second Reading .................................................................. 20

Nuclear Power Stations—
  Suspension of Standing Orders .......................................... 20
  Motion ................................................................................. 26

Business—
  Withdrawal ....................................................................... 26

Committees—
  Legal and Constitutional Affairs Committee—Reference ........... 26
  National Curriculum .......................................................... 26

Committees—
  Publications Committee—Report ......................................... 27
  Regulations and Ordinances Committee—Ministerial Correspondence ........................................... 27
  Corporations and Financial Services Committee—Report ................................................................. 27

Customs Legislation Amendment (Modernising Import Controls and Other Measures)
Bill 2006 [2007]—
  Report of Legal and Constitutional Affairs Committee—Additional Information ..................... 32

Budget—
  Consideration by Estimates Committees—Additional Information ..................................................... 32
<table>
<thead>
<tr>
<th>Contents—continued</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anti-Money Laundering and Counter-Terrorism Financing Amendment Bill 2007—</td>
</tr>
<tr>
<td>First Reading .................................................................................................................. 33</td>
</tr>
<tr>
<td>Second Reading .............................................................................................................. 33</td>
</tr>
<tr>
<td>Broadcasting Legislation Amendment Bill 2007—</td>
</tr>
<tr>
<td>First Reading .................................................................................................................. 35</td>
</tr>
<tr>
<td>Second Reading .............................................................................................................. 35</td>
</tr>
<tr>
<td>Aviation Transport Security Amendment (Additional Screening Measures) Bill 2007,</td>
</tr>
<tr>
<td>Corporations Amendment (Takeovers) Bill 2007,</td>
</tr>
<tr>
<td>Offshore Petroleum Amendment (Greater Sunrise) Bill 2007,</td>
</tr>
<tr>
<td>Customs Tariff Amendment (Greater Sunrise) Bill 2007 and</td>
</tr>
<tr>
<td>Tax Laws Amendment (2007 Measures No. 1) Bill 2007—</td>
</tr>
<tr>
<td>First Reading .................................................................................................................. 36</td>
</tr>
<tr>
<td>Second Reading .............................................................................................................. 36</td>
</tr>
<tr>
<td>Committees—</td>
</tr>
<tr>
<td>Finance and Public Administration Committee—Report ................................................. 40</td>
</tr>
<tr>
<td>Rural and Regional Affairs and Transport Committee—Reference ................................ 46</td>
</tr>
<tr>
<td>Australian Technical Colleges (Flexibility in Achieving Australia’s Skills Needs)</td>
</tr>
<tr>
<td>Amendment Bill (No. 2) 2006—</td>
</tr>
<tr>
<td>Second Reading .............................................................................................................. 64</td>
</tr>
<tr>
<td>Third Reading ................................................................................................................. 68</td>
</tr>
<tr>
<td>Classification (Publications, Films and Computer Games) Amendment Bill 2006—</td>
</tr>
<tr>
<td>Second Reading .............................................................................................................. 69</td>
</tr>
<tr>
<td>Third Reading ................................................................................................................. 69</td>
</tr>
<tr>
<td>Bankruptcy Legislation Amendment (Superannuation Contributions) Bill 2006 [2007]—</td>
</tr>
<tr>
<td>Second Reading .............................................................................................................. 69</td>
</tr>
<tr>
<td>Third Reading ................................................................................................................. 69</td>
</tr>
<tr>
<td>Broadcasting Legislation Amendment Bill 2007—</td>
</tr>
<tr>
<td>Second reading ................................................................................................................. 69</td>
</tr>
<tr>
<td>Third Reading ................................................................................................................. 70</td>
</tr>
<tr>
<td>Veterans’ Affairs Legislation Amendment (Statements of Principles and Other Measures)</td>
</tr>
<tr>
<td>Bill 2006—</td>
</tr>
<tr>
<td>Second Reading .............................................................................................................. 70</td>
</tr>
<tr>
<td>Third Reading ................................................................................................................. 70</td>
</tr>
<tr>
<td>Maritime Legislation Amendment (Prevention of Pollution from Ships) Bill 2006—</td>
</tr>
<tr>
<td>Second Reading .............................................................................................................. 73</td>
</tr>
<tr>
<td>Third Reading ................................................................................................................. 73</td>
</tr>
<tr>
<td>Family Law (Divorce Fees Validation) Bill 2007—</td>
</tr>
<tr>
<td>Second Reading .............................................................................................................. 73</td>
</tr>
<tr>
<td>Third Reading ................................................................................................................. 74</td>
</tr>
<tr>
<td>Non-Proliferation Legislation Amendment Bill 2006 [2007]—</td>
</tr>
<tr>
<td>Second Reading .............................................................................................................. 74</td>
</tr>
<tr>
<td>In Committee .................................................................................................................... 80</td>
</tr>
<tr>
<td>Third Reading ................................................................................................................. 82</td>
</tr>
<tr>
<td>ACIS Administration Amendment (Unearned Credit Liability) Bill 2007—</td>
</tr>
<tr>
<td>Second Reading .............................................................................................................. 82</td>
</tr>
<tr>
<td>Third Reading ................................................................................................................. 86</td>
</tr>
<tr>
<td>Questions Without Notice—</td>
</tr>
<tr>
<td>Howard Government: Economic Management ................................................................. 86</td>
</tr>
<tr>
<td>Howard Government: Economic Management ................................................................. 88</td>
</tr>
<tr>
<td>Defence Procurement ..................................................................................................... 89</td>
</tr>
</tbody>
</table>
## CONTENTS—continued

<table>
<thead>
<tr>
<th>Topic</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small Business</td>
<td>90</td>
</tr>
<tr>
<td>Defence: Guided Missile Frigates</td>
<td>91</td>
</tr>
<tr>
<td>Transport: Infrastructure</td>
<td>92</td>
</tr>
<tr>
<td>Qantas</td>
<td>93</td>
</tr>
<tr>
<td>Taxation</td>
<td>93</td>
</tr>
<tr>
<td>Defence</td>
<td>94</td>
</tr>
<tr>
<td>Health: Breast Cancer</td>
<td>96</td>
</tr>
<tr>
<td>Telstra</td>
<td>97</td>
</tr>
<tr>
<td>Australian Youth</td>
<td>98</td>
</tr>
<tr>
<td>Defence: Royal Australian Navy</td>
<td>100</td>
</tr>
<tr>
<td>Aged Care</td>
<td>100</td>
</tr>
<tr>
<td>Questions Without Notice: Additional Answers</td>
<td></td>
</tr>
<tr>
<td>Qantas</td>
<td>101</td>
</tr>
<tr>
<td>Defence: Royal Australian Navy</td>
<td>101</td>
</tr>
<tr>
<td>Managed Investment Schemes</td>
<td>102</td>
</tr>
<tr>
<td>Water</td>
<td>102</td>
</tr>
<tr>
<td>Environment Groups: Deductible Status</td>
<td>103</td>
</tr>
<tr>
<td>Tasmanian Pulp Mill</td>
<td></td>
</tr>
<tr>
<td>Return to Order</td>
<td>103</td>
</tr>
<tr>
<td>Questions Without Notice: Take Note Of Answers</td>
<td></td>
</tr>
<tr>
<td>Defence Procurement</td>
<td>103</td>
</tr>
<tr>
<td>Committees</td>
<td></td>
</tr>
<tr>
<td>Reports: Government Responses</td>
<td>108</td>
</tr>
<tr>
<td>Foreign Affairs Defence and Trade Committee: Joint—Report: Government</td>
<td>121</td>
</tr>
<tr>
<td>Native Title and the Aboriginal and Torres Strait Islander Land</td>
<td>122</td>
</tr>
<tr>
<td>Committee—Report: Government Response</td>
<td></td>
</tr>
<tr>
<td>National Capital and External Territories Committee—Report:</td>
<td>127</td>
</tr>
<tr>
<td>Government Response</td>
<td></td>
</tr>
<tr>
<td>Senators' Interests Committee—Report</td>
<td>127</td>
</tr>
<tr>
<td>Documents</td>
<td></td>
</tr>
<tr>
<td>Departmental and Agency Contracts</td>
<td>127</td>
</tr>
<tr>
<td>Indexed Lists of Files</td>
<td>127</td>
</tr>
<tr>
<td>Customs Legislation Amendment (Maritime Crew) Bill 2007</td>
<td>127</td>
</tr>
<tr>
<td>First Reading</td>
<td>127</td>
</tr>
<tr>
<td>Second Reading</td>
<td>127</td>
</tr>
<tr>
<td>Nuclear power</td>
<td>129</td>
</tr>
<tr>
<td>Documents</td>
<td></td>
</tr>
<tr>
<td>Murray-Darling Basin Commission</td>
<td>157</td>
</tr>
<tr>
<td>Fisheries Research and Development Corporation</td>
<td>159</td>
</tr>
<tr>
<td>Commonwealth Grants Commission</td>
<td>160</td>
</tr>
<tr>
<td>Consideration</td>
<td>163</td>
</tr>
<tr>
<td>Committees</td>
<td></td>
</tr>
<tr>
<td>Membership</td>
<td>163</td>
</tr>
<tr>
<td>Australian Citizenship Bill 2006</td>
<td>164</td>
</tr>
<tr>
<td>Returned from the House of Representatives</td>
<td>164</td>
</tr>
<tr>
<td>Committees</td>
<td></td>
</tr>
<tr>
<td>Finance and Public Administration Committee—Report</td>
<td>164</td>
</tr>
</tbody>
</table>
CONTENTS—continued

<table>
<thead>
<tr>
<th>Committee/Report</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intelligence and Security Committee—Report</td>
<td>164</td>
</tr>
<tr>
<td>Australian Crime Commission Committee—Report</td>
<td>167</td>
</tr>
<tr>
<td>Corporations Amendment (Takeovers) Bill 2007</td>
<td></td>
</tr>
<tr>
<td>Report of Corporations and Financial Services Committee</td>
<td>171</td>
</tr>
<tr>
<td>Australian Crime Commission Committee—Report</td>
<td>172</td>
</tr>
<tr>
<td>Legal and Constitutional Affairs Committee—Report</td>
<td>176</td>
</tr>
<tr>
<td>Committees</td>
<td></td>
</tr>
<tr>
<td>Community Affairs Committee—Report: Government Response</td>
<td>178</td>
</tr>
<tr>
<td>Consideration</td>
<td>179</td>
</tr>
<tr>
<td>Auditor-General’s Reports</td>
<td></td>
</tr>
<tr>
<td>Report No. 20 of 2006-07</td>
<td>179</td>
</tr>
<tr>
<td>Consideration</td>
<td>181</td>
</tr>
<tr>
<td>Adjournment</td>
<td></td>
</tr>
<tr>
<td>Small Business</td>
<td>181</td>
</tr>
<tr>
<td>Asbestos Related Diseases</td>
<td>183</td>
</tr>
<tr>
<td>Mr Billy Thorpe</td>
<td>186</td>
</tr>
<tr>
<td>Water</td>
<td>188</td>
</tr>
<tr>
<td>Documents</td>
<td></td>
</tr>
<tr>
<td>Tabling</td>
<td>190</td>
</tr>
<tr>
<td>Questions on Notice</td>
<td></td>
</tr>
<tr>
<td>World Bank—(Question No. 2817)</td>
<td>192</td>
</tr>
</tbody>
</table>
Thursday, 1 March 2007

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

PETITIONS

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

Falun Gong
To the Honourable the President and Members of the Senate in Parliament assembled:
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 HOUSE TO INITIATE A RESOLUTION TO:

I. 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;

II. Establish a Senate Committee Inquiry into the allegation of Organ Harvesting;

III. Discourage Australian citizens from traveling 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 Senator Bartlett (from 436 citizens)

Climate Change
To the Honorable President and members of the Senate in Parliament assembled:
The petition of the undersigned shows:
That climate change is now an issue of national and international concern. In particular the level of carbon emissions produced through the burning of fossil fuels and other measures within Australia will have serious economic, environmental and social consequences for current and future Australians with particular reference to residents of the Bonner electorate.

Your petitioners request that the Senate:
Call upon the Prime Minister to sign the Kyoto agreement on behalf of the citizens of Australia and moves quickly to implement safe policies that will ensure Australia achieves the targets set out in this agreement.

by Senator Hogg (from 77 citizens)

Health: Medical Services
To the Honourable the President and Members of the Senate in Parliament assembled:
This petition of certain citizens of Australia draws to the attention of the Senate, the crisis in 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 242 citizens)

Child Abuse

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 lack of a specific offence covering the transmission of child pornography and child abuse material via mail within Australia.

Your petitioners therefore ask the Senate to make laws that:

• Create a new offence of transmission by mail of child pornography and child abuse material, with a maximum penalty of ten years imprisonment.

by Senator Wong (from 49 citizens)

Petitions received.

NOTICES

Presentation

Senator Ellison to move on the next day of sitting:

That, on Tuesday, 20 March 2007:

(a) the hours of meeting shall be 12.30 pm to 6.30 pm and 7.30 pm to adjournment;
(b) the routine of business from 7.30 pm shall be government business only; and
(c) the question for the adjournment of the Senate shall be proposed at 10 pm.

Senator Nettle to move on the next day of sitting:

That the Senate:

(a) notes:

(i) the recent statements by the United States of America military lawyer Major Mori that Australian citizen Mr David Hicks wanted to join the Australian Defence Force but was unable to because of his education qualifications, and
(ii) that Mr Hicks has been detained for 1,930 days; and
(b) calls on the Government to return Mr Hicks to Australia.

Senator ELLISON (Western Australia—Manager of Government Business in the Senate) (9.31 am)—I give notice that, on the next day of sitting, I shall move:

That the provisions of paragraphs (5) to (8) of standing order 111 not apply to the following bills, allowing them to be considered during this period of sittings:

Aged Care Amendment (Security and Protection) Bill 2007
Appropriation Bill (No. 3) 2006-2007 and Appropriation Bill (No. 4) 2006-2007
Aviation Transport Security Amendment (Additional Screening Measures) Bill 2007
Bankruptcy Legislation Amendment (Debt Agreements) Bill 2007 and Bankruptcy (Estate Charges) Amendment Bill 2007
Corporations Amendment (Takeovers) Bill 2007
Farm Household Support Amendment Bill 2007
Health Insurance Amendment (Provider Number Review) Bill 2007
Human Services (Enhanced Service Delivery) Bill 2007
Migration Legislation Amendment (Information and Other Measures) Bill 2007
Offshore Petroleum Amendment (Greater Sunrise) Bill 2007 and Customs Tariff Amendment (Greater Sunrise) Bill 2007
Schools Assistance (Learning Together—Achievement Through Choice and Opportunity) Amendment Bill 2007
I table statements of reasons justifying the need for these bills to be considered during these sittings and seek leave to have the statements incorporated in *Hansard*.

Leave granted.

*The statements read as follows—*

**STATEMENT OF REASONS FOR INTRODUCTION AND PASSAGE IN THE 2007 AUTUMN SITTINGS**

**Aged Care Amendment (Security and Protection) Bill 2007**

**Purpose of the Bill**

The bill amends the Aged Care Act 1997 (the Act) to:

- implement new aged care complaints investigation arrangements, including a new Aged Care Commissioner;
- introduce the requirement for approved providers of residential aged care to report to the Department of Health and Ageing and the police allegations and incidents of sexual and serious physical assault; and
- introduce protection for approved providers and staff in residential aged care that report allegations and incidents of sexual and serious physical assault.

**Reasons for Urgency**

The amendments to the Act will give effect to the decision made by the government in July 2006 to implement new complaints investigation arrangements for Australian Government-subsidised aged care services, including the establishment of a new Aged Care Commissioner, as well as the introduction of compulsory reporting of alleged incidents of sexual and serious physical assault in residential aged care, and protection for approved providers and staff who report such incidents.

In the Minister for Ageing’s announcement of 27 July 2006, he foreshadowed an implementation date of 1 April 2007 for the aged care complaints investigation arrangements, compulsory reporting and protection measures. In order to meet this implementation date, the bill needs to be introduced and passed in the 2007 Autumn sittings.

**STATEMENT OF REASONS FOR INTRODUCTION AND PASSAGE IN THE 2007 AUTUMN SITTINGS**

**Appropriation Bill (No. 3) 2006-2007**

**Appropriation Bill (No. 4) 2006-2007**

**Purpose of the Bills**

The Appropriation Bills will request additional legislative authority for expenditure to be incurred in respect of 2006-2007. Passage of the bills in the 2007 Autumn Sittings will ensure the continuity of government activities as the financial year draws to a close.

**Reasons for Urgency**

The timetable for the release of the Mid Year Economic and Fiscal Outlook (MYEFO) necessitates the introduction of the bills in the Autumn Sittings.

The Appropriation Acts that were passed in the 2006 Winter Sittings provide the bulk of funding for government programmes in 2006-2007. These Additional Estimates bills seek authority for expenditure on activities that require additional funding, or on new activities agreed to by the government since the last Budget. Unless new expenditure authority is in place in a timely manner, some activities of government agencies and some activities administered on behalf of the government may not have sufficient funds to continue to the end of 2006-2007, and new activities will not commence.

**STATEMENT OF REASONS FOR INTRODUCTION AND PASSAGE IN THE AUTUMN 2007 SITTINGS**

**Aviation Transport Security Amendment (Additional Screening Measures) Bill 2007**

**Purpose of the Bill**

The Bill specifically allows random and continuous frisk searches to be conducted, in the absence of any particular indication. There is an existing provision in the Aviation Transport Security Act 2004 which permits frisk searches but only as an alternative or additional security measure.
Reasons for Urgency
Recent international events have demonstrated an enhanced threat to aviation security based on using liquids, aerosols and gels as explosive devices on board aircraft. Other governments and the International Civil Aviation Organisation have agreed that this newly identified risk needs to be managed. Some governments have already introduced restrictions. This bill will support appropriate aviation security measures to deal with the enhanced risk. This needs to be done as a matter of priority.

STATEMENT OF REASONS FOR INTRODUCTION AND PASSAGE IN THE 2007 AUTUMN SITTINGS

Bankruptcy Legislation Amendment (Debt Agreements) Bill 2007

Bankruptcy (Estate Charges) Amendment Bill 2007

Purpose of the Bills
The bills amend the Bankruptcy Act 1966 to improve the operation of debt agreements. In particular, the amendments address concerns about the lack of regulation of debt agreement administrators and the resulting lack of confidence by creditors in the operation of debt agreements. The amendments are also designed to address the high failure rate of debt agreements.

Reasons for Urgency
The government has announced that the amendments will commence on 1 July 2007. In particular, debt agreement administrators will need to be licensed prior to that date. This will require them to make significant changes to their businesses prior to applying for a licence. To meet this deadline, the licensing process will have to commence by March 2007. The legislation needs to be in place before licences can be granted. Deferring commencement of the amendments is not considered a suitable alternative because of the uncertainty this will create for administrators concerned that their businesses cannot continue if a licence is not granted. This would also increase the cost to administrators of the changes they need to make to the way they conduct their businesses.

STATEMENT OF REASONS FOR INTRODUCTION AND PASSAGE IN THE 2007 AUTUMN SITTINGS

Corporations Amendment (Takeovers) Bill 2007

Purpose of the Bill
The bill addresses difficulties experienced by the Takeovers Panel as a result of the two judgments given in the Glencore cases. Those judgments found that the powers of the Panel were more restricted than had previously been thought to be the case. The bill gives the Takeovers Panel greater powers to declare circumstances to be unacceptable and to make consequent orders. Those powers will be extended beyond the powers the Court found to exist in the Glencore cases.

Reasons for Urgency
The current law, as interpreted in the Glencore cases, is restricting the ability of the Takeovers Panel to efficiently fulfil its intended statutory role of acting as the main forum for resolving disputes about takeover bids until the bid period has ended. It is desirable to correct the position as soon as possible. Delay would enable the current unsatisfactory position to continue, causing confusion and inefficiency in the market. The need for the bill was not apparent until judgment in the second Glencore case was delivered on 22 March 2006.

STATEMENT OF REASONS FOR INTRODUCTION AND PASSAGE IN THE 2007 AUTUMN SITTINGS

Farm Household Support Amendment Bill 2007

Purpose of the Bill
The Farm Household Support Amendment Bill 2007 (the Bill) will formalise Exceptional Circumstances (EC) Relief Payments to farm dependent small business operators and allow their access to ancillary support measures, such as the Health Care Card and concessions for access to Youth Allowance. This is consistent with the EC Relief Payments already provided to farmers.

Reasons for Urgency
The prolonged drought is having a severe effect on farmers and regional communities, causing financial hardship and having a significant impact.
on local economies. There are now 63 areas of rural and regional Australia that are EC declared and a further 4 areas have established a prima facie case and are awaiting further assessment. This totals approximately 45 per cent of Australia’s agricultural land.

The viability of many small businesses in EC declared areas is highly dependent on the viability of farm businesses. While farm businesses have been the first group to experience the effects of the worsening drought, non-farm small businesses in drought affected areas are consequently beginning to experience severe financial hardship. Those businesses that supply agriculture related goods and services to farm businesses are particularly adversely affected.

To date, the majority of Australian Government and state government drought relief measures have targeted farmers. Consequently, in November 2006 the Australian Government announced measures to provide support to small business operators that rely heavily on the farm sector for their income.

The measures announced in November 2006 are targeted at farm dependent small business operators where 70 per cent of their income is derived from providing goods and services to farmers in EC declared areas. This assistance includes EC Relief Payments and ancillary benefits such as the Health Care Card and concessions for access to Youth Allowance. This assistance will be available until 30 June 2008. At present, small businesses can access income support through ex-gratia payments, however, ancillary assistance cannot be accessed without amending the Farm Household Support Act 1992 (the Act). The proposed amendments to the Act will formalise the ex-gratia payments and provide much needed access to ancillary benefits to small business operators who are facing significant financial challenges due to the current severe drought.

The urgent nature of the financial challenges facing some farm dependent small business operators, and the finite period in which assistance measures may be available, warrants prompt action. The Parliament can achieve this by allowing the bill to be introduced and passed in the 2007 Autumn sitting period.

Rural communities need to be reassured that support will be available to those small business operators who can demonstrate a sustained negative impact on business activities and income. Failure to introduce and pass the bill in this sitting period would unnecessarily delay small business operators from accessing the much needed assistance that has been made available. This may jeopardise the potential of some small businesses to provide services to rural and regional communities, which will have significant impacts on these communities and the broader economy.

STATEMENT OF REASONS FOR INTRODUCTION AND PASSAGE IN THE 2007 AUTUMN SITTINGS

Health Insurance Amendment (Provider Number Review) Bill 2007

Purpose of the Bill

The bill amends section 19AD of the Health Insurance Act 1973 (the Act) to change the frequency of the review of the Medicare provider number legislation from two to five years.

Reasons for Urgency

The critical date for the passage of the bill is 30 March 2007. Section 19AD of the Act currently requires a review of the Medicare provider number legislation every two years. The next review cycle is due to commence no later than 1 April 2007 with the report to be tabled in Parliament no later than 31 December 2007.

The preparation of the report is a nine month process, which requires significant staffing resources from an area of the Department that is currently working on critical workforce issues. Such resources would be better used managing current issues.

If the bill is passed in the 2007 Autumn sittings, the next review would commence in 2010.

STATEMENT OF REASONS FOR INTRODUCTION AND PASSAGE IN THE 2007 AUTUMN SITTINGS


Purpose of the Bill

The bill implements the revised Ministerial Council on Education, Employment, Training and Youth Affairs (MCEETYA) National Protocols
for Higher Education Approval Processes and updates funding limits to implement the Research Quality Framework (RQF). The bill also makes a range of technical amendments to improve the functioning of the Act, including an amendment to provide for the suspension of a higher education provider to be a legislative instrument.

**Reasons for Urgency**
The government has committed to implementing the Research Quality Framework (RQF), and has agreed to provide funding over four years to support the implementation. This funding will be administered through the Higher Education Support Act 2003, with funding for the first RQF cycle to commence from 1 July 2007. The bill needs to be passed and gain Royal Assent before the end of June 2007 to make funding available to the higher education sector from 1 July 2007.

**STATEMENT OF REASONS FOR INTRODUCTION AND PASSAGE IN THE 2007 AUTUMN SITTINGS**

**Human Services (Enhanced Service Delivery) Bill 2007**

**Purpose of the Bill**
The Bill will streamline and modernise Australia’s delivery system for health and social service benefits and reduce the opportunity for fraud in relation to such benefits.

The Bill:
- sets out the scope and purposes of the use of the access card and Register;
- sets out the information to be included in the Register and in the chip of the card and on the surface of the card;
- provides a registration process for obtaining an access card;
- vests ownership of access cards in card holders;
- allows card owners to use their access card for whatever lawful purposes they choose; and
- creates a range of offences to prohibit persons requiring an access card for identification purposes and to prohibit other improper uses of the access card.

**Reasons for Urgency**
To ensure community consultation on an exposure draft of the legislation prior to introduction in Parliament, it was not possible to introduce legislation in the 2006 Spring sittings.

The early passage of the Bill is required to ensure that a legal framework is available to support the implementation of the proposed access card system, to enable registration for the card to commence in early 2008 and to provide sufficient time to provide meaningful information to the public about the proposed changes.

The legislation will provide the certainty required to achieve cost-effective procurement of technological services required to support the access card.

**STATEMENT OF REASONS FOR INTRODUCTION AND PASSAGE IN THE 2007 AUTUMN SITTINGS**

**Migration Legislation Amendment (Information and Other Measures) Bill 2007**

**Purpose of the Bill**
The bill amends the Migration Act 1958 to refine provisions relating to the access and disclosure of personal identifiers, and broaden the ability of the Department of Immigration and Citizenship (DIAC) to disclose movement records for the benefit of the person to whom the record relates.

**Reasons for Urgency**
It is imperative that these amendments are made as a matter of urgency.

The personal identifiers measure will amend the offence provisions relating to unauthorised access and disclosure of identifying information. The limitations and inflexibility of the currently permitted grounds for access and disclosure are causing serious problems throughout DIAC in its day to day work and for other agencies in the enforcement of the criminal law. DIAC’s ability to continue normal working practices, such as disclosing photos and signatures to other agencies, is being severely hampered and in some instances is being discontinued as a result of the current provisions. The Commonwealth Director of Public Prosecutions has advised that many criminal prosecutions, some for drug importation, are being affected because of DIAC’s limited ability to
provide essential evidence to assist with the prosecution. Currently citizens require their movement records for a number of reasons such as proof of residency for receipt of benefits, for purposes under the Family Law Act 1975 and taxation law, in relation to requirements to complete military service in other countries or in relation to grants such as the First Home Owners Grant. Citizens are required to make a request under the Freedom of Information Act 1982 to access this personal information, which can result in the process taking days or weeks. The proposed amendment will enable access for citizens to their own international movement records by attending a regional office or via an overseas post, providing a close to immediate service. This amendment will improve customer service while requiring the same level of proof (for security) to obtain movement records. It will also help to significantly reduce the volume of Freedom of Information (FOI) requests received each year by DIAC and consequently reduce the delays in handling other FOI requests.

STATEMENT OF REASONS FOR INTRODUCTION AND PASSAGE IN THE 2007 AUTUMN SITTINGS

Offshore Petroleum Amendment (Greater Sunrise) Bill 2007

Customs Tariff Amendment (Greater Sunrise) Bill 2007

Purpose of the Bills

The bills amend the Offshore Petroleum Act 2006 (the Act) in order to meet international treaty obligations.

Reasons for Urgency

Amendments must be made to the Act to implement the International Unitisation Agreement with East Timor. Failure to do so could put Australia in breach of its international obligations.

East Timorese Prime Minister Jose Ramos-Horta has indicated that East Timor will ratify the Greater Sunrise International Unitisation Agreement and Treaty on Certain Maritime Arrangements in the Timor Sea in early 2007.

When this occurs, Australia will not be in a position to proclaim the Act until such time as the Greater Sunrise amendments have been made to the Act. Whilst Australia is currently able to fulfil its obligations under the Petroleum (Submerged Lands) Act 1967 (PSLA), if the changes to the Act were not made and it was proclaimed (and the PSLA repealed), Australia would be in breach of its international obligations.

To comply with section 55 of the Constitution, amendments to the Customs Tariff Act 1995 are required in a separate bill. As such, the Customs Tariff Amendment (Greater Sunrise) Bill 2007 makes consequential amendments to update references from the PSLA to the Act.

STATEMENT OF REASONS FOR INTRODUCTION AND PASSAGE IN THE 2007 AUTUMN SITTINGS

Schools Assistance (Learning Together—Achievement Through Choice and Opportunity) Amendment Bill 2007

Purpose of the Bill

The bill adds funding amounts under the Schools Assistance (Learning Together – Achievement through Choice and Opportunity) Act 2004 for:

- the Investing in Our Schools Programme (IOSP) for government schools for 2007 and non-government schools for 2007 and 2008;
- the Capital Grants Programme for non-government schools for 2008; and

Reasons for Urgency

These amendments are required as early as possible in 2007 to provide financial and planning certainty for each Programme. This is particularly important for the IOSP as this amendment involves increased funding for 2007.

It is important for planning purposes and to provide early advice to stakeholders that increased Australian Government funding is available for the IOSP for 2007 and 2008, for the Capital Grants Programme for non-government schools for 2008 and for the LNSLN - National Projects for 2008.

It is essential that there is early confirmation that IOSP funding for the Round Four applications will be available when the assessment process is completed in 2007.
Non-Government Block Grant Authorities, who administer the Capital Grants Programme on behalf of the Australian Government, will submit the Annual Schedule of capital grant recommendations for non-government schools during 2007, which will include recommendations for funding for 2008. Advice on and appropriation of the increased level of 2008 funding is required early in 2007.

It is highly desirable that funding for the LNSLN - National Projects continues with minimal disruption. Early advice to stakeholders in 2007 on the continuation of funding for 2008 will enable planning for strategic national literacy and numeracy projects and initiatives in 2008.

**STATEMENT OF REASONS FOR INTRODUCTION AND PASSAGE IN THE 2007 AUTUMN SITTINGS**

**Tax Laws Amendment (2007 Measures No. 1) Bill 2007**

**Purpose of the Bill**

The bill amends various taxation Acts.

**Reasons for Urgency**

These measures need to be enacted as early as possible to provide certainty for business and taxpayers in relation to how the law applies. Passage in the 2007 Autumn sittings is required as several of the measures are retrospective.

**Senator WATSON (Tasmania) (9.31 am) —** On behalf of the Standing Committee on Regulations and Ordinances, I give notice that, 15 sitting days after today, I shall move:

That the Veterans’ Entitlements (Special Disability Trust Beneficiary Requirements) Nomination of Agreement 2006, made under subsection 52ZZZWA(3) of the Veterans’ Entitlements Act 1986, be disallowed.

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

Leave granted.

*The correspondence read as follows—*

[Legislative Instruments Act 2003 provisions apply to the instrument: must be resolved within 15 sitting days after today or the instrument will be deemed to have been disallowed.]

FRLI Number – F2006L03097

Veterans’ Entitlements (Special Disability Trust Beneficiary Requirements) Nomination of Agreement 2006

This instrument nominates, for the purposes of section 52ZZZWA(3) of the Veterans’ Entitlements Act 1986, each of the agreements entered into by the Commonwealth and a State or Territory, collectively known as the Commonwealth State/Territory Disability Agreement. The instrument does not indicate the date of this Agreement. Indeed, on the face of it, the instrument appears to apply to any agreement so described whenever it is made. This would raise the prospect of breaching subsection 14(2) of the Legislative Instruments Act 2003, by which a legislative instrument may not apply any matter contained in a non-legislative instrument as in force from time to time. The Minister advises that the Agreement is not a legislative instrument for the purposes of the Legislative Instruments Act 2003 and that it has been nominated rather than incorporated. The Committee is seeking further advice from the Minister on these matters.

**Senator WATSON (Tasmania) (9.32 am) —** Following the receipt of a satisfactory response, on behalf of the Standing Committee on Regulations and Ordinances, I give notice that, on the next day of sitting, I shall withdraw business of the Senate notice of motion No. 1 standing in my name for three sitting days after today, for the disallowance of determination No. HIB 29/2006 made under paragraph 1(bj) of schedule 1 to the National Health Act 1953. I seek leave to incorporate in Hansard the committee’s correspondence concerning the determination.

Leave granted.

*The correspondence read as follows—*
Determination No. HIB 29/2006 made under paragraph 1(bj) of Schedule 1 to the National Health Act 1953

19 October 2006

The Hon Tony Abbott MP
Minister for Health and Ageing
Suite MG43
Parliament House
CANBERRA ACT 2600

Dear Minister

I refer to Determination No. HIB 29/2006 made under paragraph (bj) of Schedule 1 to the National Health Act 1953.

The Committee notes that this instrument amends the principal Determination which was made on 19 September 2006 and which was registered and commenced operation on 20 September 2006. The only amendment made is to specify that the default benefit that is payable per night for nursing home type patients in a private hospital is $73.80. In the principal Determination, the benefit was stated to be $74.80. The Explanatory Statement indicates that this amendment is necessary because the figure of $74.80 was “an administrative oversight” that requires correction. This amending instrument was registered on 28 September 2006, but has retrospective effect, commencing on 20 September 2006.

The Committee makes the following comments about this present instrument, both of which suggest that this instrument has no effect.

First, the retrospective effect reduces the amount of benefit that is payable for patients and thus apparently works to the disadvantage of persons to whom that benefit is payable. Subsection 12(2) of the Legislative Instruments Act 2003 states that a legislative instrument (in this case, the principal Determination) has been registered, then no legislative instrument the same in substance as that original instrument is to be made in the period commencing on the registration date of the original instrument (in this case, 20 September 2006) and ending 7 days after the date on which the original instrument is tabled. The original instrument was tabled on 9 October 2006 and so no similar instrument can be made until 16 October 2006. This present instrument was made in contravention of this section and thus appears to contravene section 46 with the result that, again, it has no effect.

The Committee draws these matters to your attention and, in particular, seeks advice as to why subsection 12(2) and section 46 of the Legislative Instruments Act 2003 should not apply.

The Committee would appreciate your advice on the above matters as soon as possible, but before 24 November 2006, to enable it to finalise its consideration of this Determination. Correspondence should be directed to the Chairman, Senate Standing Committee on Regulations and Ordinances, Room SG49, Parliament House, Canberra.

Yours sincerely
John Watson
Chairman
14 December 2006
Senator John Watson
Chairman
Standing Committee on Regulations and Ordinances
Parliament House
CANBERRA ACT 2600
Dear Senator Watson

Thank you for your letter of 19 October 2006 about Determination No. HIB 29/2006 made under Schedule 1, paragraph (1)(bj) of the National Health Act 1953.

I note the Committee’s comments that HIB 29/2006 may have a detrimental effect to patients. The sole purpose of creating HIB 29/2006 was to correct an administrative oversight in HIB 20/2006. Having considered the Committee’s comments, I believe there is a possibility that the retrospective operation of HIB 29/2006 may have a detrimental effect on someone other than the Commonwealth Government. I note that the amount of the detriment would be $0.90 per night and that HIB 29/2006 was made nine days after the principal Determination. My Department advises that no complaint has been received to date in relation to HIB 29/2006.

Whilst I acknowledge that there is a potential detriment, it may assist the Committee’s deliberations to consider the sequence of events as set out below:

HIB 20/2006 was registered with the Federal Register of Legislative Instruments (FRLI) on 19 September 2006 effective 20 September 2006;
the Nursing Home Type Patient (NHTP) contribution increased to $37.30 per day;
the Commonwealth determined basic default benefit paid by health funds to hospitals for NHTPs was specified as $74.70 per day;
the default benefit should have been reduced from $74.70 to $73.80, as the combined default benefit and patient contribution is capped at $111.10 per day; and
this mistake meant the basic default benefit was not changed and is therefore 90 cents more than it should have been.

To correct this error my Department took the following steps:

HIB 29/2006 was registered with FRLI on 4 October 2006;
my Department asked for it to be retrospective i.e., to take effect from 20 September 2006;
the patient contribution was unchanged at $37.30; and
the health insurance fund default benefit was amended to the correct rate of $73.80.

A legislative instrument under Schedule 1, paragraph (1)(bj) of the National Health Act 1953 was made on 26 October 2006 in order to insert new Schedules 1, 3, 4 and 6 (HIB 31/2006). This Instrument was registered on the FRLI on 30 October 2006, and on 31 October 2006 the default benefit payable by health funds to private hospitals in relation to NHTPs was reduced from $74.70 to $73.80.

In regard to the second issue raised by the Committee, where the instrument appears to contravene section 46 of the Legislative Instruments Act 2003, I note that HIB 29/2006 is an amending determination. Its sole purpose is to change a figure appearing in the original determination (HIB 20/2006). I believe that an amending determination involving a minor mechanical amendment of this nature does not amount to a determination that is “the same in substance” as HIB 20/2006. As such it is my view, HIB 29/2006 may be made within the seven day time period without infringing section 46 of the Legislative Instruments Act 2003.

I trust the information I have provided has addressed the concerns raised by the Committee.

Yours sincerely
Tony Abbott
Minister for Health and Ageing
8 February 2007
The Hon Tony Abbott MP
Minister for Health and Ageing
Suite MG43
Parliament House
CANBERRA ACT 2600
Dear Minister
Thank you for your letter of 14 December 2006 responding to the Committee’s concerns with Determination No. HIB 29/2006 made under paragraph (bj) of Schedule 1 to the National Health Act 1953.
In your response you acknowledge that there is ‘a possibility’ that the retrospective operation of this Determination may disadvantage the rights of persons other than the Commonwealth, or that there may be a ‘potential detriment’ – albeit relatively minor ($0.90 per night). The Committee is of the opinion that, regardless of the fact that the amount of detriment is small and no complaint has been received to date, the effect of subsection 12(2) of the Legislative Instruments Act 2003 applies if the retrospective operation ‘would’ be affected. It does not depend on evidence of actual disadvantage nor the extent to which it may impact on a person or persons. It is the view of the Committee that subsection 12(2) does apply in this case and that, as a matter of law, the instrument is thus rendered ineffective. The Committee would appreciate guidance on whether the Department has sought independent legal advice on this issue and its effect on the validity of the instrument.

The Committee acknowledges that ultimately the legal standing of this Determination will be a matter for the courts.
The Committee would appreciate your advice on the above matters as soon as possible, but before 26 February 2007, to enable it to finalise its consideration of this Determination. Correspondence should be directed to the Chairman, Senate Standing Committee on Regulations and Ordinances, Room SG49, Parliament House, Canberra.
Yours sincerely
John Watson
Chairman

26 February 2007
Senator John Watson
Chairman
Senate Standing Committee on Regulations and Ordinances
Room SG49
Parliament House
CANBERRA ACT 2600
Dear Senator Watson
Thank you for your letter of 8 February 2007 in response to my letter of 14 December 2006 about Determination HIB 29/2006 made under Schedule 1, paragraph (1)(bj) of the National Health Act 1953.
As indicated in my letter of 14 December 2006, HIB 29/2006 potentially had a detrimental effect. Therefore, my Department has taken the view that, under subsection 12(2) of the Legislative Instruments Act 2003, the instrument is thus rendered ineffective. The Committee would appreciate guidance on whether the Department has sought independent legal advice on this issue and its effect on the validity of the instrument.

Yours sincerely
John Watson
Chairman
Instruments Act 2003 (the LIA), this instrument had no effect. Another legislative instrument was made on 26 October 2006 (HIB 31/2006) which made further amendments to HIB 20/2006, including amendments to Schedule 4. As HIB 29/2006 had no effect, there does not appear to be a need to resolve the issue through making primary legislation.

In relation to the second issue raised by the Committee, the Australian Government Solicitor (AGS) has provided advice to my Department on the meaning of ‘same in substance’. I have enclosed that advice for your reference.

While the advice deals with whether an instrument can be made while HIB 29/2006 is subject to a motion to disallow (section 47 of the LIA), it also provides guidance on how the words ‘same in substance’ should be interpreted for the purposes of the LIA.

My Department made instrument HIB 01 /2007 pursuant to that advice. The AGS’s advice indicates that regard needs to be given to the substantive effect of HIB 29/2006, which was to only amend Schedule 4, “the fact that-all the Schedules to HIB 20/2006 have been physically attached to HIB 29/2006 and registered, does not change this substantive effect of HIB 2912006.”

I trust that the information I have provided has addressed the concerns raised by the Committee.

Yours sincerely

Tony Abbott
Minister for Health and Ageing
Encl: Attachment: Advice from AGS
Farhana

I refer to your e-mail below and to our discussions about this matter.

As foreshadowed, our advice is brief, given the urgency of the matter. We would be happy to expand on the matters in it, as necessary.

As discussed, generally, in the context of s 47, a legislative instrument would be the ‘same in substance’ with an instrument subject to a motion to disallow if it produced ‘substantially the same result ..even though they might be different in detail’ (see Pearce and Argument Delegated Legislation in Australia 3rd Edition at [13.38] when discussing Victorian Chambers of Manufactures v Commonwealth (Women’s Employment Regulations) (1943) 67 CLR 347.

We think Schedule 5 of HIB20/2006 could be amended while HIB29/2006 is subject to a motion to disallow. In this context, we think that a legislative instrument amending Schedule 5 would not be the same in substance as HIB29/2006. The only substantive effect that HIB29/2006 had was to amend Schedule 4 which deals with Nursing Home Type Patient Accommodation. (The fact that, apparently through some error, all the Schedules to HIB20/2006 have been physically attached to HIB29/2006 and registered, does not change this substantive effect of HIB29/2006 in the context of s 47.) However, the proposed amending legislative instrument would deal with amendments to Schedule 5 which deals with Second Tier Default Benefit for Overnight and Day Only Treatment. Schedules 4 and 5 appear to us to deal with different episodes of hospital treatment. Therefore, a legislative instrument amending Schedule 5 would not be the ‘same in substance’ as HIB29/2006.

We also think the Department may revoke and remake HIB20/2006 under the current circumstances. Given the substantive effect of HIB29/2006 discussed above, we do not think that a legislative instrument revoking and remaking HIB20/2006 would be the ‘same in substance’ as it.

Regards

Peter Lahy
Senior General Counsel
Australian Government Solicitor

COMMITTEES
Selection of Bills Committee
Report

Senator PARRY (Tasmania) (9.33 am)—I present the third report for 2007 of the Selection of Bills Committee.

Ordered that the report be adopted.

Senator PARRY—I seek leave to have the report incorporated in Hansard.

Leave granted.
The report read as follows—

SELECTION OF BILLS COMMITTEE
REPORT NO. 3 OF 2007

(1) The committee met in private session on Wednesday, 28 February 2007 at 4.16 pm.

(2) The committee resolved to recommend—

That—

(a) the provisions of the Migration Amendment (Maritime Crew) Bill 2007 be referred immediately to the Legal and Constitutional Affairs Committee for inquiry and report by 20 April 2007 (see appendix 1 for a statement of reasons for referral); and

(b) the Qantas Sale (Keep Jetstar Australian) Amendment Bill 2007 be referred immediately to the Economics Committee for inquiry and report by 20 March 2007 (see appendix 2 for a statement of reasons for referral).

(3) The committee resolved to recommend—

That the following bills not be referred to committees:

- Anti-Money Laundering and Counter-Terrorism Financing Amendment Bill 2007
- Australian Territories Rights of the Terminally Ill Bill 2007
- Aviation Transport Security Amendment (Additional Screening Measures) Bill 2007
- Bankruptcy (Estate Charges) Amendment Bill 2007
- Bankruptcy Legislation Amendment (Debt Agreements) Bill 2007
- Broadcasting Legislation Amendment Bill 2007
- Corporations Amendment (Takeovers) Bill 2007
- Customs Tariff Amendment (Greater Sunrise) Bill 2007
- Family Law (Divorce Fees Validation) Bill 2007
- Offshore Petroleum Amendment (Greater Sunrise) Bill 2007
- Superannuation Legislation Amendment (Trustee Board and Other Measures) (Consequential Amendments) Bill 2007
- Tax Laws Amendment (2007 Measures No. 1) Bill 2007
- Tourism Australia Amendment Bill 2007.

The committee recommends accordingly.

(4) The committee deferred consideration of the following bills to its next meeting:


1 March 2007
(signed) Stephen Parry

BUSINESS

Rearrangement

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

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

- No. 7 Bankruptcy Legislation Amendment (Superannuation Contributions) Bill 2006 [2007].
- No. 8 Veterans’ Affairs Legislation Amendment (Statements of Principles and Other Measures) Bill 2006.
- No. 9 Maritime Legislation Amendment (Prevention of Air Pollution from Ships) Bill 2006.
- No. 10 Family Law (Divorce Fees Validation) Bill 2007.
- No. 11 Non-Proliferation Legislation Amendment Bill 2006 [2007].
No. 12 ACIS Administration Amendment (Unearned Credit Liability) Bill 2007.
Question agreed to.

Rearrangement
Senator ELLISON (Western Australia—Manager of Government Business in the Senate) (9.33 am)—I move:
That the order of general business for consideration today be as follows:
(1) general business notice of motion no. 731 standing in the name of Senator Wong relating to nuclear energy; and
(2) orders of the day relating to government documents.
Question agreed to.

NOTICES
Postponement
Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (9.34 am)—by leave—At the request of Senator Nettle, I move:
That general business notice of motion no. 729, standing in the name of Senator Nettle, relating to Mr David Hicks, be postponed till the next day of sitting.
Question agreed to.

Postponement
The following items of business were postponed:
Business of the Senate notice of motion no. 1 standing in the name of Senator Carr for today, proposing the reference of a matter to the Community Affairs Committee, postponed till 21 March 2007.
Business of the Senate notice of motion no. 2 standing in the name of the Leader of the Australian Greens (Senator Bob Brown) for today, proposing the reference of a matter to the Community Affairs Committee, postponed till 21 March 2007.

PARLIAMENTARY ZONE
Approval of Works
Senator ELLISON (Western Australia—Minister for Justice and Customs) (9.34 am)—At the request of Senator Brandis, I 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 and content of Women Artwork at Reconciliation Place.
Question agreed to.

MARRIAGE (RELATIONSHIPS EQUALITY) AMENDMENT BILL 2007
First Reading
Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (9.35 am)—At the request of Senator Nettle, I move:
That the following bill be introduced: A Bill for an Act to amend the Marriage Act 1961 to create marriage equality for all relationships regardless of sexuality or gender identity, and for related purposes.
Question agreed to.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (9.36 am)—I move:
That this bill may proceed without formalities and be now read a first time.
Question agreed to.
Bill read a first time.

Second Reading
Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (9.36 am)—I move:
That this bill be now read a second time.
I seek leave to have the second reading speech incorporated in Hansard.
Leave granted.
The speech read as follows—
The Marriage (Relationships Equality) Amendment Bill 2007 aims to remove from the Marriage Act 1961 discrimination on the basis of sexuality and gender identity, and to permit marriage regardless of sexuality and gender identity.

The Bill reverses the Marriage Amendment Act 2004 which discriminates on the basis of sexuality and gender identity by preventing marriage of same-sex couples, and excluding recognition of same-sex marriages entered into under the laws of another country.

The Australian Greens believe that discrimination such as that espoused by the Marriage Amendment Act 2004 must be overturned because freedom of sexuality and gender identity are fundamental human rights, and that acceptance and celebration of diversity are essential for genuine social justice and equality.

Discrimination on the basis of sexuality and gender identity is also a significant cause of psychological distress, mental illness and suicide, and The Greens think it is essential to alleviate these serious health concerns wherever possible.

Specifically, The Marriage (Relationships Equality) Amendment Bill 2007 changes the definition of marriage in the Marriage Act 1961. It removes the use of gender specific terms such as ‘man and woman’ and substitutes:

“marriage means the union of two persons, regardless of their sexuality or gender identity, voluntarily entered into for life.”

Similarly the Bill substitutes references in the Marriage Act 1961 to the gender specific ‘wife’ or ‘husband’ and ‘man and woman’ with the neutral terms of ‘spouse’, or ‘two people’. The Bill also repeals s88EA of the Marriage Act 1961 which specifically excludes recognition of same-sex unions as marriages in Australia.

The principle of full relationship equality is highly valued by the Australian Greens. Australians of diverse sexuality or gender identity should immediately gain the legal right to marry, to publicly proclaim and celebrate their love and commitment, and ensure full legal and social recognition of their relationship.

For many years now and especially since the time of the Marriage Amendment Bill 2004 Greens offices across the country have received continual emails, letters and phone calls from people who are angry about this issue.

We received one from a mother in New South Wales who wrote:

As the mother of a gay son, I am finally doing something that I should have done a long, long time ago. That is to speak up on behalf of my son and his partner and all gay people regarding their basic human rights and their human dignity ... To everyone who wants to deny gay people their basic human rights and dignity—to these people I offer this challenge. Have the compassion and the humanity to sit quietly for a while and search your own heart and soul to see how you would feel if you, yes you, had been unfortunate (or perhaps fortunate) enough to be born as one of those ‘different’ people and try to truly understand how it would feel to have to face the obstacles that society will undoubtedly impose upon you ... Why deny the status of legal and accepted marriage relationship to gay and lesbian couples who are just as worthy of this same happiness as heterosexuals? Their love for each other is real, just as real as the love between a heterosexual couple and some of them may feel the need for a marriage union, as do many heterosexual couples.

Another email, from a couple in South Australia, said:

We are a same-sex couple and have been in a relationship since January 1995. On the 24th of February 1996 we had a commitment ceremony in front of all our friends, I wore the white fairytale wedding dress that I had always dreamt of, and after we celebrated with our friends with a dinner and honey moon. Sounds relatively common doesn’t it? But apparently our situation seems to embroil some politicians to the point of making a public point that we as a couple do not deserve the respect and right to celebrate and confirm our relationship in the eyes of the law. We cannot understand why, as tax paying citizens, who [have] always [taken] our right to vote VERY seriously, we are being treated like second
rate citizens. We contribute a great amount to our society through employment, and I volunteer not only in the Gay and Lesbian community but also in the great community by running our local playgroup, chairperson on a kindy governing council, and now a member of the local school governing council.

So why don’t we have the same rights? Isn’t it about time we got out of the ignorance of what the minority, (yes believe it or not), believe is the abomination of same sex couples and how we are going to ruin the core of our society!! Don’t you feel that if we were going to do that we would [have] done it a long time ago!!

Our point today is to let you see very briefly that we are just a regular family, bringing up children hoping for the best, renovating our home, and sharing our lives with those close to us. We live in a democratic society where equality is fought for virulently, we wish that you think about your situation and think what it would be like to be told that your relationship (as much as you believed in it and worked at it) doesn’t count. You must tick the single box on any government paperwork, you can assume that your partner will not be automatically the person called if you have no next of kin assigned at a hospital, family will not accept your commitment ceremony papers because “the law does not agree”.

We live in a society that takes the laws of the country VERY seriously, and when something has been accepted by the government of the day we are more prone to allowing that to enter our conscience and often adapt and accept.

These are quotes from people who have had to endure years of this government trying to undermine the rights of lesbian, gay, bisexual, trans-gender and intersex people.

In an interview on ABC Canberra radio on the 7th February 2007, the Attorney-General Phillip Ruddock stated that the Howard Government has got no problem with ‘recognising’ non-heterosexual relationships, and that they are in the process of dealing with ‘a range of issues’ that discriminate against people in same sex relationships. Yet the clearest example of discrimination of all in enshrined by this government in the Marriage Act 1961.

The Marriage (Relationships Equality) Amendment Bill 2007 aims to eradicate this most obvious form of discrimination.

I commend this bill to the Senate.

Senator BOB BROWN—I seek leave to continue my remarks later.

Leave granted; debate adjourned.

ELECTORAL (GREATER FAIRNESS OF ELECTORAL PROCESSES) AMENDMENT BILL 2007

First Reading

Senator MURRAY (Western Australia) (9.36 am)—I move:

That the following bill be introduced: A Bill for an Act to amend the Commonwealth Electoral Act 1918, and for related purposes.

Question agreed to.

Senator MURRAY (Western Australia) (9.36 am)—I move:

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

Question agreed to.

Bill read a first time.

Second Reading

Senator MURRAY (Western Australia) (9.37 am)—I move:

That this bill be now read a second time.

I table an explanatory memorandum relating to the bill and seek leave to have the second reading speech incorporated in Hansard.

Leave granted.

The speech read as follows—

My Electoral (Greater Fairness of Electoral Processes) Amendment Bill 2007 will amend the Commonwealth Electoral Act 1918. The motivation for it lies with the Democrats’ unease at the significant level of distrust in Australian politi-
cians; and also at the growing public apathy in the political process in general.

This distrust and apathy are undermining Australian democracy which is, historically, a system to be proud of. It is a system that, among the pantheon of representative democracies, has led the way with its major advances in electoral design.

That was, until the passing of the Electoral and Referendum Amendment (Electoral Integrity and other Measures) Bill 2006 in June 2006, which in no way measured up to its title of 'electoral integrity'.

My Greater Fairness of Electoral Processes Bill reflects the sorts of issues that I raised in my supplementary remarks to the report of the Joint Standing Committee on Electoral Matters on the 2004 federal election. If passed, it will deliver an enduring and powerful commitment to levels of accountability and transparency that the Australian public deserves. It will significantly enhance political governance and standards.

Not only will my bill provide guidance on how political parties behave and how our electoral system is structured, it will also establish binding mechanisms for ensuring that standards of integrity and honesty befitting our public role are adhered to.

There are four themes the bill addresses. First is the issue of political governance. I and the Australian Democrats are of the strong opinion that this is a vital issue because at present political parties in no way match up to the same standards of accountability rightly demanded from corporations and unions.

Measures in this bill include the requirement for political parties to have a written constitution that meets minimal standards, to be eligible for registration. They also allow for a political party to be scrutinised by the Electoral Commission in the event of a complaint being lodged for non-compliance with material matters in its constitution.

Additionally, measures are provided for the Commission to oversee ballots for the selection of party candidates at the political party's request.

The second theme concerns political advertising matters originally covered in my Charter of Political Honesty Bill 2000, which seeks to restore public faith in parliamentarians and ministers. This part of the bill proposes legislative solutions to prohibit inaccurate or misleading statements of fact in political advertising. Its effect is to require that advertising material meets similar standards of probity and honesty as commercial advertising must meet under the Trade Practices Act. The bill also places restrictions on government advertising during the caretaker period.

The third theme is one the Democrats have long campaigned for, and that is the establishment of a fully regulated and transparent regime of political donations and disclosure. Despite successive references by the Senate to the JSCEM on this matter, it has never been sufficiently or successfully pursued to its conclusion.

Arguably, this neglect stems from the self-interest of political parties and their party organisations because of their reluctance to hinder the inflow of donor dollars.

The major parties receive hundreds of millions of dollars over the political cycle between them and have always voted down amendments that would curtail this fund flow in any way.

Having said that though, I do acknowledge that across the majors, there are some parliamentarians who do generally support and advocate funding and disclosure reform.

This bill aims to address this deficiency, especially in light of the passing of the abysmal Electoral and Referendum (Electoral Integrity and Other Measures) Bill 2006. We should be gravely disturbed that this bad bill now allows for anonymous and multiple donations of up to $10,000 to be donated.

The lynchpin to our representative democracy is the holding of free and fair elections. However, there is now more likelihood than ever of them being bank-rolled by those outlaying tens of thousands of dollars to purchase access and policy outcomes that are in their self interest.

Measures in this bill will not only set reduced donation thresholds and ensure the true identities of donors; it will also prohibit strings-attached
political donations. They will also prohibit media companies from donating to electoral campaign funds and ban donations from foreign sources, unless they come from Australians living abroad or from non-citizens resident in Australia.

The vexing problem of foreign donations is figuring more prominently every year. It is unacceptable to have overseas interests interfering in and influencing our domestic politics and policy. It also fraught with danger for offshore based foundations, trusts or clubs donating as those behind them are unknown and beyond the reach of Australian law.

Other measures in this part of the bill legislate to put an end to the loophole that allows multiple donations to be written at a value just below the disclosure level for the separate national, State and Territory branches of the same political party. This means that currently a donor could write nine separate cheques of $9,999 for a total amount of $89,991 without having to disclose his or her identity.

Additionally, to minimise or limit the public perception of corruptibility associated with political donations, this bill will set a cap of $100,000 that any entity or person can donate annually – in cash or kind – to a political party or candidate. The Democrats consider this a generous sum, and are of a view that it should move lower in due course.

The fourth and last theme of this bill addresses electoral enrolment as it relates to prisoners and the early closure of the electoral rolls.

In the first instance, the Democrats consider that to take away a prisoner’s right to vote is to add an extra judicial penalty on top of their prison term. It also contravenes the Universal Declaration of Human Rights.

Prisoner disenfranchisement should not occur unless a person is of unsound mind or has been convicted of treason, or, when a person has had their voting right removed by a judge as part of a sentence.

The issue of voter disenfranchisement by closing the electoral rolls on the day the election writs are issued is similarly addressed. The Democrats consider it a spurious argument that early closure fixes the problem of people seeking to manipulate the roll. It is essentially finding fault where there was none before, as revealed by the Australian Electoral Commission in its evidence to the JSCEM.

The section of the bill in this instance proposes to close the rolls 7 days after the writs. This is a just and fair period of grace to allow people to either register to vote or to change their enrolment details.

The bill also reduces the nomination deposits required for candidates seeking selection in the Senate and the House of Representatives from $1,000 to $700 and from $500 to $350 respectively. They were increased in 2006 last year supposedly to deter frivolous candidates or the not so serious ones, but there is little evidence to back this assertion up.

Measures are also included to prohibit the use of certain commonwealth facilities and services by certain classes of people for political party business.

In sum, if passed, this bill will put in place reform measures desperately required to assist in the restoration of public confidence in political parties and parliamentarians, and the advancement of political governance and standards.

Senator MURRAY—I seek leave to continue my remarks later.

Leave granted; debate adjourned.

MIGRATION LEGISLATION AMENDMENT (REMOVAL OF UNJUST RESTRICTIONS) BILL 2007

First Reading

Senator BARTLETT (Queensland) (9.38 am)—I move:

That the following bill be introduced: A Bill for an Act to amend the Migration Act 1958 to remove unjust restrictions on applications for protection visas, and for related purposes.

Question agreed to.

Senator BARTLETT (Queensland) (9.38 am)—I move:

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

Question agreed to.

CHAMBER
Bill read a first time.

Second Reading

Senator BARTLETT (Queensland) (9.38 am)—I move:

That this bill be now read a second time.

I table an explanatory memorandum relating to the bill and seek leave to have the second reading speech incorporated in Hansard.

Leave granted.

The speech read as follows—

This Private Senator’s Bill is one of a number of Migration Act Amendment Bills which I have tabled over the past six months. This Bill seeks to repeal the Migration Legislation Amendment Act (No. 6) 2001 to remove the unjust restrictions it placed on the definition of certain key terms used by the Federal Court and the Refugee Review Tribunal in determining refugee status, which has resulted in a narrowing of eligibility for protection visas.

The Senate committee inquiry examining the 2001 bill was prematurely aborted due to the bill being rushed on for debate in the Senate in September 2001. This resulted in an appalling miscarriage of the Senate’s committee process and a truncated report which was unable to make recommendations to the Senate.

The 2001 Act is a breach of our international law obligations of non-refoulement. The basis of it provided for a tightening of the definitions of key terms interpreted by the RRT and the courts when determining whether a person is a refugee and whether Australia is under an obligation not to return a person to a place where he or she is at risk of persecution.

It is important to note that the Refugees Convention does not contain a right of asylum for people who satisfy the definition of ‘refugees’. Refugees have no direct right to gain entry to a country of refuge. The only obligation contained in the Convention is to guarantee non-refoulement, so, once refugees are in Australia there is an obligation not to return them to their place of persecution.

Article 33 of the Refugees Convention provides:

(1) No Contracting State shall expel or return (“refouler”) a refugee in any manner whatsoever to the frontiers of territories where his life or freedom would be threatened on account of his race, religion, nationality, membership of a particular social group or political opinion.

(2) The benefit of the present provision may not, however, be claimed by a refugee whom there are reasonable grounds for regarding as a danger to the security of the country in which he is, or who, having been convicted by a final judgement of a particularly serious crime, constitutes a danger to the community of that country.

The Democrats had serious concerns about attempts to fix the meaning of the terms used in the Refugees Convention as they were understood in 1951, when one of the strengths of the Convention has been its ability to adapt to changing international conditions over its fifty year history. I believe that this has resulted in genuine victims of new forms of persecution being excluded from Australia, a situation which is totally unacceptable. I commend this bill to the Senate.

Senator BARTLETT—I seek leave to continue my remarks later.

Leave granted; debate adjourned.

MIGRATION LEGISLATION AMENDMENT (ACCESS TO JUDICIAL REVIEW OF MIGRATION DECISIONS) BILL 2007

First Reading

Senator BARTLETT (Queensland) (9.39 am)—I move:

That the following bill be introduced: A Bill for an Act to amend the Migration Act 1958 to provide fair access to judicial review of migration decisions.

Question agreed to.

Senator BARTLETT (Queensland) (9.39 am)—I move:

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

Question agreed to.

Bill read a first time.
Second Reading

Senator BARTLETT (Queensland) (9.39 am)—I move:

That this bill be now read a second time.

I table an explanatory memorandum relating to the bill and seek leave to have the second reading speech incorporated in Hansard.

Leave granted.

The speech read as follows—

This Private Senator's Bill is one of a number of Migration Act Amendment Bills which I have tabled over the past six months. This Bill seeks to remove the unfair provision which was introduced by the Migration Legislation Amendment (No. 1) Act 2001 which restricted access to the courts for judicial review of migration decisions.

It did this by specifically preventing class actions in migration matters before the Federal and High Courts by changing the requirements for standing in the Federal Court and by introducing time limits for original applications to the High Court in migration matters.

In my view, this change to the Act produced an outcome that is unjust, unfair and unnecessary. It was widely criticised by a range of community groups during the inquiry process of the bill by the Legal and Constitutional Committee.

I believe that the legislation was part of a broader political agenda which unfairly stigmatised people who were simply aiming to pursue their basic legal rights. I reject as entirely baseless the proposition on which the legislation was based, which inferred that anyone aiming to pursue their basic legal rights were doing so with the explicit intention of somehow rorting the system.

The Democrats are always willing to support fair measures which reduce misuse of the immigration and refugee determination systems or reduce unnecessary legal delays and costs. However, the Migration Legislation Amendment (No. 1) Act of 2001 has not achieved either of these aims. More importantly, it is an unjust and unnecessary law. It is for this reason that I am seeking to repeal the 2001 amendment to the Migration Act. I commend this bill to the Senate.

Senator BARTLETT—I seek leave to continue my remarks later.

Leave granted; debate adjourned.

NUCLEAR POWER STATIONS

Senator MILNE (Tasmania) (9.40 am)—I ask that general business notice of motion No. 735, which endorses the legal ban on nuclear power stations in Australia, be taken as a formal motion.

Senator Watson—I rise on a point of order, Mr President. Can we have clarification of whether Australian law bans nuclear power stations? I know there are certain activities that are prohibited, but I hesitate to support something that may not necessarily be 100 per cent factually correct.

The PRESIDENT—It is not really a matter for the chair, as I understand it. Is there any objection to this motion being taken as formal?

Senator Watson—Yes, I object on the basis of the matter that I raised earlier. I know it is not the usual procedure; the usual procedure is to vote against the motion. In the event that there is doubt about it, it worries me. I believe the Senate is entitled to a clarification.

The PRESIDENT—There is an objection, so the motion cannot be taken as formal.

Suspension of Standing Orders

Senator MILNE (Tasmania) (9.42 am)—At the request of the Leader of the Australian Greens, pursuant to contingent notice, I move:

That so much of the standing orders be suspended as would prevent Senator Bob Brown moving a motion relating to the conduct of the business of the Senate, namely a motion to give precedence to general business notice of motion No. 735.

I understand there will now be a debate for 30 minutes with five minutes allotted per
speaker. I would like to say how shocked I am that a member of the government does not understand the current Australian legislation, especially since Senator Minchin, Senator Abetz—any number of government ministers—yesterday went to great lengths to reassure Australians that there was a ban on nuclear power stations and that there would need to be a change of the law. They tried to hose down the fact that all over the country people are worried that there is going to be a nuclear power station in their backyard.

Yesterday I indicated—and it is in the newspapers today—that the Greens will release a report today stating that the homes of all Australians are at risk because of what this government is doing. The Prime Minister is quite happy to allow people such as Hugh Morgan, Ron Walker and Robert de Crespigny to have insurance for their nuclear power facility, but all Australian homeowners have an exclusion clause in their home insurance stating, ‘Your house is not insured against damage from any accident or any explosion or any other thing at a nuclear power station.’ That means the homes of everyone around Lucas Heights are not insured at the moment. Now we find the government wants to run out with a report saying, ‘There will be 25 nuclear power stations around Australia.’ The Australia Institute has put out a list which considers the criteria. It includes Port Augusta, Townsville, Portland and the area all around Port Phillip Bay. What we do know from the Ziggy Switkowski report is that these power stations need to be sited within 100 kilometres of a built-up area and they will probably need to be on the coast because of water restrictions; nuclear power stations require a huge amount of water.

I thank Senator Watson for giving me this opportunity to stand up in the Senate and tell all Australians that their homes are not insured, and that they are not going to be insured under this government unless the government supports a private member’s bill, which the Greens are going to introduce, which makes it very clear that nuclear power facility operators will take absolute liability. That is what they have done everywhere else in the world where there are nuclear facilities. The US, Britain, Japan, Germany and the UK have all signed the Vienna Convention on Civilian Liability for Nuclear Damage because they recognise that nuclear damage will be nothing like the results of normal pollution and so on.

This government has not signed on to the Vienna Convention for Civilian Liability for Nuclear Damage. I ask every Australian to get out their house insurance policy today and check out the exclusion clause. They will find that the Prime Minister has put them in the situation where, if there is a nuclear accident, a nuclear explosion or whatever, they have no option but to take legal action. They will have to prove negligence against the operator. The Nuclear Energy Agency has said that it is inappropriate for civilians to have to do that. That is why other countries have signed on to the Vienna convention, the Paris Convention on Third Party Liability in the Field of Nuclear Energy and the joint protocol—so that this does not occur in their countries.

The government is very happy to run out its lines on nuclear power stations, but it is not happy to explain to Australians that they are totally vulnerable. Unlike Ron Walker and Hugh Morgan, for ordinary Australians the biggest asset they have is their home. They are going to find that their homes are not insured. This is an absolutely unacceptable situation. It is all very well to talk about interest rates. People out in the suburbs are going to be very focused not just on interest rates but also on the fact that the Prime Minister is happy to insure the rich against damage to their facility yet not happy to allow
ordinary Australians to be insured against damage from his nuclear folly.

That is what this is—the Prime Minister’s nuclear folly, which does nothing about climate change. I am glad that those sceptics were here in Parliament House yesterday. Running along to support the sceptics and rubbing shoulders with them, we saw none other than members of parliament. We had Martin Ferguson, Dick Adams, Craig Emerson and Senator Minchin—the whole lot of them—rubbing shoulders with the sceptics, on the one hand supporting nuclear—(Time expired)

Senator ELLISON (Western Australia—Minister for Justice and Customs) (9.47 am)—I understand that Senator Watson wanted clarification of the law as it stands in relation to nuclear power stations. The advice I have is that the current law does not allow the construction of nuclear power stations as such. The motion foreshadowed by Senator Milne is one which the government supports. It outlines the current position. I do not see a need to suspend standing orders, therefore, with the government supporting this motion. In the interests of conserving time, I suggest we dispose of this motion to suspend standing orders, move back to the agenda and vote on the substantive motion, which is motion No. 735, to be moved by Senator Milne. I foreshadow that the government will support that. But I understand Senator Watson wanted that clarification. He has received that clarification and on that basis would not deny formality.

The President—Let us clarify this. To enable Senator Watson to withdraw his objection, Senator Milne would have to withdraw her motion of suspension, by leave.

Senator Milne—No.

The President—She is not going to do that.

Senator WONG (South Australia) (9.49 am)—Whatever happens in terms of the procedures, which I am sure will be worked out eventually, I think it is appropriate that the opposition has the opportunity to put its views in the Hansard in relation to both the motion and the rather extraordinary position that Senator Watson, and now the Manager of Government Business in the Senate, support. I make it clear that the Labor Party’s intention is to support Senator Milne’s motion. We do not support the establishment of nuclear power facilities in Australia. The government are yet again demonstrating how divided they are on the issue of nuclear power in Australia. We have had two question times now where Senator Abetz refused—

Senator Chapman—It is a matter of clarification. You are pathetic.

Senator WONG—Senator Chapman, will you rule out, as a senator for South Australia, supporting a nuclear facility in South Australia? Senator Minchin has refused to do so. You are refusing to do so. Senator Abetz refuses to rule out a facility being established in Tasmania. Now we have Senator Watson—against his party’s position, apparently, if Senator Ellison’s contribution is correct—saying, ‘We deny leave’—for a motion to be moved which simply endorses the existing law in Australia. The government is all over the place when it comes to nuclear power.

Senator Chapman—Senator Watson was seeking a clarification, and you know it. Tell the truth.

Senator WONG—Senator Chapman, you can heckle all you like, but in this election year people will understand that one of the major parties is completely equivocal on nuclear power and has said, ‘We will not allow the establishment of nuclear power facilities in Australia.’
Senator Chapman—you just dissemble. You don’t tell the truth. You tell lies.

The President—Order! Senator Chapman!

Senator Wong—I will take that interjection, Senator Chapman, which I think is probably unparliamentary.

The President—Senator Chapman, withdraw that remark.

Senator Chapman—I withdraw, Mr President.

Senator Wong—I invite Senator Chapman to indicate whether he is willing, as a South Australian senator, to rule out supporting the establishment of a nuclear power facility in his home state and I ask Senator Watson in which of the seats of Bass, Braddon, Denison, Franklin and Lyons he is happy to see a nuclear power facility established. Let us be clear. We have a government that does not know which way is up, does not know what it is doing on nuclear power and is entirely equivocal about it. The government clearly has people within its ranks who are quite happy to establish nuclear power facilities in various places in Australia.

Do you know what is really bad? The government are not prepared to come clean with the Australian public. They are not prepared to be honest and say: ‘Yes, we want to do it—and this is how we are going to do it. This is the process for consultation and this is the process for establishment.’ They have a go at us because, they say, we are shutting down the debate, but what do they want? They want a debate on their terms. They want to be able to debate it theoretically—to support nuclear power—but not have to front up to the Australian people and say where it is going to be and what the process for putting it in place will be.

Senator Bartlett (Queensland) (9.52 am)—The question before the chair is that this motion be given priority because it was denied formality. I appreciate that Senator Watson was seeking clarification. I do not think any of us know every single detail of every piece of legislation and law that has been passed by this parliament, but I do think it is important to emphasise for the record that nuclear power stations are clearly illegal under current law. Indeed, for the benefit of those who are interested, I specifically refer them to sections 37J and 140A of the Environment Protection and Biodiversity Conservation Act, sections that were put in the legislation specifically as a result of the Democrats’ actions. Those sections quite clearly state:

The Minister must not approve an action consisting of or involving the construction or operation of...

(a) a nuclear fuel fabrication plant;
(b) a nuclear power plant;
(c) an enrichment plant;
(d) a reprocessing facility.

That is the law as things stand. It is an important and urgent matter to absolutely clarify this by way of a vote of the Senate precisely because of the confusion, particularly in government ranks, about what exactly the government’s position is on nuclear power stations. Are they just thinking about it? Are they just putting a review forward? Will they allow it down the track, potentially, if all these things stack up? Are they determined to do it and that is their policy? Or is it somewhere in between all those things? Or will it be that a nuclear power plant, reprocessing facility or enrichment plant is only okay if it is in someone else’s place or if we stick it in the Northern Territory like we did with the nuclear waste facility?

We do need to clarify the government’s position on these things beyond simply a
reaffirmation of the current law which bans nuclear power stations. It is pleasing the government are at least affirming—or, according to Senator Ellison, endorsing—existing Australian law. It would be a bit of a problem if they did not endorse existing law. They can always put forward a proposal to change the law, and that is the key question mark. That will not be resolved by any vote here today from the government members, because it is quite clear that there is a lot of confusion and uncertainty in government ranks.

There is no confusion or uncertainty on the part of the Democrats, who have opposed this since our inception 30 years ago and have opposed uranium mining as well for 30 years. It has caused no confusion amongst the Labor Party or the Greens party. But this does also highlight an absolutely critical issue for the upcoming federal election, because the federal election is not just about whether Mr Rudd or Mr Howard will become Prime Minister after the election. It is quite clear that Mr Howard is hell-bent on advancing the nuclear industry in Australia and is hell-bent on enabling the construction of nuclear power stations. But the key point which this motion reaffirms and makes clear is that that would require a change in the law. It does not matter if Mr Howard gets back in as Prime Minister. He will still need to change the law to enable that to happen. There is all this talk of overriding the states. That could only happen if the existing law was changed, and the only way the existing law could be changed is if it is passed not just by Mr Howard’s echo chamber in the House of Representatives but by this Senate.

We need a clear indication from the government that they will not try to use their numbers to railroad through a change in the law on this matter before the election. We need the message to get out clearly to the Australian people, even those people in the community who may want to return a Howard government for a range of other reasons, that if they are against a nuclear power station being built in their backyard they have to ensure the Senate is taken off—

Senator Chapman—The old NIMBY principle is alive and well!

Senator BARTLETT—Are you willing to support it being built in South Australia then?

Senator Chapman—We should have the debate.

Senator BARTLETT—Are you willing to support it?

Senator Chapman—We should have the debate and look at the evidence.

Senator BARTLETT—You will not even make a clear-cut affirmation. It is a simple thing. Frankly, I do not want a nuclear power station built in anyone’s backyard. I do not want nuclear power stations built in Australia. I do not want nuclear processing facilities built in Australia. I do not want an enrichment plant built in Australia. Those are all illegal under current law. If people want the law to be protected from being changed, they need to get the Senate away from the control of the government at this coming election. That is a simple fact. Whoever they end up wanting to have as the party of government, their only hope of preventing a nuclear power station being built in Australia under a future Liberal government is if they remove the Senate from the control of the coalition, otherwise they are putting us at grave risk of the potential advance of the nuclear industry. That is why this debate is important, and that is why it is appropriate to suspend standing orders to ensure that this motion is put on the record, but it is also important to emphasise that this is a key reason why the Senate vote at the next election is just as important as who ends up being Prime Minister.
Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (9.57 am)—What a shambles by the government. What a total shambles and meltdown we have got here today from a government that is supposed to be in control of this place. Senator Milne brings in a motion—

Senator Chapman—That is your typical dissembling attitude.

Senator BOB BROWN—Embarrassed they might be, braying on the benches opposite. This is an extraordinary muck-up of business, but there is much more to be said about it. Senator Milne brings in a motion to back up the law which bans nuclear power stations in this country, and perhaps the most senior senator on the government benches, Senator Watson, says he wants clarification as to whether such a law exists.

When you get to the facts on this, it is a very big debating point. The Prime Minister has led the nation into a debate on nuclear power stations in the last six months, and friends of his have flagged to him a proposal to build the first nuclear power station. They have not yet said where, but it sounds like Port Augusta is head of the list. Geelong might be on it, Portland might be on it, and goodness knows where else. Senator Watson says, ‘Where is the law that bans nuclear power stations?’ It is in the Australian radiation protection act and in the Environment Protection and Biodiversity Conservation Act, both of which were put forward and passed by this government. Senator Watson supported them here six years ago. Prime Minister Howard supported them six years ago. The debate was in here. And now we have the same government members who supported the ban on nuclear power stations just a few years ago saying, ‘Is there a ban on nuclear power stations?’

What goes on over there? Who has lost the plot? Prime Minister Howard apparently does not know that his government put a ban on nuclear power stations. Certainly Senator Minchin had to have it drawn to his attention by the Greens a month ago because he did not know. Here we have this debate led by the Prime Minister to do something which is illegal. Isn’t that incredible? The Prime Minister himself has put tens of thousands of dollars into the Switkowski report proposing to do something which is illegal in this country.

What are they going to do next? The proposal from the Prime Minister is that up to 25 nuclear power stations be built around Australia, totally contrary to his own laws. He is proposing something that is illegal, to be foisted on the Australian people. Why? Because the same Prime Minister for 10 years has been totally derelict in his duty to this nation and to its future in not addressing global heating and climate change. In fact, he has been making the scenario for the future much worse, much more economically damaging, much more environmentally disastrous, much more socially disruptive through his own negligence, through this government’s negligence.

This morning we have a complete shambles. I say to Senator Watson and other government members opposite: yes, nuclear power stations are illegal because you voted for it. It was your legislation that made it illegal, not once but twice. Do your homework. Come in here prepared. This topic has been put to the top of the national agenda by the Prime Minister, and members of his government do not understand it. They do not know their own history and they do not know that what the Prime Minister is proposing is, in effect, illegal in this country.

Having established that, the extraordinary thing is that we are about to have a vote in which the government endorses the ban on nuclear power stations, contrary to the Prime
Minister wanting to have nuclear power stations. Let us see the absurdity of this.

To bring this farce to an end, I seek leave of the Senate so that Senator Watson can withdraw his opposition to formality for the motion and we can get on with the motion being put.

The PRESIDENT—Senator Milne has to withdraw her motion for suspension before Senator Watson can do so.

Senator MILNE (Tasmania) (10.02 am)—I seek leave of the Senate to withdraw the motion for the suspension of standing orders so that general business notice of motion No. 735 can be brought on, and I do so contingent upon being able to then move general business notice of motion No. 735 as a formal motion.

Leave granted.

Senator WATSON (Tasmania) (10.03 am)—by leave—I withdraw my objection to the formality. I had the highest of motives in objecting. It is very important, before voting on issues in this place, that people are fully informed. I sought an opportunity to ensure that the motion was factually correct. It appears that it is factually correct. I apologise for the time it has taken of the Senate, but I reiterate that, when we vote on an issue, it is incumbent on every member of this house of review to be fully informed on that issue. It is indeed difficult because people specialise in certain aspects of legislation in this place and there is no way that every member could be fully across all the issues, as Senator Brown has suggested.

Motion

Senator MILNE (Tasmania) (10.03 am)—I move:

That the Senate endorses Australian law which bans nuclear power stations.

Question agreed to.

BUSINESS

Withdrawal

Senator MURRAY (Western Australia) (10.04 am)—I move:

That general business order of the day No. 2, relating to the Charter of Political Honesty Bill 2000 [2004], be discharged from the Notice Paper.

Question agreed to.

COMMITTEES

Legal and Constitutional Affairs

Committee

Reference

Senator MURRAY (Western Australia) (10.05 am)—I move:

That the following matters be referred to the Legal and Constitutional Affairs Committee for inquiry and report by 14 August 2007:

(a) a review of Commonwealth exemptions provided to religious or other organisations, or individual members thereof, on the grounds of religion, belief or conscience;

(b) whether such Commonwealth exemptions should be maintained, withdrawn or restricted, and whether, in specific instances, they are abused or are made no longer appropriate by the conduct of individuals or organisations conflicting with the justification being provided for the exemption;

(c) whether any religious organisation, as a result of its beliefs, prevents an adequate and productive education of minors or young persons, including at the tertiary level, contrary to the public interest;

(d) whether statutory or administrative changes in respect of Commonwealth law or practice relating to such matters are necessary; and

(e) any other relevant matters.

Question negatived.

NATIONAL CURRICULUM

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (10.06 am)—I move:

That the Senate endorses Australian law which bans nuclear power stations.

Question agreed to.
am)—by leave—At the request of Senator Nettle, I move:

That the Senate insists that Australia’s teachers, through their unions, be directly involved in formulating a national curriculum.

Question put.
The Senate divided. [10.11 am]
(The President—Senator the Hon. Paul Calvert)

Ayes……………. 3
Noes……………. 51
Majority………. 48

AYES
Brown, B.J. Milne, C.
Siewert, R. *

NOES
Adams, J. Allison, L.F.
Barnett, G. Bernardi, C.
Brown, C.L. Calvert, P.H.
Campbell, G. Carr, K.J.
Chapman, H.G.P. Colbeck, R.
Coonan, H.L. Crossin, P.M.
Ellison, C.M. Ferguson, A.B.
Fielding, S. Fierravanti-Wells, C.
Fifield, M.P. Forshaw, M.G.
Hurley, A. Hutchins, S.P.
Johnston, D. Johnston, D.
Kirk, L. Ludwig, J.W.
Lundy, K.A. Macdonald, I.
Macdonald, J.A.L. Marshall, G.
Mason, B.J. McEwen, A.
McLucas, J.E. Moore, C.
Murray, A.J.M. Nash, F. *
O’Brien, K.W.K. Parry, S.
Patterson, K.C. Payne, M.A.
Polley, H. Ray, R.F.
Ronaldson, M. Sherry, N.J.
Sterle, G. Stot Despoja, N.
Troeth, J.M. Trood, R.B.
Vanstone, A.E. Watson, J.O.W.
Webber, R. Wortley, D.
Wong, P.

* denotes teller

Question negatived.

Senator ALLISON (Victoria—Leader of the Australian Democrats) (10.14 am)—by leave—I wish to make a short statement with regard to the last vote. The Democrats do support teachers’ involvement in a national curriculum. In fact, we believe it is far preferable for teachers to be involved than for politicians to be involved. However, we would not want to see their involvement restricted to being through the unions, and that is the reason we voted against that motion.

COMMITTEES

Publications Committee
Report
Senator BARNETT (Tasmania) (10.05 am)—I present the 19th report of the Publications Committee.

Ordered that the report be adopted.

Regulations and Ordinances Committee
Ministerial Correspondence
Senator WATSON (Tasmania) (10.15 am)—On behalf of the Senate Standing Committee on Regulations and Ordinances, I present a volume of ministerial correspondence relating to the scrutiny of delegated legislation for the period March to December 2006.

Corporations and Financial Services Committee
Report
Senator CHAPMAN (South Australia) (10.15 am)—I present the report of the Parliamentary Joint Statutory Committee on Corporations and Financial Services entitled Statutory oversight of the Australian Securities and Investments Commission, together with the Hansard record of proceedings.

Ordered that the report be printed.

Senator CHAPMAN—I seek leave to move a motion in relation to the report.
Leave granted.

Senator CHAPMAN—I move:
That the Senate take note of the report.
I would like to thank David Sullivan and the staff of the secretariat of the Joint Committee on Corporations and Financial Services for their work on this report, as well as ASIC officials for their ongoing cooperation with the committee and their participation in the committee’s public hearing on 30 November 2006.

This report relates to the statutory role of my committee under the Corporations Law to oversee ASIC. The committee generally fulfils this role by conducting public hearings periodically with ASIC commissioners and senior staff. The report that I have tabled covers a number of issues pertaining to ASIC’s responsibilities. The main issues addressed include ASIC’s first report on superannuation fees and costs, professional indemnity insurance for financial services licensees, the Westpoint collapse and the implications for ASIC of the Cole commission report.

The committee welcomes ASIC’s first of five reports monitoring fees and costs in the superannuation industry. ASIC noted that the methodology they used was limited by its reliance on information in funds’ product disclosure statements, which reflect the maximum a customer may be charged rather than actual charges applied. However, this ongoing survey is a useful attempt to monitor trends in superannuation fund fees and will assist to encourage more competitive fees and charges in the industry.

After a long period of consultation, it seems that professional indemnity insurance will soon be prescribed as the required compensation arrangement for claims by clients who suffer losses due to breaches of the Corporations Act. Although this is generally a welcome development, there are concerns that small financial planning firms may not be able to obtain sufficient insurance cover. ASIC indicated that they were investigating the supply and demand issues that may flow from any regulatory change in this area. Should professional indemnity insurance be unavailable, some small firms may have to align themselves with others who have obtained such cover.

The Westpoint collapse continues to create concern over the possibility of similar mezzanine schemes causing further investor loss. The failure of ASIC’s court action to close the loophole allowing Westpoint style schemes to raise funds outside ASIC’s jurisdiction is of concern. The committee has recommended that ASIC continue to seek an amendment to the disclosure requirements in the Corporations Act to increase the $50,000 threshold applying to promissory notes.

Finally, ASIC reported on its role in pursuing action arising from the Cole recommendations relating to AWB Ltd. The committee was informed that specific legislation to enable ASIC to obtain evidence relating to this matter is currently under consideration by the government. As to whether current legal professional privilege laws could be used to obstruct any future ASIC investigation into AWB, the committee was told that it was too early to tell. The committee awaits the current inquiry into legal professional privilege and Commonwealth regulatory agencies by the Australian Law Reform Commission. I commend this report to the Senate.

Senator SHERRY (Tasmania) (10.18 am)—I will make a brief contribution on some aspects of this report. Senator Chapman has pointed out that the Parliamentary Joint Committee on Corporations and Financial Services, of which he is chair and I am a member, has the role of statutory oversight of ASIC, one of our main regulators of the financial services sector. Generally, I have noted an improvement in the level of information and detailed material received from
ASIC, and generally they have been responsive to issues raised via the oversight process.

In my contribution, I want to refer to a couple of specific issues. The ongoing monitoring of superannuation fees and costs is critical in the context of superannuation. Superannuation is compulsory in this country to overcome what is known as inertia—in many circumstances people fail to put aside money for retirement, and therefore we have compulsion. But this begs a series of questions about just how competitive superannuation funds can be and about the rational decisions that individuals make about highly complex financial products, particularly superannuation. There is an international critique that fees and charges in a competitive environment are often not rational or responsive to competitive pressures, and therefore it is necessary for regulators to provide oversight and some degree of regulation in this particular area.

I believe ASIC has generally pursued a rigorous oversight of fees and there has been some action taken as a result of what is known as ‘mis-selling’, where some planners make recommendations that are not in the best interests of the individual but in the best interests of the planners themselves because of what is known as commission based selling. This is not just a problem in Australia; it is a problem worldwide. I think there are four companies still under surveillance by ASIC. We know that AMP has given an enforceable undertaking, but there remain a further four major financial superannuation operators in this country—we do not know their names yet—against whom action may occur for mis-selling.

The other issue that I want to touch on is Westpoint. I think most people would be familiar generally with the media coverage in respect of Westpoint. Westpoint is one of the most serious failures in our financial services sector in the last decade. Some 3,000 investors have probably lost up to $400 million through Westpoint related entities and a series of court cases are underway in this regard. There has been some reasonably spectacular and, at times, bizarre media coverage of some of the activities of the individuals involved in the Westpoint financial collapse—frankly, I would use the word ‘scam’ because that is what I think it was.

The Westpoint collapse highlights a number of difficult issues and failures in the regulation, oversight and compensation within our financial services sector. One issue relates to what is known as an exemption for promissory notes and a $50,000 threshold. Importantly, the committee unanimously recommended—there was no dissent, and the chair referred to this in his remarks—the removal of this $50,000 threshold applying to promissory notes. The difficulty with this loophole is that ASIC claimed, with some substance, that it was difficult for them to act in respect of Westpoint because of the loophole; they did not have jurisdiction. I accept that there was a legitimate question mark over that, but I still believe ASIC could have taken other actions earlier to limit the damage from Westpoint’s collapse, and there is certainly a question mark around this $50,000 threshold. The committee unanimously recommended it should be removed to remove any doubt.

I contrast the chair’s remarks and that unanimous recommendation with the comments of Senator Coonan, who is actually in the chamber today. In response to a number of questions Labor had been raising about Westpoint, she said in respect of the $50,000 loophole—and I quote the Hansard of 22 June last year:

But it is wrong—

that is a reference to Labor—
there is no legal loophole.

In her response to this Westpoint issue, the minister believes, on behalf of the government, there is no legal loophole. But the chair and the committee, and indeed the chair of the regulator—in this case, Mr Lucy—argue there is a loophole. Yet the government has failed to close this loophole, which goes to the heart of the regulatory action that ASIC can take in respect of promissory notes, and which was the major reason for the Westpoint collapse. We have a real problem when the government of the day does not believe there is a loophole but everyone else believes there is a loophole that requires closing.

But there are a number of other reasons for the collapse of Westpoint. One-third of the moneys were invested through self-funded superannuation funds rather than directly into the Westpoint entities. This begs the question: what has the Australian Taxation Office, which regulates self-managed superannuation funds—and this is not a new criticism of mine—been doing to ensure effective regulatory oversight of the self-managed superannuation fund sector? There are at least $230 billion of investments in self-managed superannuation funds, and there are over 300,000 funds. The Westpoint financial scandal again highlights—and I think the attitude of the ATO is starting to change—that this area needs improved regulatory oversight.

I met a group of a couple of hundred Westpoint victims last Sunday afternoon in Sydney, and I have met others on previous occasions and corresponded with them. It is pretty distressing to meet a group of overwhelmingly, senior Australians who in many cases invested their entire life savings and have probably lost the lot. And these people were not looking for a high-risk investment with a super high return; they were looking for a reasonable, safe investment largely to set themselves up for retirement. That brings me to my next set of criticisms of this government. Why have those people lost the lot? There are a number of remedies for these investors. The regulatory system has failed them. What is the remedy? We have the Financial Industry Complaints Service—an independent, industry operated body. The problem with FICS is that there is a $100,000 cap on compensation and many of the victims had in excess of $100,000 invested in Westpoint. Therefore, those victims cannot even get to first base. They cannot claim any compensation because the level of their investment exceeded $100,000. That is one problem.

The second problem is PI insurance, which is referred to separately in this report. The government made a promise five years ago to introduce compulsory PI insurance for financial planners. We may see compulsory PI insurance sometime next year—six years after the government promised to introduce it. That again is a major problem for many of the victims of Westpoint because many of the planners who recommended Westpoint products either had no PI insurance or had insufficient PI insurance. Frankly, this is an unholy mess because of a lack of proper regulation and a lack of proper compensation for which the government is partly responsible through its own inaction in a number of key areas of the regulation and compensation of our financial sector and, more worryingly, our superannuation sector, where we are being urged to invest billions of dollars. (Time expired)

Senator MURRAY (Western Australia) (10.29 am)—I wish to speak briefly on this report. I, too, am a member of the Parliamentary Joint Committee on Corporations and Financial Services. In fact, I am in my 11th year, so I am a very longstanding member of that committee. I must put on the record how
much I value the work we do and how much I value the oversight we exercise with respect to ASIC. Perhaps the Senate is not aware that the committee has regular discourse with ASIC through the secretariat and through correspondence. But the Senate is aware that, in the broad, ASIC is subject to continual oversight through the estimates process.

The point I wish to emphasise is that, whilst ASIC has its very strong critics in the community, from a parliamentary perspective there is not a regulator in Australia subject to more scrutiny and interrogation through the parliamentary process. It is extremely valuable and it does have very good consequences. I will give just one example, but there are many. The committee produced what I thought was an excellent report on insolvency law. ASIC was underperforming and underachieving in that area. They noted the committee’s interest and attention and, without any shift in government policy or legislation or funds, started to pay much more attention to the issues that the parliamentary committee had unanimously raised. So I think that, on behalf of Australians, the parliament is indeed doing the job it needs to do with respect to ASIC. That does not mean that I diminish the strong concerns that people do have; they can be disappointed in their interactions with a regulator. But I do think this is a case where the committee and the parliament are on the case.

That is one of the reasons I wish to stand and speak to this report. The other is to reinforce the point just made by Senator Sherry and to urge the chair, through the government backbench, to reinforce recommendation 1. It is unusual for the committee to put recommendations in the oversight report. Generally speaking, an oversight report constitutes commentary. This recommendation arises because the committee is of the view, as is ASIC, that the court case surrounding this issue of promissory notes indicates there is a legal loophole. I note the comment in section 2.25 of the report that, in response to a question on notice, ASIC stated that the government did not intend to increase the $50,000 threshold applying to promissory notes. And, at 2.26, the committee urges ASIC to further press the government to close the loophole. At 2.27, of course, is the recommendation. It is one thing, though, for ASIC to press the case. It is quite another for the chair of the committee to press the case, and I would urge the chair to take this up with government. Government should have the opportunity to review its decision and to act as both ASIC and the experienced committee recommends.

One issue not dealt with much in the report is this: the report deals with a list of items, but there are also a list of items which were briefly mentioned at the committee’s hearing but do not feature in this report, and that issue is of other specific individual cases. The committee, generally speaking, tries to attend to broad policy issues and tries to avoid becoming party to what is known as ‘forum shopping’—in other words, individuals who have a grievance and shop around for somebody to pick up their grievance. Nevertheless, once we have done that filtering, the committee still does act as a direct conduit for individuals in the Australia community to get a point made or their case heard. And that is a very valuable additional aspect of the committee’s work. I commend the report to the Senate.

Question agreed to.
CUSTODIES LEGISLATION
AMENDMENT (MODERNISING
IMPORT CONTROLS AND OTHER
MEASURES) BILL 2006 [2007]

Report of Legal and Constitutional Affairs
Committee

Additional Information

Senator NASH (New South Wales)
(10.34 am)—On behalf of the Chair of the
Legal and Constitutional Affairs Committee,
Senator Payne, I present additional informa-
tion received by the committee relating to its
inquiry into the Customs Legislation
Amendment (Modernising Import Controls
and Other Measures) Bill 2006 [2007].

BUDGET

Consideration by Estimates Committees

Additional Information

Senator NASH (New South Wales)
(10.34 am)—I table the following docu-
ments.

Additional estimates 2005-06—Finance and
Public Administration—Standing Commit-
tee—Additional information received be-
tween 8 and 28 February 2007—Prime Minis-
ter and Cabinet portfolio.

Additional estimates 2006-07—
Finance and Public Administration—
Standing Committee—Additional informa-
tion received between 8 and 28 February
2007—
Parliamentary departments.
Prime Minister and Cabinet portfolio
Rural and Regional Affairs and Trans-
port—Standing Committee—
Documents presented to the committee,
Hansard record of proceedings
Budget estimates 2006-07—
Community Affairs—Standing Commit-
tee—Additional information received be-
tween—
8 and 12 February 2007—Health and
Ageing portfolio.

8 and 28 February 2007—Families,
Community Services and Indigenous
Affairs portfolio.

Employment, Workplace Relations and
Education—Standing Committee—
Additional information received be-
tween—
20 October 2006 and 25 January
2007—Employment and Workplace Re-
lations portfolio.
2 November 2006 and 12 February
2007—Education, Science and Training
portfolio.

Budget estimates 2006-07 (Supplementary)—
Economics—Standing Committee—
Additional information received between
29 November 2006 and 28 February
2007—
Industry, Tourism and Resources portfo-
lio.
Treasury portfolio.

Employment, Workplace Relations and
Education—Standing Committee—
Additional information received be-
tween—
8 December 2006 and 26 February
2007—Employment and Workplace Re-
lations portfolio.
15 December 2006 and 26 February
2007—Education, Science and Training
portfolio.

Finance and Public Administration—
Standing Commi ttee—Additional informa-
tion received between 8 and 28 Febru-
ary 2007—
Finance and Administration portfolio.
Human Services portfolio.
Prime Minister and Cabinet portfolio.

Legal and Constitutional Affairs—Standing
Committee—Additional information re-
ceived between 6 December 2006 and 1
March 2007—
Attorney-General’s portfolio.
Immigration and Citizenship portfolio.
Rural and Regional Affairs and Transport—Standing Committee—Additional information received between 6 and 27 February 2007—
Agriculture, Fisheries and Forestry portfolio.
Transport and Regional Services portfolio.

ANTI-MONEY LAUNDERING AND COUNTER-TERRORISM FINANCING AMENDMENT BILL 2007

First Reading

Bill received from the House of Representatives.

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (10.35 am)—I move:
That this bill may proceed without formalities and be now read a first time.
Question agreed to.
Bill read a first time.

Second Reading

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (10.35 am)—I move:
That this bill be now read a second time.
I seek leave to have the second reading speech incorporated in Hansard.
Leave granted.
The speech read as follows—


During my speech in reply to the Senate, I responded to the recommendations in these reports. I also indicated that I would introduce a Bill this session to make technical amendments to the legislation and to implement some of the recommendations of the committees.

The Report of the Senate Standing Committee for the Scrutiny of Bills raised concerns about the application of absolute liability rather than strict liability to some elements of offences under sections 136, 137, 139, 140 and 141 of the Anti-Money Laundering and Counter-Terrorism Financing Act 2006. I undertook to amend these sections to replace the application of absolute liability with strict liability. These amendments are made at items 41-47 of the Bill.

As recommended by the Committee in recommendation 7 of the Report of the Senate Standing Committee on Legal and Constitutional Affairs, the Government was happy to continue to work with industry groups and other stakeholders to resolve certain technical issues, and if necessary, to address these by way of amendments, in the foreshadowed Bill.

Following further consultation with industry it was agreed that no amendments were necessary. The technical drafting issues nominated by the Committee in recommendation 7(a), concerned the suggestion by industry that certain services relating to stored value cards might be excluded from the definition of ‘stored value card’ in the AML/CTF Act. This was based on a misunderstanding of that definition. The misunderstanding was that the definition was restricted to the types of devices in the definition. However the definition is inclusive so it has its ordinary meaning as...
extended by the definition. This means that paragraphs (a) and (b) of the definition merely extends the ordinary meaning of ‘stored value card’.

In Recommendation 7(b) the committee recommended consultation to resolve technical issues in relation to ‘the capture of funds managers selling securities on an exchange by Item 35 of table 1 in clause 6’. However after further consultation it was agreed that it is appropriate that item 35 capture fund managers issuing or selling a security or derivative.

Further consultation by AGD, Treasury and AUSTRAC will take place with industry on the issue that item 35 appears to capture broker to broker transactions where the brokers are buying and selling as principals. This will be finalised before the identification obligations commence in December 2007. Any issues that require modification of item 35 can be dealt with under paragraph (d) of item 35 which enables item 35 AML/CTF Rules to be made.

Recommendation 7(c) related to industry concern that the definition of ‘owner-managed branch’ in section 12 would exclude some community bank branches. The issue has been discussed between government officials and affected industry groups who have agreed that amendments are not required to section 12. This is because industry has agreed that the issues are resolved through the application of the common law rules of agency.

Further consultation raised technical issues that are addressed in this Bill including:

Reporting entities will gain additional rights to seek review of decisions made by the AUSTRAC Chief Executive Officer under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006. This includes a right to a merits review by the Administrative Appeals Tribunal of decisions by the AUSTRAC Chief Executive Officer to appoint an external auditor to carry out a risk management audit under section 161, and decisions by the AUSTRAC CEO to give a remedial direction under section 191.

In addition, the Administrative Decisions (Judicial Review) Act 1977, will be amended to remove the general exemption given to decisions under the AML/CTF Act from review under the ADJR Act. All decisions will now be subject to review under the ADJR Act apart from decisions by the AUS WAC Chief Executive Officer to apply to the Federal Court for a civil penalty order under section 176, and decisions to grant exemptions from, or modifications to, a requirement of the Act under section 248. This amendment will ensure greater accountability for decisions by the AUSTRAC CEO under the AML/CTF Act.

The Australian Secret Intelligence Service (‘ASIS’) is to be made a designated agency thereby granting ASIS officials access to AUSTRAC information to ensure that financial intelligence is available to counter the financing of terrorism. This brings ASIS into line with ASIO which is already a designated agency entitled to access to AUSTRAC information.

Amendments to the secrecy and access provisions of the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 are to ensure national security and intelligence agencies which are designated agencies can fulfil their functions under their enabling legislation. Minor amendments to the Commonwealth Electoral Act 1918 will ensure that a person who has an arrangement with a reporting entity to verify customer identity under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 will have equivalent access to the Electoral Roll to that which is currently provided for the purposes of the Financial Transaction Reports Act 1988.


The Anti-Money Laundering and Counter-Terrorism Financing Act 2006 provides that the legislation is to be reviewed 5 years after the end of the 24 month phased implementation period. As I indicated in my speech in reply for the debate on that Act, this review will be able to take
into consideration a number of recommendations in the Report of the Senate Legal and Constitutional Affairs Committee. The recommendations to which I am referring here are recommendation 3 on the re-examination of Rules to provide safe harbour provisions, recommendation 5 on whether Part 6 should be amended to provide the AUSTRAC CEO with powers to refuse registration as a designated remittance services provider, and recommendation 8 regarding further threshold limits. Apart from these specific issues the operation of the Act can be reconsidered at this time in light of experience by industry, Government and community stakeholders.

The Government acknowledged prior to the introduction of the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 that it may take some time for industry to adjust their existing business systems and processes to comply with the Act’s requirements. For this reason the Act is being phased in over a 24-month period. In addition, a grace period of 15 months from Royal Assent to the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 was agreed with industry, during which the AUSTRAC CEO will only take civil penalty action against a reporting entity where that reporting entity has failed to take reasonable steps towards compliance with its obligations. This grace period is articulated in the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 Policy (Civil Penalty Orders) Principles 2006 which was tabled in the Senate on 7th February 2007.

Ongoing consultation is currently occurring between AUSTRAC and industry with regard to finalisation of remaining AML/CTF Rules.

The Anti-Money Laundering and Counter-Terrorism Financing (Amendment) Bill 2007 will make the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 more effective in the fight against money laundering and the financing of terrorism.

I commend the Bill to the Senate.

Debate (on motion by Senator Coonan) adjourned.

BROADCASTING LEGISLATION AMENDMENT BILL 2007

First Reading

Bill received from the House of Representatives.

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (10.36 am)—I move:

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

Question agreed to.

Bill read a first time.

Second Reading

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (10.36 am)—I move:

That this bill be now read a second time.

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

Leave granted.

The speech read as follows—

The Australian Government has provided $48.5 million over 4 years to establish an Indigenous television content service – National Indigenous TV Ltd (NITV).

When launched later this year, the NITV will be distributed via Imparja’s satellite narrowcast service – channel 31 and will be retransmitted initially throughout 147 remote Indigenous communities.

This will, for the first time, give indigenous communities a dedicated indigenous television service. This will build on the successful Imparja service which currently provides a number of hours of indigenous programming each day.

This Bill makes amendments to both the Broadcasting Services Act 1992 and the Copyright Act 1968 to facilitate the introduction of NITV.

The current section 212 of the Broadcasting Services Act 1992 specifically exempts from most of the legal and regulatory obligations contained in
the Act, any services that are merely unaltered retransmissions of the signals from a commercial, national or community broadcaster. However, there is no similar exemption for retransmissions of signals from narrowcasters. This means that retransmission of NITV programming from its satellite distribution channel, Channel 31, will not be covered by exemptions in section 212. The Bill amends the BSA to extend the exemption in section 212 to persons who retransmit NITV programming. The amendment applies to NITV programming only, as this programming is unlike any other, addressing the broadcasting needs of a sector of Australian society not currently well catered for.

Other providers, such as pay TV broadcasters, may also agree to carry NITV programming and the Bill removes any disincentive to them doing so. However, the exemption provided in section 212 does not prevent an action being taken for infringement of copyright where retransmission occurs by someone other than a self-help provider.

Accordingly, the Bill will also amend Part VC of the Copyright Act to extend the statutory licence scheme for the retransmission of free-to-air broadcasts in Part VC to apply it to retransmission of NITV programming.

Debate (on motion by Senator Coonan) adjourned.

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (10.37 am)—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 may proceed without formalities, may be taken together and be now read a first time.

Question agreed to.

Bills read a first time.

Second Reading

Senator COONAN (New South Wales—Minister for Communications, Information Technology and the Arts) (10.38 am)—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—

AVIATION TRANSPORT SECURITY AMENDMENT (ADDITIONAL SCREENING MEASURES) BILL 2007
CORPORATIONS AMENDMENT (TAKEOVERS) BILL 2007
OFFSHORE PETROLEUM AMENDMENT (GREATER SUNRISE) BILL 2007
CUSTOMS TARIFF AMENDMENT (GREATER SUNRISE) BILL 2007
TAX LAWS AMENDMENT (2007 MEASURES No. 1) BILL 2007

First Reading

Bills received from the House of Representatives.

Aviation security is a high priority for this Government and is under constant review to ensure that the regulatory framework is responsive to changing threats to the Australian aviation industry.

On 9 August 2006, United Kingdom security services interrupted a terrorist operation involving planned attacks against international aviation targets. The foiled plot revealed vulnerability in the technical capability of aviation security screening points with respect to liquid explosive detection. This vulnerability has prompted the United States, Canada and the European Union to introduce restrictions on the amount of liquids, aerosols and gels that can be carried on board international outbound and domestic flights.
The Australian Government has also moved to deal with these risks. On 8 December 2006, the Deputy Prime Minister and Minister for the Department of Transport and Regional Services announced that from 31 March 2007 there would be enhanced security measures to limit the amount of liquids, aerosols and gels that can be taken through an international screening point by people who are flying to or from Australia.

This bill makes the amendments to the Aviation Transport Security Act 2004 that are necessary to better manage this vulnerability. The bill amends the power to make regulations to cover liquids, aerosols and gels. As a necessary enhancement the Act is also amended to allow for appropriate frisk searches at screening points.

Overall this bill facilitates screening for liquids, aerosols and gels to protect Australians and the Australian aviation industry.

CORPORATIONS AMENDMENT (TAKEOVERS) BILL 2007

Takeovers serve a crucial role in supporting efficient dynamic share markets. The potential exposure to takeovers encourages companies and their managers to be efficient. It promotes sound management, better returns for investors and a more efficient allocation of resources. For takeovers to perform this role, they need to operate efficiently and in an informed market.

The vigorous takeover activity in Australia in recent years shows that the takeovers provisions in the law have worked well. There is a dynamic, competitive market for control of companies in Australia. The Takeovers Panel has played a key part in achieving such a market.

Recent court cases have thrown doubt on the Panel’s ability to keep performing its role as well as it has done. This Bill will amend the Corporations Act 2001 to ensure that the Takeovers Panel can continue to perform its part in ensuring takeovers are conducted legally, properly and fairly.

Chapter 6 of the Corporations Act 2001 deals with takeovers. Its aims are set out in section 602. In particular, one of those aims is that the acquisition of control over voting shares should take place in an efficient, competitive and informed market.

The Takeovers Panel is fundamental to achieving those aims.

The Takeovers Panel was constituted in its present form in March 2000. Until then, there was a great deal of tactical litigation associated with takeovers. The Panel was designed to minimise tactical litigation and to replace the courts as the principal forum for resolving takeover disputes during bids. It was not a judicial body but a panel of experts. It was to apply its specialist expertise to give fast, informal decisions, having regard to the spirit of the takeover rules in section 602.

The Panel has fulfilled those expectations. It has operated successfully for some years in the way intended. The Panel’s processes are as simple as possible. Applications are determined in an average of 14 days. Disputes have been resolved faster and tactical litigation has been reduced.

For the first time since it was reconstituted, the Panel was taken to court in 2005, and again in 2006, by a company dissatisfied with the Panel’s decision. The Court twice considered the Panel’s powers and ruled that they were narrower than the Panel had thought.

Those cases raised concerns that the current law does not give the Panel the powers and jurisdiction it needs to perform effectively the role envisaged for it by Parliament. The Bill will ensure the Panel has the powers and jurisdiction it needs.

There are three main changes in the Bill.

The first relates to the definition of ‘substantial interest’.

One large part of the Panel’s power to intervene relies on there being circumstances which affect the acquisition, or proposed acquisition, of a substantial interest in a company. The Court interpreted the phrase ‘substantial interest’ more narrowly than the Panel had done.

The new definition of ‘substantial interest’ in the Bill will mean that phrase is not confined to a narrow set of rights and interests. It will also allow for regulations to specify that particular interests will not, or may constitute substantial interests.

Takeovers is an area where new techniques and structures are constantly evolving. Allowing for regulations will give some flexibility to cover
future situations and allow the law to react promptly to new developments where necessary. The second major change will mean that the Panel can act where it is clear that circumstances will produce certain effects, or are likely to do so. It need not wait until those effects, and the consequent harm, have actually occurred.

The Panel can presently intervene where it considers circumstances are unacceptable for one of two reasons. Circumstances could be unacceptable either because of a contravention of the law or else having regard to their effect on the control or potential control of a company or on the acquisition or proposed acquisition of a substantial interest in a company.

The third major change gives the Panel the power to intervene in a third situation: where circumstances are unacceptable having regard to the purposes of the law, as set out in section 602. The intention is to give the Panel the power to act in order to give effect to the spirit of the law. For example, it might be that particular circumstances have the effect of causing a control block of voting shares to be traded in an uninformed market. The Panel could intervene in that situation under the new provision if they considered the circumstances were unacceptable.

The Bill also addresses minor machinery concerns. For example, it provides that the time-limit for concluding a review of a Panel decision will date from the time of the application for review, not from the earlier decision.

The Panel needs to have adequate powers to perform the role envisaged for it. The Bill is designed to ensure that it has those powers so it can continue to act as the main forum to resolve takeover disputes, and that it can do so efficiently and effectively.

OFFSHORE PETROLEUM AMENDMENT (GREATER SUNRISE) BILL 2007

Mr President, the purpose of the Offshore Petroleum Amendment (Greater Sunrise) Bill 2007 is to incorporate into the Offshore Petroleum Act 2006 (OPA) the Greater Sunrise Unitisation Agreement which gives effect to the Agreement between Australia and the Democratic Republic of Timor-Leste relating to the Unitisation of the Sunrise and Troubadour Fields. The Agreement was signed by Australia and Timor-Leste in Dili on 6 March 2003.

The Agreement was incorporated into the Petroleum (Submerged Lands) Act 1967 (PSLA) in April 2004, however due to unforeseen circumstances and competing priorities it was not included when the PSLA was rewritten and renamed the Offshore Petroleum Act in 2006.

Mr President, you will recall that in 2004 the policy on this issue was fully debated and agreed to for incorporation into the PSLA. This exercise today is a matter of formality to have the same details incorporated into the OPA.

The Agreement has been considered by the Joint Standing Committee on Treaties. The Committee supported the Agreement and recommended that binding Treaty action be taken.

The Agreement provides the framework for development and commercialisation of the petroleum resources in the Sunrise and Troubadour fields, which are collectively known as Greater Sunrise, as a single unit. This resource straddles the border between the Joint Petroleum Development Area, which is the area of shared jurisdiction between Australia and Timor-Leste established by the Timor Sea Treaty, and an area of Australian jurisdiction.

The Bill puts into place the administrative arrangements for the unit development of the Greater Sunrise petroleum resource. In practice, this means that Australian regulators and regulators of the Joint Petroleum Development Area will be able to ensure, jointly, that administration of the Greater Sunrise petroleum operations is co-ordinated, and that recovery operations are conducted in accordance with good oil field practice.

To the extent appropriate, the administrative arrangements will mirror those that apply elsewhere under Australian regulatory control.

There are, however, some aspects of the agreed arrangements that will be specific to administration of the Greater Sunrise petroleum resource. For example, the process for approving the development plan and the unit operator will be Greater Sunrise specific. This reflects matters agreed between Australia and Timor-Leste and has no application outside the Greater Sunrise resource.
Mr President, to ensure consistency of administration of development of this resource, the arrangements that usually apply in the Northern Territory adjacent area will be modified to enable the responsible Commonwealth Minister to exercise statutory powers, rather than the Commonwealth Minister working in concert with the counterpart Northern Territory Minister, or instead of the Northern Territory Minister working alone. In practice, the Australian Government will work with the Northern Territory Government on the day to day administration of the Greater Sunrise resource.

The Agreement includes a mechanism for adjusting the initial petroleum production apportionment between the Joint Petroleum Development Area and Australia if new geological evidence indicates that a revision is needed.

For the purposes of taxation, the part of the petroleum production from Greater Sunrise attributed to the Joint Petroleum Development Area will be taxed in accordance with the arrangements under the Timor Sea Treaty whereby Timor-Leste has title to 90 percent of production and Australia to 10 percent. The part of production from Greater Sunrise attributed to Australia will be taxed in accordance with Australia’s domestic taxation arrangements.

The Greater Sunrise Unitisation Agreement which was concluded in March 2003 will be replaced by the provisions of the new Treaty between Australia and the Democratic Republic of Timor-Leste relating to the Unitisation of the Sunrise and Troubadour Fields. The Agreement was signed by Australia and Timor-Leste in Dili on 6 March 2003 and provides a framework for the development and exploitation of the petroleum resources in the Sunrise and Troubadour fields, collectively known as the Greater Sunrise petroleum resource.

The Agreement was incorporated into the Petroleum (Submerged Lands) Act 1967 in April 2004 and the required consequential amendments were made to the Customs Tariff Act 1995 the same time.

However due to unforeseen circumstances and competing priorities the Agreement was not in-
cluded when the Petroleum (Submerged Lands) Act 1967 was rewritten and renamed the Offshore Petroleum Act in 2006.

The policy on Greater Sunrise was fully debated and agreed to in 2004. This exercise today is a matter of formality to have minor amendments reflecting the Offshore Petroleum Act 2006 incorporated into the Customs Tariff Act 1995.

TAX LAWS AMENDMENT (2007 MEASURES No. 1) BILL 2007

This Bill amends various taxation and superannuation laws to implement a range of changes and improvements to Australia’s taxation system.

Schedule 1 amends the tax secrecy and disclosure law to allow the Commissioner of Taxation to disclose certain taxpayer information to officers in the Project Wickenby taskforce. It also allows this disclosure of information for similar taskforces that may be established in the future. Project Wickenby is a multi-agency taskforce addressing tax avoidance and evasion involving the use of off-shore entities. The amendments will enable agencies to better share information to aid concerted law enforcement, without compromising the general protection of taxpayer privacy.

As part of the 2006-07 Budget, I announced that the ATO’s responsiveness to superannuation guarantee inquiries would be improved.

Schedule 2 to this Bill amends the Superannuation Guarantee (Administration) Act 1992 to allow the Commissioner of Taxation to provide information to an employee in response to a complaint that an employer has not complied with its superannuation guarantee obligations. For example, this will allow employees to obtain more information on the progress of their inquiries about the non-payment of superannuation guarantee contributions.

These changes are aligned with the findings and recommendations of both the Royal Commission into the Building and Construction Industry, and the Senate Select Committee on Superannuation and Financial Services.

Schedule 3 amends the Income Tax Assessment Act 1936 and other taxation Acts to extend the employee share scheme concessions to certain stapled securities. The amendments relate to stapled securities consisting of an ordinary share and another security that is attached or stapled to the share, provided the stapled security is listed for quotation on the official list of the Australian Securities Exchange. It also extends related capital gains tax and other relevant provisions.

Currently, when an employer does not have any unstapled ordinary shares on issue, it is difficult to provide employees with access to the employee share scheme concessions. This is because the components of a stapled security must be treated separately for certain taxation purposes — the share under the employee share scheme provisions, and the other security, such as a unit in a trust, under the fringe benefits tax provisions.

Full details of the measures in this Bill are contained in the explanatory memorandum.

Ordered that further consideration of the second reading of these bills be adjourned to the first sitting day of the next period of sittings, in accordance with standing order 111.

Ordered that the Offshore Petroleum Amendment (Greater Sunrise) Bill 2007 and the Customs Tariff Amendment (Greater Sunrise) Bill 2007 be listed on the Notice Paper as one order of the day, and the remaining bills be listed as separate orders of the day.

COMMITTEES
Finance and Public Administration Committee Report

Senator NASH (New South Wales) (10.39 am)—On behalf of the Chair of the Senate Standing Committee on Finance and Public Administration, Senator Mason, I present the report of the committee Transparency and accountability of Commonwealth public funding and expenditure, together with the Hansard record of proceedings and documents presented to the committee.

Ordered that the report be printed.

Senator NASH—I seek leave to move a motion in relation to the report.
Leave granted.

Senator NASH—I move:

That the Senate take note of the report.

I seek leave to have a tabling statement incorporated in Hansard.

Leave granted.

The statement read as follows—

Today the Senate Finance and Public Administration Committee has presented a unanimous report on its inquiry into the transparency and accountability of Commonwealth funding and expenditure.

The issue at the heart of this report is nothing less than the accountability of the executive government to the legislature and through the legislature to the people.

In recent years in Australia, and especially since the High Court’s judgement in the Combet case in 2005, there has been a growing perception that the Parliament may have lost some measure of its historical and constitutional responsibility to control the finances of the executive government.

The Senate was sufficiently concerned about this perception that in June 2006 it referred the matter of the transparency and accountability of the Commonwealth’s public funding and expenditure to a committee for inquiry and report.

Historical perspective

Since Federation there have been many changes to the way in which the Commonwealth Government has accounted for its funding and expenditure. The extended responsibilities of government, the massive increase in the size of the national economy, and changes in the disciplines of accounting and management have all played a part in this.

Historically, governments have operated on an annual cash basis. There was good reason for this. Parliaments were able easily to safeguard their constitutional rights and responsibilities on that basis.

In the past twenty years, however, there have been significant changes in the way that the executive government has presented its budget to the Parliament for approval. These changes have led inevitably to changes to the Parliament’s processes for appropriating money for the purposes of the executive. There have also been significant changes in the ways in which governments account for past expenditure.

In the 1980s the government adopted a system of program budgeting. Then, in 1997, the Commonwealth Government introduced accrual accounting. In 1999-2000 the Commonwealth Budget was produced for the first time based on accrual accounting principles and in that budget the Government also introduced the outcomes and outputs reporting framework.

In some respects the changes that were made then and have since been refined appear to have been positive, and have for example provided the opportunity for public sector managers to manage better. They have also provided, through the medium of accrual accounting, information about the real state of the Commonwealth’s finances. The changes have also resulted in increased transparency for expenditure after the event.

However, it has become apparent that these positive outcomes have been accompanied by some negative outcomes, in particular in the appropriation processes.

In the time I have today I shall focus on only some of the main matters covered in the Committee’s report.

Multiple sources of funding

Among the particular matters of concern to the Senate, as expressed in its reference to the Committee, were the impact on the fiscal responsibilities of the Parliament of the Commonwealth of:

Outcome budget appropriations and reporting;

Multiple sources of funding; and

The use of ordinary annual services to fund activities including non-annual services.

As I have mentioned, historically Parliaments have appropriated funds for the annual services of the government. Currently, however, some 80 percent of the Commonwealth Government’s funds are supplied by way of Special Appropriations. These appropriations are typically used to pay for continuing expenses, for example, for pensions, where the recipient’s entitlement lasts for longer than a year. Very few Special Appro-
Appropriations lapse at the end of a financial year. Most are open-ended.

An issue of concern to the Committee is that Parliament in reality has little control over these Special Appropriations. Funding and expenditure under Special Appropriations are usually scrutinised only when an enabling or amendment bill comes before us. Admittedly, expenditure is reported in many different budget documents, but there is no consolidated report that would assist the Parliament and the Senate in particular, through the estimates processes, to scrutinise expenditure.

The Committee has recommended therefore that the government should produce a separate document that sets out the past and expected expenditure from all Special Appropriations and table that document with the annual budget documents.

The ability of government agencies to carry over funds from year to year is also a matter of some concern to the Committee. Prior to the implementation of accrual budgeting, agencies were not able to carry over funds. Now, however, agencies are funded for future liabilities, for example, for employees’ entitlements and for depreciation, and may carry over those funds that are not spent during the year.

The Committee has recommended that agencies report the amounts of unspent appropriations and the reasons for not spending the appropriations to the Department of Finance and Administration at the end of each financial year, and that the government should table a consolidated report of the amounts and reasons within six months of the end of the financial year.

The Committee has also recommended that unless the government can propose another mechanism that would overcome the transparency and accountability issues raised by the carry overs it should discontinue the appropriation of funds to agencies for the purpose of depreciation.

The outcomes/outputs framework

A number of witnesses and, indeed, members of the High Court have remarked on the high level of specification of outcomes in the budget documents. At times outcomes appear as little more than aspirations. Outcomes expressed in such terms are obviously of little use in defining the purposes of an appropriation.

The Committee has recommended therefore that outcomes be expressed in clear, simple and measurable terms.

The Committee has also recommended that expenditure should be reported at the program level in the budget documents, including in the Appropriation Acts.

Portfolio Budget Statements

The former Finance and Public Administration Legislation Committee produced three separate reports on the format of the Portfolio Budget Statements in 1997, 1999 and 2000. It is worth recalling that in its report of November 2000 the Committee stated that:

… the PBS are … well-crafted documents which contain a wealth of useful information, once the reader has grasped the underlying concepts of accrual accounting, budgeting processes, the reporting framework and reporting requirements. The PBS are not for the uninitiated.

They are evolving, however, and may eventually reach a point where they can more closely merge the government’s aspirations for them as budgeting statements and senators’ hopes for a simple, straightforward, user-friendly, yet detailed guide to the estimates.

It was timely therefore for the Committee to consider again, under the second of its terms of reference, options for improving the transparency and specificity of the budget papers. The Committee has made recommendations for improvements to the PBS, including one for a common approach to the documents and for the inclusion of estimates for three forward years for departmental and administered items.

Other Measures to improve Parliament’s oversight

The Committee was required by the third of its terms of reference to nominate other measures to improve the Parliament’s oversight of proposed and actual Commonwealth funding and expenditure.

The Committee has recommended, among other things, the Appropriation Acts should be drafted so as to make it clear that appropriations for de-
partmental expenses must be expended against a specified outcome or purpose.

**Conclusion**

To conclude, the challenges to the appropriations processes do not arise directly from accrual accounting or budgeting. Indeed, the Committee supports those measures.

However, as the Committee has found, there are quite significant shortcomings in the application of the measures for the Commonwealth’s funding and expenditure.

The Committee considers that its recommendations, if implemented, should go some way to restoring the Parliament’s historical and constitutional responsibilities with regard to public funding and expenditure.

I commend the report to the Senate.

**Senator MURRAY** (Western Australia) (10.40 am)—The remarks I make will be brief. This report from the Senate Standing Committee on Finance and Public Administration is entitled *Transparency and accountability of Commonwealth public funding and expenditure*. The title will probably make those who are more interested in the lively side of public policy move on. Yet, in my opinion, this is an extremely important report by the committee. It is one which has engaged serious thinkers in this area across the community and one which has engaged the members of the committee to a level and degree of participation, interaction and involvement which is unusual, even by the high standards of the Senate. When the draft report came out, no fewer than four members of the committee made very substantial and detailed additional contributions. I note that the unanimous report that has been produced as a consequence has 19 far-reaching recommendations which are in the interests of any government because they go right to the heart of introducing measures which will improve the nature, function and efficacy of our system.

The transparency and accountability of Commonwealth public funding and expenditure is right at the heart of parliamentary life. Those who understand the history of parliaments know that this is the battlefield on which hundreds and thousands of people have lost their lives. It is about the right of people to determine how they are to be taxed and how that taxation is to be spent by those who govern them. The fact that the history of striving for good government goes back centuries and is steeped in blood should remind us that, as dull as this may seem to those who seek other pastures of interest, this is material which goes right to the very heart of our parliamentary function. I therefore commend the report to those members of the fourth estate and of the community who are serious minded. I want to express particular thanks to the chair, the acting chair and the deputy chair of the committee for being able to contribute to what is a genuine cross-party effort, which, if adopted by the government, I think will result in markedly improved systems and standards in Commonwealth funding and expenditure.

**Senator WONG** (South Australia) (10.44 am)—I rise to speak on the Senate Standing Committee on Finance and Public Administration report, *Transparency and accountability of Commonwealth public funding and expenditure*. Although I am only a participating member of this committee, I note that this report deals with a number of issues in relation to the financial and reporting framework of government that Labor has spoken about previously. I want to place on record a number of issues that I think are confirmed by or arise out of the report. It is clear, from the terms of this report, that there are some real problems with and holes in the existing system, which is intended to provide transparency and accountability. Senator Murray has gone through a number of these. I have also spoken previously in this place.
on Australian National Audit Office reports which have identified deficiencies in the current reporting framework.

I want to talk particularly about three recommendations in the report. The first is recommendation 3, which relates to transfers of amounts between different forms of appropriations. The committee has recommended that such transfers be highlighted in reporting documents. It is a concern that a great many transfers are not disclosed until substantially after the event, and, in the interests of transparency in Commonwealth financial reports and in the reporting framework, it seems quite appropriate that there be mechanisms by which such transfers can be highlighted at the appropriate time. The committee has noted that the reporting of such transfers may not occur until well after the event. This does create difficulties for members of the public and also for senators, particularly in the context of Senate estimates in determining when such transfers have in fact occurred. I look forward to the government dealing with this issue.

Recommendation 5 deals with unspent appropriations. The committee has recommended that the agencies report the amounts of their unspent appropriations and the reasons for the underspends to Finance at the end of each financial year. It seems quite odd with this issue that there is not an easily accessible record of underspends by government. As a senator who has done estimates committees in a number of areas, I say that in some portfolios the extent to which there has been an underspend is quite extraordinary. An obvious example over the last four years has been in the Environment portfolio. I recall that a number of programs administered by the Australian Greenhouse Office over time were regularly—as I think the term was—'rephased', which means they could not spend as much money as the government had theoretically allocated, the programs were not up and running sufficiently and the money kept being pushed forward to an outer year. That happened throughout a number of estimates processes that I was involved in. It is difficult to know the extent to which the government is in fact spending what it says it will spend across portfolios without a more transparent mechanism for identifying that across government.

We also know that it is often difficult to determine overspends—that is, departments running operating deficits. I recall in relation to the CSIRO that it took Labor senators an estimates process of asking questions before the actual extent of the deficit which the CSIRO were running in that financial year was disclosed. It was significantly more than had been agreed with them by Finance. The actual amount of the overspend, or the deficit, was not disclosed until the estimates process. My recollection of the most recent estimates, a couple of weeks ago, is that we had the department of immigration disclosing, in the context of an estimates hearing, a $50 million or $60 million overspend, significantly more than what had been agreed with Finance. The actual amount of the overspend, or the deficit, was not disclosed until the estimates process. So we have unders and overs, and the government really needs to get its house in order and be clearer and more transparent about what has occurred in relation to appropriated expenditure.

I agree with the recommendation of the committee that there should be some mechanism whereby unspent appropriations are reported to the parliament with the reasons for the underspends. It might be politically embarrassing for the government, but one would have thought, given that the appropriation bills go through both this and the other chamber, that if government departments are not spending the amount that they have requested from the parliament they ought, in the interests of accountability, in fact disclose that and the reasons why. There may be reasons which are reasonable and
there may not be reasons which are reason-
able—and that would be a matter for poli-
tical debate—but surely accountability re-
quires that they in fact report those.

We have spoken a number of times in this
place over the last couple of days—and I
note my colleagues Senator Conroy, yester-
day, and Senator Sherry did talk about this—
about the general decline in the financial
accountability standards of the Howard gov-
ernment, particularly over the last two or
three years. There have been some reasona-
bly high-profile examples of that. Perhaps
the most notorious in recent times was the
$10 billion water package, which we have
spoken about on a number of occasions. Put-
ting the media aspects aside, there is a more
serious issue here. I would suggest to the
chamber, and it is entirely consistent with the
Auditor-General’s reports in relation to the
outputs framework and the other reporting
mechanisms which have been described,
that, arguably, budget papers are now less
transparent and less understandable for users
than they have been previously.

Senator Murray interjecting—

Senator WONG—Senator Murray sug-
gests that was intended, I think.

Senator Murray—No, ‘and than was in-
tended’.

Senator WONG—That may well be the
case. Certainly the rhetoric when this report-
ing framework was introduced was that it
was supposedly going to make things much
more understandable and much more ac-
countable—and the fact is it has not. I think
senators understand that because we do the
estimates process. One would have thought it
would not be a particularly difficult ask to
get program level amounts, to understand
what is allocated within a line item of an
output to particular programs, but the reality
is many departments refuse to provide that
information and the information is aggre-
gated at such a high level it is actually very
difficult at times to get clear advice about
how much the government is spending under
particular programs. The government may
want to hide that. It may want to have out-
puts aggregated at very high levels so it can
hide a whole range of its programs and not
tell us what is being underspent, what is be-
ing overspent and what it is actually doing or
not doing. But it is not particularly account-
able to announce packages and then not be
clear with the parliament and the Australian
people, through your financial reporting
framework, as to precisely what is being
spent and where.

There have been a number of reports by
the Auditor-General which have pointed this
out. I suggest that this committee report also
points this out. We also have independent
commentators such as Dr Fels and Mr
Brenchley, who recently observed in the Aus-
tralian Financial Review that the govern-
ment’s financial discipline and management
is in decay and its approach to the financial
framework appears to be alarmingly weak.
This is an issue of accountability. This is
about ensuring that you do with the money
what you say you will do. It is about ensur-
ing the parliament is clear about what mon-
ey is being appropriated for. But it is also
about performance. We can talk about ac-
countability, which is an extremely important
principle, but it is also about performance,
because the logic behind a financial report-
ing framework is to enable users of it, in-
cluding the public, members of parliament
and senators, to be able to make some sort of
judgement on the information presented as to
whether the purpose for which the money
has been appropriated has been achieved and
whether there has been performance. If the
government were confident about their abil-
ity to justify their performance then clearly
they would be far more open about disclos-
ing the state of government finances. The
government should listen to this report, just as they should take on board the Auditor-General’s report. I look forward to their response on this issue, but I have a feeling it will be a very long time coming. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Rural and Regional Affairs and Transport Committee

Reference

Debate resumed from 28 February, on motion by Senator Siewert and Senator Milne:

(1) That the Senate notes:

(a) the recommendation of the Australian Business Roundtable on Climate Change to ‘Build national resilience to the impacts of climate change’;

(b) the announcement of support for the Roundtable’s recommendation by the National Farmers Federation (NFF) on 6 December 2006, stating that the ‘NFF believes that climate change may be the greatest threat confronting Australian farmers and their productive capacity’; and

(c) the call by representatives of 16 faiths on 5 December 2006 for the Australian Government to take urgent action on climate change.

(2) That the following matters be referred to the Rural and Regional Affairs and Transport Committee for inquiry and report by 30 June 2007:

(a) the need for a national strategy to help Australian agricultural industries to mitigate and adapt to climate change;

(b) consideration of the risks and opportunities presented by reduced rainfall, increased temperatures, higher evaporation and increased climactic variability for Australian agriculture;

(c) assessment of the state of existing knowledge, the relevance of current strategies, and the adequacy of existing research and development programs to the need to address impacts of climate change on the security of Australian food production and the viability of rural communities; and

(d) the effectiveness of the National Plan for Water Security in meeting the challenges of protecting the health of our rivers, floodplains, wetlands and other dependent environments, ensuring secure water supplies for our towns and cities, and maintaining the viability of our agricultural sector.

Senator MILNE (Tasmania) (10.54 am)—I rise in support of the motion by the Australian Greens to refer a matter to the Senate Standing Committee on Rural and Regional Affairs and Transport for inquiry. Essentially, the motion is about the need for a national strategy to help Australian agricultural industries to mitigate and adapt to climate change. The reason we need this is that, at the moment, we have no national strategy to deal with rural Australia and to help people in rural Australia to mitigate and adapt to climate change. That is not to say there is not a lot of really good work going on in places like the Bureau of Rural Sciences, in conjunction with the Bureau of Meteorology—there is—and in the universities there is a lot of work going on as well. But we do not have a systematic way of addressing the issue.

If ever there was an example of that it is the mentality that the government continues to trot out—that is, that we will deal with the impacts of climate change through a relief effort on an ad hoc, circumstance-by-circumstance basis. For example, there is flood relief, drought relief and fire relief. Of course there has to be assistance for people in rural communities, but you have to recognise that climate change is going to mean that extreme weather events will occur more often and will be more intense. We are going to have deeper-biting droughts, we are going to have more flash-flooding and we are go-
ing to have extreme bushfires, including megafires, as was evidenced by the cooperative research centre presentation in Parliament House this week.

It is no use putting on the Akubra hat and rushing out to those communities with a relief cheque every time this happens, when you can anticipate that it is going to happen. We should be having a strategy to build resilience and to reduce vulnerability in rural communities to these events. A classic example globally is the Red Cross. The Red Cross is an internationally recognised disaster relief organisation. Until recent years we could not have anticipated natural disasters, so it focused all its attention on disaster relief. The Red Cross now recognises that climate change means we know the disasters are going to happen—we can anticipate the disasters happening—so it is shifting a lot of its effort to building resilience so that, when the natural disasters occur, less relief is required and communities are less vulnerable. An example of that is that, instead of coming in to give relief after a tsunami, the Red Cross is now working with the World Conservation Union to replace and replant mangroves along vulnerable coastlines because the tsunami showed that areas where the mangroves were intact were far less impacted on by the surging sea than other places which had been developed and lost all their coastal vegetation.

This is the model I am suggesting in the Australian context. We need to recognise that climate change is real and urgent. We are going to have hotter temperatures, higher levels of evaporation and changed rainfall patterns and it is going to affect the way we live on the land. We have to move to a low-carbon economy. I will repeat that: Australia has to move to a low-carbon economy. We have to look at it this way: how do we generate our energy? We can no longer afford to depend on coal and oil. How do we move ourselves and our goods around? We have come to depend on oil for moving ourselves and our goods. How do we use our land? We have to rethink how we use our land in the face of these changed climatic conditions. We have to think about what we grow and how we grow it, because our fertilisers are largely petroleum based, and we have to look at what we grow and where we grow it. We have to look at tillage methods. We have to look at how we use water. We have to deal with and consider the role of native vegetation, not only in providing biodiversity but also in acting as carbon sinks. It is the same for our forests. We have to anticipate changed patterns for invasive species in rural Australia so that we can then build resilience in ecosystems and farming communities.

If we accept that we have to do these things, it is not good enough to simply have a disaster relief strategy, which is what we currently have in Australia—this pattern of rushing out and doing the disaster relief cheque. In my view we have to go the other way around now and ask, ‘How do we build resilience, how do we reduce vulnerability in rural Australia’—well, all Australia, but this reference relates particularly to rural Australia—’and how do we do that for those communities?’ Clearly, we have to look at the three zones that we have: the pastoral zone, the wheat-sheep zone and then the wetter, if you like, horticultural zone on the coast. We need to overlay the climate maps and we need to identify where the transition zones are going to be—where it is no longer possible to go on the way we have been. Unless we do that now, we are not going to be in a position to help people make a transition so that they can stay on the land. They are going to be left in a situation where they are driven off the land, and that is what we do not want to happen. So, in order—

Senator McGauran—you do so!
Senator MILNE—Mr Acting Deputy President, I really object to Senator McGauran’s interjection that in some way we want to drive people off the land. I was brought up on the land. I have a real commitment to rural affairs and interests and that is why—

Senator Conroy—I see you’ve got another rat in Victoria, Senator McGauran!

Senator MILNE—I am involved in the work of this committee. And—

The ACTING DEPUTY PRESIDENT (Senator Forshaw)—Order! Excuse me, Senator Milne. Firstly, Senator McGauran, you know it is disorderly to interject and I think Senator Milne was taking up your interjection. Senator Conroy, if you could remain quiet we will get on with the debate.

Senator MILNE—As I was saying, it is because of the commitment I have to rural and regional Australia that I would like to see this reference go to the committee. Last year I moved a reference on oil depletion in Australia and Australia’s future oil supplies because of this issue; I am desperately concerned about it. I think it was an incredibly constructive inquiry. We had, I think, 190-odd submissions from around Australia and we met with a lot of people in rural and regional Australia who were looking at the opportunities that biofuels might be able to provide. That is an example of one way in which we need to look at what we do on the land. How can we change what we do on the land so that people can stay there? They may have to change their source of income from what they currently do to something else.

In that regard, a particular case I would like to highlight is what is going on in Western Australia with mallee. They are planting out mallee. It is great for biodiversity. It is great for salinity. It can be harvested. And, when it is coppiced, because the roots are still left in the ground you can use the biomass to generate energy and get oil from it. Once we get lignocellulose research, hopefully the breakthroughs from that will mean we can use it for biodiesel as well. It is a way of improving the land and sequestering the carbon as well as changing to a different source of income. What I am seeking to say is that we can work on this committee in a very constructive way, to go out and talk to people in rural and regional Australia about the changes that need to be made.

I would like to give a couple of other examples. I will start with the fishing industry. Tasmania has a distinctive coastline that provides a stunning backdrop for our commercial and recreational fishing industries. But the warming ocean waters and changes in local currents are now impacting on the profitability of fisheries. Now the east Australian current is coming further and further down Tasmania’s east coast, bringing with it the invasive sea urchin, which is attacking our kelp forests—the nurseries for the abalone and rock lobster fisheries. That in itself is the beginning of a serious impact.

But add on to that what is happening with Tasmanian Atlantic salmon: it is currently operating at the upper end of its temperature limit, particularly in sheltered estuaries where water temperatures are getting higher than in the open ocean. It is going to get to the point where the Atlantic salmon fishery has to change to breeding a species that is more tolerant of warmer temperatures; take its cages into deeper water, which is going to incur considerably greater costs; or bring them onshore, which again will be a considerable cost. That is an example of the need to talk about adaptation, with the fishery industries asking, ‘How are we going to deal with this and how are we going to adapt to it?’

It is exactly the same with stone fruit in Tasmania, as well as the apple and pear industry. At the moment apples provide a living for 120 families. The apple harvest is
valued at over $70 million and Tasmania is responsible for over 65 per cent of Australia’s apple exports. The cherry industry is growing at an extraordinary rate. Valued at $5 million in the year 2000, it is projected to be worth more than $25 million by 2010. However, we are now finding that this industry is particularly susceptible to drought, pests and heavy rainfall events. Many fruit trees require cold winters and frosts, but the average higher temperatures in winter brought about by global warming may well lower yields and reduce the quality of our export fruit. In fact, last October we had severe frosts which cut by half Tasmania’s $120 million fruit industry yields—apples and cherries and other stone fruit. That is just an example. Of course, here in Canberra we have just had a classic example of an unseasonal, extraordinary weather event. Such events have a huge impact not only on urban life but also, as we are discussing in this reference motion, on rural life.

Renewable energy’s potential to provide jobs and income in rural and regional Australia is considerable. Concentrated solar thermal energy is a classic case. Solar Heat and Power could roll out a 300-megawatt power station at Moree at the moment. It would need six square kilometres of land on which to do that. The rural industry there is suffering because of drought. It is no longer sustainable for those farmers to continue doing what they have been doing, but there is an opportunity for that community to shift from what they currently do to getting more involved in a use of the land that helps to provide renewable energy, which they can sell, or maybe lease part of the land on some of their large stations. Of course, most vulnerable to climate change—well, all areas are vulnerable—are the marginal areas in the pastoral zone where they have large areas of land but not a high-value return per hectare. This is where concentrated solar thermal power is an option. In fact, the CRC for Coal in Sustainable Development has said 35 square kilometres of concentrated thermal energy could provide all of the baseload power that Australia needs.

What I am arguing is: if we want to get real about climate change, if we want to get real about oil depletion, if we want to address the fact that rural Australia is suffering because of climate change, we have to accept that reality. We need to stop the awful annual situation where they are offered drought relief and there is a fight in communities in order to qualify for that drought relief. We are constantly going to have to change the parameters for drought relief. Saying that a drought is a one in 100 years event or one in 50 years or whatever is no longer applicable in terms of dealing with disasters because of climate change. What has gone before is not a measure of what we can anticipate may happen in the future.

At the moment the system for relief is very unfair because, whilst at the time of the event there is a lot of publicity around politicians turning up with cheques, afterwards rural communities are left devastated with long lag times before they get the relief and in many cases they do not qualify for it because of technicalities about the parameters for the relief.

I am suggesting an entirely different strategy. We can anticipate these disasters fairly accurately and we can anticipate fairly accurately where they are going to occur even in terms of weeds. The weeds CRC, which the government is no longer going to fund—and I think that is appalling—has done valuable work. We know, for example, that there are plants which are currently sleeper weeds. With climate change and changed conditions for growth, they may well become invasive. We should start planning and looking at all of the agricultural zones and identifying
where the invasive species are likely to start moving from being sleepers to being invasive. We should identify the places where current invasive weeds are likely to expand their habitat and plan what we do about that. How are we going to help communities shift from the current kinds of agriculture they pursue to different agricultural opportunities or rural opportunities? For some it might be changing crops. In fact if we sign Kyoto—and even without Kyoto, as the farmers and landcare organisations have demonstrated today—we have an opportunity to change tillage methods and get credits for better maintenance of soil carbon and for maintaining forests, restoration forestry and improved retention of native vegetation. All of those things are demonstrated to be advantages in carbon sinks, and protecting forests instead of clear-felling forests is a major way you can address deforestation.

The point of this whole reference is to say that we believe this Senate is well placed, especially as we can give the example of the oil inquiry, to show how you can get a cooperative approach across parties, recognising that we have a national challenge on our hands with climate change. We have real distress in rural Australia at the moment. The rate of suicide in rural Australia is completely unacceptable, and it is hidden. The issue of mental health problems in rural Australia is also a major problem. Often men in farming communities find it really hard to cope with what is going on and the lack of predictability in their circumstances, and in many cases the women in those communities are now bearing the stress load of trying to manage the books as well as trying to keep families on track with a reasonable degree of mental health in view of the circumstances they are facing.

As a Senate, we can get involved in a cross-party apolitical approach to looking at what can be done about building resilience in the economies of rural Australia in farming communities. By working together we can give hope and lift the spirits in those communities, with politicians of all persuasions prepared to come and listen and think about how we coordinate the research from the institutions that are doing the work, the experience of people on the land and the realities of what climate is going to do. We can think about opportunities to shift to new income streams from renewable energy, from sequestering carbon, from different crops and different varieties of crops, with a reasonable lead time in developing export markets if necessary for those, and we can think about how we get over to less dependence on chemical based fertilisers, to a greater shift into organic agriculture, for example, which has been demonstrated to be very cost-effective in the context of climate change and building resilience in ecosystems and biodiversity.

I think this is an extremely sensible and proactive way to demonstrate that the Australian parliament can get beyond party politics in dealing with the challenge of climate change and oil depletion. We have shown that we can do it on oil depletion with our consensus report that we brought down. I think we can now do it with rural Australia. I think there would be an enormous relief in the Bureau of Rural Sciences, in the CSIRO, in the universities and rural communities and with farmers federations around the country in seeing that we want to bring it all together to start the process of planning for the future in rural Australia and getting beyond the mentality of bandaid measures addressing the problem after it has occurred. Currently, the lack of capacity to make the transition is what drives people off the land. You will drive them off the land if you give them no option but to become dependent on what they will regard as an arrangement whereby they have to put their hand out every time
they are dealt an appalling hand by the realities of climate. So let us get on the front foot. Let us take a leap into some national leadership here on climate change. I would urge the government to support this reference and I cannot see any legitimate argument not to do so. At the moment we are not seeing the kind of leadership we need for rural and regional Australia.

Senator McGauran (Victoria) (11.14 am) — For anyone who missed it, that was a Greens speaker on this proposed reference to the Senate Standing Committee on Rural and Regional Affairs and Transport. She was linking climate change to rural mental health. That is the extreme to which she took this particular issue. She is the one that wants to shut down the coal industry within three years. She gets up in here and piously says that she is the friend of the farmer. Anyone who listened to that debate knows it was completely laced with dictatorial directions to the farmers about how to grow things and what to grow — you ought to change; you ought to move on. I jotted down all the little cliches — control, reduce, move on, tell them how. This is the Greens standing up pretending they are the friends of the farmer. Anyone who listened to that debate knows it was completely laced with dictatorial directions to the farmers about how to grow things and what to grow — you ought to change; you ought to move on. I jotted down all the little cliches — control, reduce, move on, tell them how. This is the Greens standing up pretending they are the friends of the farmers when in fact they want to shut down the coal industry. Don’t you think they also want to reduce and shut down the farming industry? No-one could possibly take the former speaker seriously. As piously as she attempted to put her case, the government rejects outright the Greens motion to refer this matter to a Senate committee.

One particular reason for that is that the government is in charge of the business of the Senate in order to implement its mandate and to get on with its business. The public quite understand this. There is the time and place for debate in this chamber — question time, matters of public interest, matters of public importance, the adjournment debate, taking note of answers and so on. There is plenty of time for debate in this chamber and time for views to be expressed. The public understand that sooner or later the government has to get on with the business of the Senate. There are many avenues to express your opinion.

I have noticed the clear tactic, particularly of the Greens in cahoots with the opposition since they lost the majority in the Senate in the last election, of putting up these references to committees, almost on a daily basis. If we took all the references, whatever the committee was it could not cope with them. The Greens put these references up so they can find another avenue to obstruct, frustrate and filibuster in the Senate. And this is another perfect example. We spent hours on it yesterday and we are going to spend hours on it today — yet another pious reference to a Senate committee. And, by the way, I happen to be on that committee — the Senate rural and regional affairs and transport committee. At our early morning meeting yesterday we dealt with three draft committee reports in relation to legislation and we have now opened up the reference to Traveston Crossing dam in Queensland. We can barely take any more work, and you know that when you put up these references. Do you really think —

Senator Stephens interjecting —
Senator Siewert interjecting —

The ACTING DEPUTY PRESIDENT (Senator Forshaw) — Order! The debate so far has been conducted in almost relative peace and calm with very few interjections. I would like to get through to 11.30 in the same vein.

Senator Conroy — Maybe he could speak through the chair.

The ACTING DEPUTY PRESIDENT — I take your point, Senator Conroy. Senator McGauran, continue your remarks.
Senator McGauran—I make the point that governments have the responsibility to manage the chamber and its Senate inquiries. There is only so much time and so many resources. I think the government has been more than fair. That is one reason it rejects this particular reference.

Then the Greens get up here one after another and speak about no national plan for climate change. That has to be tackled head on. Conveniently, the previous speaker left out the government’s most recent national plan with regard to climate change, and that is our national water policy. This is a heaven-sent policy for the rural sector—for the government to take control of the Murray. The decades of confusion since Federation and the arguments between the states have reached a critical point—this we all agree on—due to the severe drought. Something had to be done and the federal government has taken the lead. Every state bar Victoria, my own state, has fallen into line, but negotiations are going on and I am pretty sure, if not convinced, that Victoria will also fall into line behind this national water policy, conveniently left out by the previous speaker.

There is a national policy in place, to the tune of $10 billion, which will benefit the irrigators along the Murray with infrastructure on the farm and off the farm, compensation and environmental flows. They ought to read it. I am not going to spend too much of my time on it in this debate—I have a full 20 minutes—as every other speaker has. It proves the point that it is simply a delaying tactic. Why would the previous speaker leave out the government’s national water policy and not acknowledge it as it is? It is not all stitched up yet; we understand that. This is a major handing over of powers by the states. I would say it is the biggest. I think it outranks industrial relations as far as the handing over of powers to a central government is concerned. But once it was announced every state quickly understood the national interest behind it. That is something the Greens do not understand at all. And they come in here and pretend they are the farmers’ friend. There would not be a farmer alive—I would like to meet a farmer in Victoria at least—who would approach me and say, ‘I am a Greens voter and I support the Greens.’ If he did I would certainly set him straight—it is not in his interests at all to support the Greens. This is the party that wants to shut down the coal industry and tell the farmers exactly what to plant, where to plant it and probably to turn half his property into an environmental sanctuary to allow the chickens to run free. That is another reason we do not support it.

What was also conveniently left out by the previous speaker was the fact that the government has not forgotten the regional and rural sector and issues of climate change. In fact we more than understand; it is at the forefront of our thinking, a priority. We receive 60 per cent of our export wealth from the rural sector. We have put in place not only the national water policy but also the National Agricultural and Climate Change Action Plan, in August 2006. Do some research over there! The government already has them in place. Do you think this government—

The Acting Deputy President—Order! Senator McGauran, you will address your remarks through the chair. You have been doing that up to now; I would like you to continue to do so.

Senator McGauran—Mr Acting Deputy President, you would be interested to know that this plan was launched on 17 August by the current minister. The plan will help farmers deal with the effect of climate change on farm production systems and the heightened risks of pests, weeds and disease. This is not a lofty plan on climate change;
this gets right down to the grassroots—the pests, weeds and disease. It is micro-managing the problems that will come forward with climate change.

I will read from the minister’s statement. The four strategic focus areas identified in the action plan are:

• adaptation strategies to build resilience into agricultural systems—and exploit new opportunities arising from climate impacts—
• mitigation strategies to reduce greenhouse gas emissions;
• research and development to enhance the agricultural sector’s capacity to respond to climate change—through access to improved climate information tools for decision making—
• and awareness and communication—through raising awareness and understanding of possible climate change impacts among agricultural producers.

A number of elements in the action plan are already being progressed. For example, a vulnerability assessment of agricultural industries and regions, with funding of over $400,000, has been provided by the Natural Heritage Trust, promoting collaboration and coordination of climate change research and development across the portfolio’s research and development corporations, improving climate information tools for the use of farmers and promoting the inclusion of climate change into suitable agricultural planning and farm management systems.

Last year, the government put down a plan for the rural and regional sector. I think it is pretty clear that this government has its strength in the rural and regional areas, and not just politically—although that is the case; we hold more rural seats. We know our economic strength comes from the rural and regional areas. We know the strength of the coal industry, which is a regional industry. We know that our export strength comes from the rural and regional areas. We know the devastation of drought. We know that this drought is one of the worst, if not the worst, we have ever had and we have extended our drought EC—exceptional circumstances—funding to farmers and to small businesses within rural and regional areas.

The Greens come in here and piously seek to be the friend of the farmers and piously say that the government is ignoring the issue, but it is far from it. We could get into a whole climate change debate. We could start talking about the government securing Australia’s energy policy, which we brought down before the 2004 election, in which over $2 billion has been allocated to low-emission technology, particularly in the coal industry. We could start talking about how the other side seeks to shut down the coal industry. We could start talking about the nuclear industry. If we want to start talking about climate change, every point has to be discussed and not conveniently ignored by the Greens, who put up this motion. For that reason, we will not be drawn into this exercise. Just watch—tomorrow there will be another reference to another committee so they get their turn to debate it. And so it goes on. We will not be drawn into this. Our main focus is to get on with the business of the day and, for that reason, we reject this motion.

Senator BARTLETT (Queensland) (11.26 am)—I wish to put the Democrats position with regard to this proposed reference to the Rural and Regional Affairs and Transport Committee on the record. It used to be the case in this chamber in days gone by, before the government got control of it, that constructive proposals to look at important public policy issues were broadly given support across the board because it was recognised that it was part of the Senate’s role to not just have a look for ourselves at im-
important public policy issues but, more importantly, enable input from the community, from people with expertise in the field and from people who were potentially going to be affected by those issues. This proposal clearly recognises that, as representatives of farmers have said, climate change poses a huge threat to the future of Australian agriculture.

It is all very well for Senator McGauran to come in here and talk about the government being friends of the farmers. It is a lovely label. I am not sure if it is the Nationals or the Liberal Party that are friends of the farmers; it depends which one of them you are talking to. Senator McGauran could give us a unique perspective on that, having experienced the inside of both of them. But the simple fact is that it is not about nice labels and rhetoric; it is about action. This government has spent the vast majority of its 11 years in power denying the need for substantial action in the area of climate change. There are nice-sounding programs here and there, and the Democrats have been involved in pressuring to get some of them established from time to time, but the actual implementation in most cases is far short of what has been needed.

In addition, there have often been piecemeal, short-term driven responses. There has been no comprehensive overview of these sorts of things and no focus on what needs to be done. There has certainly been no adequate, open and transparent consultation with the diversity of ideas out there. As Senator Siewert said in initially speaking to this motion, a protective screen is put across anytime anyone mentions anything about a policy area that might affect farmers, as though somehow it constitutes an attack on farmers, an attempt to try to destroy this, that and the other. We just get ideological, rhetorical diatribes.

Frankly, this does not help the farmers, apart from anything else. It creates this impression that they are a protected species and that nobody is allowed to raise anything at all without risk of being ferociously attacked for being somehow anti-farmer. It is sort of a new form of political correctness we have under the Howard government. Mr Howard made a great song and dance about presenting himself as being against political correctness and people being unable to say what they think, and yet there is a whole range of areas now where, if people dare say what they think, they get slandered from one side of the country to the other. They are un-Australian, unpatriotic, anti-farmer, anti-mining, anti this—all of which, usually, is either exaggerated or fabricated.

The same goes with this debate here. This is a Senate committee reference; it is not a piece of legislation that will generate an immediate outcome. It is an attempt to try to examine issues. The government can interpret and interpose its own political rhetoric about agendas, but I think most people, including people involved in the agricultural industries themselves, recognise that there are serious issues that need a lot more action. And they need to be grappled with by people across the parliament. Senator McGauran says: ‘The government is doing all this, so don’t you worry about that. Leave it to us. We’ve got it in hand, just butt out.’ That is the attitude we get from this government on every issue: ‘We’re the government; we’re here to govern. We’re fixing it. Butt out. Leave us alone. Shut up. We’re not interested. We’re not listening. Go away.’ That is their attitude towards the Senate, the parliament and large portions of the Australian community: ‘We’re in charge. We know what’s best. Leave us alone. We’re going to do it.’

Clearly, on climate change—and not just on climate change but certainly on that
area—the government has failed. To expect anybody to suddenly believe that they are across all of this, on top of it, committed to it and making substantial and urgent change is ludicrous. This is not something we can faff around on for another 10 years while they figure out which constituency they do not want to offend and how they can best pork-barrel them if they need to do something that might affect them. This is urgent. It was urgent 10 years ago, and the lack of action we have had over that 10 years constitutes culpable negligence. It is simply too late to be faffing around any longer.

That is why these sorts of inquiries are important. It is another example—the list is now getting longer and longer—of constructive, valuable proposals for Senate inquiries just being contemptuously brushed aside by the government. They were quite happy to sit in their own little back room and dream up an inquiry to try to score some political points on the Traveston dam in south-east Queensland and not consult anybody else about it. They just bulldozed it through. But when it comes to anyone else putting up ideas they are just dismissed. They just say: ‘We know what’s best. Leave us to it.’ But they are happy to set up an inquiry into the Traveston dam, which, broadly speaking, is a matter being driven by state government in any case.

Of course I supported that inquiry, and I must say I will participate in it enthusiastically, but it is a perfect example of why Senate inquiries are valuable. I think the National Party senators have made their own case for that. It does not matter that the dam is an initiative of the Queensland government. It goes to a range of issues of broader public importance and significance. It goes to issues of our national water policy; national environment laws; threatened species; transparency, accuracy and honesty in public debate; and giving the public a say—all of which are ample reasons to support the proposal put forward by Senator Siewert.

The other point that has to be made in this debate when the impacts of climate change on agricultural industries are being looked at is that agricultural industries are not just potential victims of climate change; they are also significant contributors to emissions in the first place. That is just a simple fact. Again, under the new era of Howard government political correctness and suppression of freedom of speech, anybody that puts out that basic fact is asking to be slandered as somehow being anti farmer, as attacking farmers or trying to destroy rural industries. Actually, what we are doing by putting it out there is trying to protect rural industries from the damage of climate change if they do not do something about it.

We are all hearing about the coal debate and coal exports. Frankly, I think it is a bit of a distraction. As I have said on the record, the notion of trying to close down coal exports from Australia is not practical and not necessary. The proposals put forward by the vast majority of environment groups, let alone anybody else, still see a role for coal down the track—a reduced role, but a role. Similarly, anybody that points out the extent of emissions from the agricultural sector is not saying we have to close it down. That is the sort of knee-jerk response we have had from the government anytime anyone suggests any sort of action. We just get: ‘You can’t do that. You’re trying to close it down.’ We are not trying to close it down; we are trying to make it evolve, for a cleaner future and a future where the industries will not be subjected to such harsh and dramatic impacts, as could well happen if emissions are allowed to continue to rise at anything like the rate that they are—or even if they are
allowed to continue to rise at all. The chances of dramatic impacts are quite severe.

A United Nations Food and Agriculture Organisation report came out a couple of months ago. It had the finding that, globally, from livestock alone—so not the whole agricultural sector—the amount of greenhouse emissions is greater than from all the transport sector put together: cars, trucks, shipping and aviation. All of those put together still have lower greenhouse emissions than just livestock globally. Given Australia’s heavy reliance on livestock, I think it is reasonable to assume that the same thing would translate to Australia. Putting that factor out on the table does not mean we therefore have to close down the beef and dairy industries, but it does mean we need to be aware of that and take that into account in how we, on a scientific basis, effectively reduce emissions. And you cannot do it in a ‘business as usual’ way. It will mean changes in behaviour. It will mean shifting from some agricultural pursuits to other agricultural pursuits.

To say that we are simply not allowed to raise those issues because that is attacking the industry or being anti farmer is not only ludicrous and a deliberate suppression of speech and facts but also an approach that is not doing the farmers themselves any good. Even getting those basic things out into public debate would be served by this inquiry because, frankly, I think most Australians are not aware of them. I remember an article that was published in my hometown paper, the Courier-Mail—it might have been the Sunday Mail version—a month or so ago where a columnist made the simple point that, from the point of view of either water consumption or greenhouse emissions, if people wanted to make a big impact then they could stop eating beef. The response and outrage that that drew from some readers was immediate.

To just refuse to allow those sorts of facts to be put out there is, as I said, not doing the agricultural sector, let alone any of us, a service in trying to ensure a fact and science based approach to how we reduce emissions. Certainly, the Democrats approach has not been to look for magic bullets or to target one particular industry or activity and make them the bad guy or the whipping boy for everybody and suggest that that is going to solve everything. It is an issue that is going to need across-the-board responses, across all endeavours of society. It is an issue that will require action and has impacts on all of us. In different ways, we will all have to change what we do.

In the same way that we should not single out any particular sector or industry for attacks, we also should not have any sector or industry exempt from examination just because of political sensitivities or political correctness. That is a key aspect of the government’s reasons that they have put forward as to why they will not support this inquiry, apart from their usual approach these days, which is that they do not support any inquiry except their own. That is basically the state of affairs that we have arrived at. It is another reminder of why the Senate contest at the next election will be just as crucial as the contest for who ends up in government. Whoever ends up in government, people want a Senate that is actually going to operate independently and enable proper scrutiny, not just of the government of the day but of issues of importance of the day. Their only hope is to return the Senate to a state where it is not controlled by one party or group so that we can make it function again in a democratic way that actually enables input from the people who are affected, rather than just saying: ‘The government’s in; they can do what they want for the next few years. We all just have to sit on the side and hope they do it right.’
Senator STEPHENS (New South Wales—Parliamentary Secretary to the Leader of the Opposition) (11.40 am)—I would like to speak in support of the proposed reference to Senate Standing Committee on Rural and Regional Affairs and Transport. I congratulate Senators Siewert and Milne for proposing the reference, because it is really important. Senator Bartlett stole my thoughts on what the real agenda is. Since the government took control of the Senate, it really is all about just suiting their own whims and damping down any constructive political debate on issues that they do not find very palatable.

It is of great concern to me that someone like Senator McGauran comes into the chamber and makes extraordinary statements and accusations. I noticed that he said he would like to meet a farmer, and I am sure there are plenty of farmers who would actually like to meet him too. Having abandoned the National Party for the Liberal Party in Victoria, his office is in the Melbourne CBD and the farmers probably do not even know where to find him. Besides that, he made some pretty insulting comments about not just the issues raised by Senator Milne but also the substantive issues around the effects of climate change on the agricultural sector and rural and regional communities. I would like to reflect on those for a moment.

His first statement condemned Senator Milne for linking the issue of climate change to mental health, and yet that goes against the grain. Anyone who has been outside of this place and has travelled around drought declared areas of the country would have heard incredible stories about the levels of depression and suicide, the distressed children that are the concern of people in those communities, the lost opportunities for rural workers, the lack of opportunity to work and have a regular income in those kinds of communities, and the impacts that is having on the services and the agencies that are providing services to people in those communities. So, even before we go to the issue of what the impact of climate change might be on the agricultural sector and take a minute look at what the impacts might be on regional communities, the first thing we should be looking at is the mental health impacts. I found his comments quite insulting in that regard.

Important issues are encapsulated in this reference. The reference acknowledges the recommendations of the Australian Business Roundtable on Climate Change to build national resilience to the impacts of climate change. The Australian Business Roundtable on Climate Change are an august body. They represent key leaders of industry and the industries of the future. They are concerned about the economic underpinning of industry in Australia and they understand that they have a responsibility to contribute to climate change solutions. They have genuine concerns. The National Farmers Federation made quite significant statements about their responsibility as farmers and acknowledged that climate change may be the greatest threat confronting Australian farmers and their productive capacity.

Then we have the statement by 16 faith groups calling on the Australian government to take urgent action on climate change. This is one way the government can take some urgent action on climate change—that is, allow a reference to a Senate committee. Rather than suggest that the reference is only a base political move to embarrass the government, the government should reflect on what references to Senate committee inquiries used to be about, which was to enable people to articulate their positions clearly, to provide evidence, to advise the Senate and the government, and—a very important point that Senator Bartlett just made—to debunk
some of the myths and nonsense out there about the impact of climate change.

Yet the government are not prepared to support a reference to the Standing Committee on Rural and Regional Affairs and Transport, which in the past has been really a very cooperative committee. The inquiry into Australia’s future oil supply, the reference Senator Milne referred to, raised very important issues which were supported by both sides of the chamber. Last year we had the rural water supply reference, which was a very constructive inquiry and informed the government and all the opposition parties about where and how quickly things are changing in relation to water. So it is very frustrating to argue for a very reasonable inquiry reference when we know the government do not want to do it because they are in the business of silencing dissenting voices wherever they are. The government are in denial. The only way they can deal with silencing those voices is to hear only from the people they want to hear from and allow only those voices that agree with and endorse their position to be heard.

There are a lot of people out there who disagree. Some of them are in the Australian Greenhouse Office of the government’s own Department of the Environment and Water Resources, which says that the impacts of climate change on agriculture are a key concern to Australia because of the sector’s importance to the economy.

There are important positive effects, too, that may come out of climate change, which is something that has not even been raised in the debate. It is a left-field argument, but there are positive impacts as well that have to be dealt with in agriculture. I am talking about water use efficiency or increased growth—although the potential offsets for those are very concerning.

The potential impacts are starting to be recognised as going across the entire agricultural sector: cropping, horticulture, viticulture, grazing, livestock, fisheries—the list goes on. Some of the impacts we are starting to hear more about—and we would like to hear more through the constructive process of a Senate inquiry—relate to reduced water availability for crops. These include reduced cropping yields, changes to world grain trading—a very significant issue—and the increased risks of parasites, pests and pathogens to our agricultural base, which is the issue that Senator Milne raised.

I am also thinking about the issues of change in frost frequency and severity, which might cause lower yields and reduce fruit quality in horticulture, or the damage from extreme events such as hail, winds and heavy rain—and we saw such damage just this week here in Canberra. Then there are the issues of increased risks of pests and diseases in horticulture and also the impact that warmer conditions may have on very practical things like the chilling requirements for some fruit cultivars. There are many aspects of climate change that need to be considered in agricultural production.

Let’s think about the wine industry and what is going on there. Higher ripening temperatures may reduce optimum harvesting times, and that has real implications for that burgeoning industry in Australia. There are potential changes to wine quality based on temperature, and warmer conditions may actually allow new varieties to be grown in some areas. We have the issue of trying to introduce water savings and reduce water supply for irrigation crops. These are all very important issues for the agricultural sector and they are issues that farmers and producers are seeking advice and information on. We should be able to access that advice and information too.
Let’s think about grazing and livestock. I do not know where you live, Mr Acting Deputy President Chapman, but if you lived on my farm you would see that there is not a scrap of grass or an inch of topsoil left. When you think that it was a thriving superfine wool property and see what it has been reduced to, you realise that this is a very important issue. We have higher temperatures that are reducing milk yields. We have decreases in forage quality. We have reduced livestock capacity all across the country. We have heat stress in Northern Australia impacting on productivity and animal welfare. We have the whole issue of salinity. It is hidden by the drought at the moment, but as soon as the rains come back it will again be a huge issue.

I cannot overstate the importance of all of us understanding the impact of climate change on the agricultural sector. I will give you just one example in New South Wales. In the Hunter Valley, the dairy industry is worth about $90 million a year in turnover. There has been a study into projected increases in temperature leading to heat stress and resulting in reduced milk production. It was undertaken by the CSIRO, which conducted atmospheric research centred on the town of Muswellbrook. Milk loss resulting in loss of income is predicted to increase from 3.3 per cent of production in 2000 to double that, six per cent, by 2070. In that industry alone—just one industry—shade and shelter for milk cows will become a necessity, creating a significant financial burden for farmers. It is something they will have to factor into their farm business plans.

Thinking about the impact on rural communities, climate change presents a huge threat to the survival of rural based businesses and communities. Unless we take some action now, our future and our children’s futures are at stake. There is anecdotal evidence everywhere that the current climate variability, which we see in the gripping drought, has resulted in a downturn in productivity and is impacting very significantly on smaller rural communities, which are the service centres for surrounding rural districts. Businesses are distressed because farmers and farming families no longer have money for discretionary spending—everyone from the local hairdresser to the local butcher is being impacted. Farm machinery dealers are parking their machinery on the streets and have no business. The urgent repairs and maintenance of farm equipment is now not happening. Vehicle sales are being impacted and a new car is now no longer a viable option.

Lifestylers are actually propping up some small towns because they do not rely on farm income. Think about Cooma, where the reduction in snowfall has created a huge downturn in the tourism related industry. Occupancy rates for tourist venues have dropped dramatically. That is just one example. Less snow means less water in the dams and less water to allocate to farming. The impact on people of all that has resulted in depression, suicide, family breakdown and the mental health issues that we have talked about. When I went to the drought summit in Parkes a few years ago, I was overwhelmed by the extent to which mental health issues were what everyone wanted to talk about. This is no longer a hidden issue.

Let’s think about the wheat industry in Australia. It is a massive industry and makes a massive contribution to our national economy. Professor Peter Grace from the Queensland University of Technology said that a study of five major wheat-growing areas predicted that changes to weather patterns could cause a drop in production of up to 24 per cent. Soaring temperatures and declining rainfall caused by climate change could wipe $1 billion a year off Australia’s wheat industry within 30 years. This is a very significant
issue for us all to consider. He also suggests that atmospheric carbon dioxide levels are predicted to increase significantly in Australia over the next 30 to 50 years, causing temperatures to rise by up to three degrees and rainfall to drop by around 20 per cent or more. This is very significant for us all. Of the five grain growing areas, those most affected by global warming would be the South Australian regions of the southern Mallee, with a 24 per cent drop in production, and the northern Eyre Peninsula, with a 19 per cent drop. The Riverina district in New South Wales has already recorded a 12 per cent reduction, central eastern Western Australia has had a 10 per cent drop and the Darling Downs in Queensland a five per cent decline. We have already seen that we have a lot of work to do on drought resistant crops, which already exist in other parts of the world but which we now need to think about introducing into Australia.

These are the kinds of issues that we would be able to tease out and address in a reference to a constructive committee inquiry, but it looks like it is not going to happen. While the government might decide that there is not a link between climate change and agriculture and there is no need for an inquiry, there are many organisations, including those I mentioned like the National Farmers Federation and the Australian Business Roundtable on Climate Change, that are not going to wait for the government to act. David McRae, a research scientist with the Queensland Department of Primary Industries, is now conducting seminars on how to handle climate change which are being sponsored by Leading Sheep, an Australian Wool Innovation project in partnership with the Department of Primary Industries and Fisheries in Queensland and supported by AgForce.

We have a very frustrating situation in this place where people do not want to talk about the issues and where they do not want to hear counterarguments. But at least, as Senator O’Brien told us all yesterday, Labor are prepared to listen on this issue. We take climate change very seriously and we do want to engage with farmers to find solutions. We have indicated very clearly where we stand on the issue of climate change. If elected, Labor will start by ratifying the Kyoto protocol, by cutting Australia’s greenhouse pollution by 60 per cent by the middle of the century, by setting up a national emissions trading regime, by substantially increasing our renewable energy target and by ensuring that Australia’s disaster mitigation plan reflects the impact of climate change. Of course, the Labor leader, Kevin Rudd, has already announced that he intends to convene a national climate change summit so that the best science and the best ideas can be put on the table. The National Farmers Federation and others will be invited to participate in that.

Before I conclude, I want to go back to the points made by Senator Siewert yesterday about the national water plan, because Senator McGauran made some outrageous comments about the national water plan. It struck me that Senator McGauran has not read it. It was quite clear that he had not read it. He said, ‘It’s not quite stitched up yet.’ That is for sure. We know, as Senator Siewert told us yesterday, it is not referenced. If you look at the plan, you will find it is an outrageous piece of propaganda with very little substance. It is not costed. We heard all about that during the estimates process and from information that has been dribbling out over the last few weeks. There are no targets in terms of water savings and management. The government have back-pedalled this week about how they are going to deal with over-allocations, and there are no figures at all to indicate just how they are going to deliver on the water savings.
A very sensible argument was presented by Senator Siewert yesterday about how we have to think systemically about natural resource management issues, including water. There is no sense that we are getting any systemic thinking or whole-of-government thinking on the issue of climate change. We have one organisation, one minister or one senator saying one thing and someone else saying something counterproductive and contradictory and nobody can make sense of why the government is in such denial about climate change. I commend the reference to the Senate.

Senator SIEWERT (Western Australia) (11.59 am)—I thank senators for their contributions to this very important debate. I admit I have been disappointed with the government representatives’ input into the debate. It appears from Senator McGauran’s input today that he did not listen to the first part of the debate yesterday—and I will come back to that in a minute. But it also appears that the government does not want to support this because there is only so much time and there are only so many resources to deal with things—implying there were not enough resources for the committee to examine this.

I wonder about the government’s priorities. Do they take on board what the National Farmers Federation says? I repeat what I said yesterday: the NFF believes that climate change may be the greatest threat confronting Australian farmers and their productive capacity. But apparently there are not enough resources to deal with this and for the committee to make it a priority. I hope the National Farmers Federation is listening to this or hears about it and gives some advice to the government about that.

It is also interesting that Senator McGauran referred to the government’s National Agriculture and Climate Change Action Plan, which came out in August last year. I have read that, and I will come back to that in a minute too. But it is interesting to note that the National Farmers Federation made their comments about climate change being the greatest threat after the national action plan came out—suggesting, I think, that they believe further work needs to be done.

If Senator McGauran had been listening to the debate yesterday he would have heard me comment extensively on the national water plan and also point out that my colleague Senator Milne was going to refer more to climate change and leave comments on the water plan to me. And just in case he is listening now, and to reiterate what Senator Stephens just said, I commented extensively on the fact that the plan does not have any costings. There was no consultation with key stakeholders. There are no targets: we have no idea of what the actual targets are.

As is becoming quite obvious, the coalition is in disarray, with the Liberals saying one thing about the plan and overallocation and National Party representatives saying another. That became clear once again in the House of Representatives on Tuesday, when Mr Vaile made some very strong comments about the way the plan was going to run and to the effect that buying back leases was a last resort. Buying back leases has been the last resort for years and years. It has not worked. One of the reasons why the various rescue plans for the Murray have not worked is that the government has not wanted to take the hard and tough decisions that need to be made, and face up to its constituents and say: ‘Time’s up, guys. We need to do this properly or we’re never going to rescue the Murray and it is just going to continue to die.’

One of the things this inquiry would do is enable members of the community, the stakeholders, to give their comments on the
national plan. They have never been given the opportunity to give their views on what they think the Murray’s future should look like. What should the targets be? I believe that people want a healthy, functioning ecosystem for the Murray. That is what I want, and that is what I believe Australians want. And I think that they need to be included and to have an opportunity to have their voices heard on what they think the Murray should look like. That is not articulated in the national plan.

I have read the national plan, and there are no referenced justifications for the costs and for the suggested savings to be made from water efficiency methods. The National Farmers Federation have also commented on that. They want to see the references for the claimed efficiency gains because they do not think they are there either. Other farming organisations have said the same thing. And, as I said, it is not clear how the plan is going to work because you are getting different opinions on when water allocations are going to be brought out and for how much.

Senator McGauran put quite a bit of reliance on the National Agriculture and Climate Change Action Plan, implying that it was the be-all and end-all of the government’s approach. Well, if it is, that is very sad. And it highlights even more the need for this inquiry.

So we have a plan here. But the Australian Bureau of Agricultural and Resource Economics, our leading agricultural resource economists, have only just begun to look at the impact of climate change on our farmers. And, as I highlighted yesterday, they cannot even set a time line for when they are going to deliver that work. It is just going to be a very long time into the future. So much for the national action plan on climate change and agriculture! Our leading resource economists still cannot give us a time and still have not engaged with this issue seriously. They obviously are not included in the plan.

The plan touches on the issues of adaptation and resilience. It takes the approach that we can gradually get agriculture addressing these issues by slow adaptation. The government have done that in the past; they can continue to do it. Unfortunately, the science does not show that that is what is happening. That is what they have been doing but the science is starting to show they cannot make those jumps. So, while adaptation is very important—there is no doubting that—we also need to look to the future and at new agriculturally sustainable industries. We are particularly looking at and talking about the issues around perennials and adapting new industries—getting on the front foot to adopt new industries, to assist farmers to grow new crops to address climate change. Those are essential issues.

To strike a positive note: I was very pleased to see that the Future Farm Industries Cooperative Research Centre was funded at the end of last year. I think that was a tremendously positive step. However, that cannot be relied upon to be the sole contributor to developing new industries in Australia. Unfortunately, at the same time, as has been discussed in this place, the government took funding away from the weeds cooperative research centre, which is going to be incredibly important in terms of the interaction between invasive species and climate change.

One of the areas that we have not touched on previously, but which needs to be dealt with, in terms of agriculture, is the Natural Heritage Trust. This trust, as everybody knows, spends billions of dollars on natural resource management and on assisting the repair of our nation’s lands.

How are our natural resource management regional groups dealing with climate change?
I know many of these groups; I have had contact with a wide range of them and I think they do an excellent job. But they do not have the capacity to model the interaction of climate change with natural resources, to interpret that modelling and then to work out how to deal with it when they are formulating their regional plans and spending NHT dollars.

In Western Australia, my home state, I am deeply concerned—and I know others are too—about the interaction of salinity and climate change. At the moment, we could very well be planting trees to address salinity in the landscape that will subsequently have a negative impact in relation to climate change. We also may be planting them in the wrong places, particularly when in an agricultural landscape we are planting biodiversity plantings and refugia for species. If you look at the modelling for climate change, you see that species are going to have to start moving. We may well be planting in the wrong places. None of these issues are being sufficiently factored into the work and the research that is being done. The research is very limited. I remind the chamber again of CSIRO’s comments about research on climate change being ‘nickelled and dimed’.

Perhaps the government’s approach is really along the lines of the Prime Minister’s approach when he was making comments on the impact of a six-degree rise in temperature. His comments were to the effect of: ‘Well, it’ll make people a little less comfortable.’ I am sorry, a six-degree rise in temperature will destroy agriculture as it is practised today in many places. It will mean it will no longer be able to be practised in those places. We just heard Senator Stephens outline the impact of minor temperature changes. Large temperature changes into the future will have a very significant impact on agriculture. We need to start planning for that now. We need to start working out transition strategies to help farmers move to other crops, maybe to move to other areas and maybe to move to a mixture of some form of agricultural practice and stewardship—because our lands in Australia are always going to need some form of management.

Finally I would like to address the comments that Senator McGauran made about the Greens wanting to move people off the land. That is so far from the truth it is ridiculous and a pathetic comment to make. He obviously has not listened to one little bit of the debate other than to try to pick up issues on which to score points. Perhaps he should have actually listened to the debate and then addressed the real issues rather than writing his speech before listening to the debate and the comments that we were making. We do not want to make people leave the land. But, if this issue is not properly dealt with, that is what the effect of the government’s policies will be, because people will no longer be able to farm in the areas that they are farming in now. They will be forced off the land because they will be driven broke. They will continually have to make minor changes, and the profitability of their land will be driven down and down. So we need to get on top of this issue.

I was hoping that we could address this with a bipartisan approach because it has got to cross political boundaries. This is such a significant issue that it has to cross political boundaries. I really do not think that Senator McGauran contributed to the debate very well by trying to politicise it when we were deliberately trying not to do that in seeking to refer this issue to a committee. We heard a number of speakers yesterday and today refer to the fact that the Senate Standing Committee on Rural and Regional Affairs and Transport works well. A number of the inquiries I have been involved with in that committee have produced bipartisan reports. Our oil inquiry report and our water report
were cross-party, unanimous reports that I think contributed very sensible recommendations on those issues. I believe that the committee could do the same thing on this issue. It needs to be looked at. Not enough is being done. We do not understand fully the extent of the impacts of climate change on our agricultural systems. They are going to be massive, and work is needed now. I commend this reference motion to the chamber.

**Question put:**
That the motion (Senator Siewert’s and Senator Milne’s) be agreed to.

The Senate divided. [12.15 pm]
(The President—Senator the Hon. Paul Calvert)

**AYES**

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**NOES**

| Abetz, E.     | Adams, J.       |
| Bernardi, C.  | Boswell, R.L.D. |
| Brandis, G.H. | Calvert, P.H.   |
| Chapman, H.G.P.| Colbeck, R.    |
| Coonan, H.L.  | Eggleston, A.   |
| Ellison, C.M. | Ferris, J.M.    |
| Fierravanti-Wells, C. | Fifield, M.P. |
| Heffernan, W. | Humphries, G.   |

Johnston, D.          | Joyce, B.       |
Kemp, C.R.            | Lightfoot, P.R. |
Macdonald, I.         | Macdonald, J.A.L.|
Mason, B.J.           | McGauran, J.J.  |
Minchin, N.H.         | Nash, F.        |
Parry, S.*            | Patterson, K.C. |
Payne, M.A.           | Ronaldson, M.   |
Santoro, S.           | Scullion, N.G.  |
Troeth, J.M.          | Trood, R.B.     |
Vanstone, A.E.        | Watson, J.O.W.  |

**PAIRS**

Nettle, K.           | Ferguson, A.B.  |
Bishop, T.M.         | Barnett, G.     |
Conroy, S.M.         | Campbell, I.G.  |

* denotes teller

**Question negatived.**

**AUSTRALIAN TECHNICAL COLLEGES (FLEXIBILITY IN ACHIEVING AUSTRALIA’S SKILLS NEEDS) AMENDMENT BILL (No. 2) 2006**

Second Reading

Debate resumed from 28 February, on motion by Senator Scullion:

That this bill be now read a second time.

upon which Senator Carr had moved by way of amendment:

At the end of the motion add:

“but the Senate considers that the present Government has been complacent and neglectful about the Australian economy by:

(a) presiding over a skills crisis through its continued failure over more than 10 long years in office to ensure Australians get the training they need to get a skilled job and meet the skills needs of the economy;

(b) failing to make the necessary investments in our schools and TAFE systems to create opportunities for young Australians to access high quality vocational education and training, including at schools;

(c) failing to increase the number of school-based traditional apprentices and pro-
vide funding support for schools in taking up the places;
(d) creating expensive, inefficient, stand alone colleges, without cooperation with the States within the existing Vocational Education and Training framework;
(e) riding roughshod over the States and Territories in establishing these Colleges, despite the role the States and Territories play in vocational education and training;
(f) making Australian industry wait until 2010 for the Australian Technical Colleges to produce their first qualified tradesperson;
(g) failing to provide support to other regions that have skill shortages, but are not listed for a Technical College”.

Senator CAROL BROWN (Tasmania) (12.18 pm)—As I was saying yesterday in the debate on the Australian Technical Colleges (Flexibility in Achieving Australia’s Skills Needs) Amendment Bill (No. 2) 2006, recruitment difficulties were most prominent in the construction and manufacturing industries, with the lack of necessary training and skills being the main reason why applicants were unsuitable and the positions remained unfilled. What a debacle! Burnie is a city that is trying to move forward, with employers desperate for workers to fill positions, yet it still experiences a higher unemployment rate than that for the rest of the state because applicants lack the skills and necessary training to fill the positions. The Australian technical college campus located in the city is unlikely to make any difference to the current situation in the short term, with fewer than 100 enrolments for the current year. The technical college program has so far failed to combat the severe skills shortage in north-west Tasmania, a situation that is not likely to improve in the near future.

The government’s decision to opt for this short-term, bandaid solution to the problem is not only failing to overcome the skills shortage; it is preventing regional cities such as Burnie from finding their feet and making the most of their increased investment opportunities. This situation is not confined to Burnie. It is one relative to the whole state, with the Tasmanian Survey of Business Expectations for the March quarter 2007 noting:

... the availability of suitable qualified employees continues to be the number one constraint on business.

This crisis is unlikely to be alleviated in the near future and is the direct result of the Howard government’s 10 years of neglect of training and vocational education in this country. This neglect has resulted in situations like that in Burnie, where employers are desperate for workers and people are desperate for work but employers are unable to fill the positions available because of a lack of training and education.

It all appears to be a case of too little far too late for the government. The government were happy in 1996 to cut $240 million from the education budget, which has resulted in over 325,000 people being turned away from TAFE since 1996. Now, because of the government’s unwillingness to invest in vocational education and training, the Australian Industry Group has estimated that we will require 270,000 more trained people to fill the current skills shortage. The immediate solution to such a skills shortage is not going to be found in the Australian technical colleges program, with enrolments not even coming close to reflecting the demand for skilled labour. Three years on, we are in a federal election year and the government are yet to fulfil their 2004 election promise of 25 Australian technical colleges. Only five are so far up and running. The establishment of these colleges appears to be a rushed, token attempt by the government to fulfil their 2004 election promise rather than a measure
aimed at genuinely combating the severe skills shortage in this country.

The government, by establishing this program, has failed to use the state based TAFE programs and has done nothing more than complicate the skills shortage issue and stretch valuable resources across two fronts instead of pulling them together and tackling the issue head-on. The duplication of secondary vocational training has not resulted in an effective solution to the skills shortage; it has resulted in a costly, ineffective program that works against, rather than with, the existing state structures. What does this tell us about the technical college program? It tells us that, in every element, it was motivated by the political ambitions of the current government rather than by the practical needs of the Australian workplace. The program was created independently of existing state structures so as to sidestep the involvement of the states. The colleges were established in marginal federal electorates such as Bass and Braddon in Tasmania as a token gesture to lure votes rather than to genuinely combat the severe skills shortage—not the best public policy solution and not good planning.

Senator Abetz—That’s not right.

Senator CAROL BROWN—It is exactly right. This government only acknowledged the skills shortage because of political pressure. Labor, through the shadow minister, Mr Smith, has stated:

… the only effective approach to take to enhancing vocational education and training is by the Commonwealth taking a leadership role and acting in cooperation with the states and territories and with industry. That is the most effective way of ensuring that we cater for our long-term skills needs and requirements.

…

The best way of ensuring that we meet our skills and training needs into the future is by the Commonwealth working cooperatively, through the government of the day, with the states and territories and working cooperatively with industry. This is the best way of ensuring that the Commonwealth’s priorities, the Commonwealth’s needs—those areas which the Commonwealth regards as priorities—are the focus of our vocational and educational skills and training.

That is the complete opposite of what this mob has been doing, and that is why we have a skills shortage. The government has essentially embarked on duplicating the existing vocational education and training infrastructure and setting up an expensive stand-alone system. We have a shortage of skilled and trained workers for two reasons: firstly, because the government has actually cut public spending on vocational education and training; and, secondly, because of this government’s neglect over 10 long years.

Senator BRANDIS (Queensland—Minister for the Arts and Sport) (12.24 pm)—I thank all honourable senators for their contributions to the second reading debate. The Australian Technical Colleges (Flexibility in Achieving Australia’s Skills Needs) Amendment Bill (No. 2) 2006 demonstrates the continued success of the Australian technical colleges program and reflects the progress that has been achieved to date in implementing the initiative. Twenty Australian technical colleges are currently operating, with one more to open in the next few months in the Pilbara region of Western Australia. Some 2,000 students across Australia are attending the colleges this year. Four more colleges will commence in 2008. Once the colleges are fully operational, some 7,500 students will be trained by them each year.

Given that the legislation appropriating funds for this initiative only became available in late October 2005, this is a fantastic achievement by the government, with the initiative implemented well ahead of schedule. It normally takes an average of about three years to establish a new school. This
government has established 20 Australian technical colleges in less than 18 months. Credit must be given to the local communities that have embraced the Australian technical college concept and ensured their swift implementation. Business and industry have shown great support for the colleges and are taking a leading role in the management of the colleges to ensure that they reflect local industry needs.

In a number of cases, existing education and training providers, including TAFEs, are working closely with the colleges. Those opposite appear not to realise this. To suggest that the Australian technical colleges are competing with or duplicating TAFEs is simply wrong. How many TAFEs are providing year 11 and 12 students with a senior secondary certificate and a year or more of full trade apprenticeship? None. The additional funding provided under this bill will ensure that the colleges are resourced to provide the highest levels of support to both students and the employers who engage students as school based apprentices.

A number of Australian technical colleges are operating sooner than anticipated. Several will now operate from multiple campuses to better service their region, and students at all colleges will be trained using the latest machinery and equipment. The impact of the Australian technical colleges initiative goes beyond just the direct benefits that the thousands of enrolled students and their employers will receive. Australian technical colleges will spearhead a change in culture whereby trade qualifications will become a highly valued alternative to a university degree. The colleges will develop a reputation that will show students and parents that vocational education and training provide access to careers that are secure, lucrative and rewarding.

The leadership shown by the Australian government through the initiative has resulted in all state and territory governments removing barriers to students undertaking full trade apprenticeships while still at school. In fact, it is encouraging to see that some states are now endeavouring to follow the Australian government’s lead and have announced their own initiatives to improve trade training in schools. We hope that these initiatives will be properly resourced and implemented.

The Australian technical colleges initiative is just one of a range of vocational and technical education initiatives that the Australian government is delivering during 2006-09. In fact, this government’s investment over that period will total more than $11.3 billion, the biggest commitment to vocational and technical education by any government in Australia’s history. I commend the bill to the Senate.

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

The Senate divided. [12.33 pm]
(The President—Senator the Hon. Paul Calvert)

Ayes.......... 32
Noes.......... 36

Majority........ 4

AYES

Allison, L.F.  Bartlett, A.J.J.
Brown, B.J.  Brown, C.L.
Carr, K.J.  Crossin, P.M.
Evans, C.V.  Faulkner, J.P.
Forsaw, M.G.  Hogg, J.J.
Hurley, A.  Hutchins, S.P.
Kirk, L.  Ludwig, J.W.
Lundy, K.A.  Marshall, G.
McEwen, A.  McLucas, J.E.
Milne, C.  Moore, C.
Murray, A.J.M.  O’Brien, K.W.K.
Polley, H.  Ray, R.F.
Sherry, N.J. Siewert, R.  
Stephens, U. Sterling, G.  
Stott Despoja, N. Webber, R. *  
Wong, P. Wortley, D.  

**NOES**  
Abetz, E. Adams, J.  
Bernardi, C. Boswell, R.L.D.  
Brandis, G.H. Calvert, P.H.  
Chapman, H.G.P. Colbeck, R.  
Coonan, H.L. Eggleston, A.  
Ellison, C.M. Ferris, J.M.  
Fielding, S. Fieravanti-Wells, C.  
Fifield, M.P. Heffernan, W.  
Humphries, G. Johnston, D.  
Joyce, B. Kemp, C.R.  
Lightfoot, P.R. Macdonald, I.  
Macdonald, J.A.L. Mason, B.J.  
McGauran, J.J.J. Nash, F.  
Parry, S. * Patterson, K.C.  
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Troeth, J.M. Trood, R.B.  
Vanstone, A.E. Watson, J.O.W.  

**PAIRS**  
Bishop, T.M. Barnett, G.  
Conroy, S.M. Ferguson, A.B.  
Campbell, G. Campbell, I.G.  
Nettle, K. Minchin, N.H.  

* denotes teller

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

**Third Reading**

Senator ABETZ (Tasmania—Minister for Fisheries, Forestry and Conservation) (12.36 pm)—I move:  

That this bill be now read a third time.

Senator CARR (Victoria) (12.37 pm)—I would like to highlight the opposition’s very deep concern about the operations of the Australian technical colleges. It is quite apparent to anyone who has any knowledge of this question or has had the opportunity to follow the debate on these matters that this was an initiative that the government thought of in haste during the last election and that at the outset of this program the Australian technical colleges were nothing more than a tokenistic stunt which has now turned out to be a very expensive tokenistic stunt. The government were seeking to demonstrate they were concerned about skill shortages rather than actually doing anything about it. There was no real understanding of the need to invest in the long-term future of Australia.

Labor predicted at the time that these colleges would cost a great deal more than the government was claiming, and the result is clear for all to see, in the Australian Technical Colleges (Flexibility in Achieving Australia’s Skills Needs) Amendment Bill (No. 2) 2006. The government has had to provide additional resources and this parliament has been asked to appropriate additional resources to make up for the fact that this program was so badly planned. That is exactly what we are discussing today.

The Minister for the Arts and Sport spoke a moment ago about this bill being a demonstration of the government’s success and the progress that has been made. On the contrary, this bill shows a recognition by the government of its failure to face up to the fact that it has yet to address fundamental skill shortages. It made a politically expedient announcement in the last election and now the Commonwealth has to bear the cost of that announcement as a consequence of the government’s failure.

The minister speaks of the number of colleges that have come into existence in the process since the last election. He says that there are 20 now in existence and one more to come. He says that there will be some 2,000 students. The fact is that across Australia the number of colleges actually operating is very low indeed and the number of colleges which have a large number of students is even lower again. In Gladstone there were 30 students last year and the enrolment is not
expected to rise to 135 until 2009. In Darwin the enrolments are not expected to grow beyond 100. If we take the case of the Gold Coast, the cost of providing education through these particular colleges on a per student basis of operational funding for 2008 is over $16,000. That is $16,000 per student! Is this a measure of success or progress? I find it amazing that the minister can come in here so badly briefed on a situation where there is such an appalling waste of public money—$16,000 per student, when the Commonwealth provides for its schools program only $6,500 per non-government student, and that is for a dirt-poor non-government school. But for this particular exercise in the marginal seats it is prepared to provide $16,000 per student. Do we have a $10,000 price gap? How can it possibly be explained as progress? How can it possibly be explained as a success? But that is what the government is trying to do today. The government’s approach has been to choose not to work with the states. It has chosen effectively to turn its back on cooperation, and we now have a situation where the government has sought to impose these conditions on the states.

What particularly concern me, though, are the eligibility criteria for funding under this program. Section 18 says that there have to be certain eligibility criteria in place, but the minister has the authorised authority to change those criteria where:

... the Minister is satisfied that, in the circumstances, the payment should be authorised despite the non-fulfilment of the eligibility criteria.

 Those are the terms of this legislation. I find it an amazing situation where the minister’s discretion could be used to override proper public accountability in the circumstances. While the opposition is supporting this legislation, because at least it is making a gesture towards providing additional support, it should not be understood in any circumstances that this is good legislation or a good initiative or that it is going to meet the skills needs of Australian people. I have been advised that there is a desire in some quarters to have this matter dealt with prior to 12.45 pm and that there are some administrative matters to be dealt with. I will have to conclude my remarks in those circumstances but there is a lot more that should be said about this.

Question agreed to.

Bill read a third time.

CLASSIFICATION (PUBLICATIONS, FILMS AND COMPUTER GAMES) AMENDMENT BILL 2006

Second Reading

Debate resumed from 8 February, on motion by Senator Ian Campbell:

That this bill be now read a second time.
Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.

BANKRUPTCY LEGISLATION AMENDMENT (SUPERANNUATION CONTRIBUTIONS) BILL 2006 [2007]

Second Reading

Debate resumed from 6 December, on motion by Senator Ellison:

That this bill be now read a second time.
Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.

BROADCASTING LEGISLATION AMENDMENT BILL 2007

Second reading

Debate resumed.
Question agreed to.
Bill read a second time.

**Third Reading**
Bill passed through its remaining stages without amendment or debate.

**VETERANS’ AFFAIRS LEGISLATION AMENDMENT (STATEMENTS OF PRINCIPLES AND OTHER MEASURES) BILL 2006**

**Second Reading**
Debate resumed from 8 February, on motion by Senator Ian Campbell:
That this bill be now read a second time.
Question agreed to.
Bill read a second time.

**Third Reading**

Senator ABETZ (Tasmania—Minister for Fisheries, Forestry and Conservation) (12.46 pm)—I move:
That this bill be now read a third time.

Senator LUNDY (Australian Capital Territory) (12.46 pm)—I rise to speak on the Veterans’ Affairs Legislation Amendment (Statements of Principles and Other Measures) Bill 2006. Labor is supporting the bill but I will use this opportunity to make some comment. I am very pleased to be speaking on this issue and to be representing the shadow minister for veterans affairs in this place. As I said, Labor supports the bill and I will use this opportunity to make some comment. I am very pleased to be speaking on this issue and to be representing the shadow minister for veterans affairs in this place. As I said, Labor supports the bill before us today and particularly welcomes the removal of the age 65 limit for the payment of the special rate disability pension, provision of travel expenses to attend hearings of the Veterans Review Board in relation to appeals under the Military Rehabilitation and Compensation Act, MCRA, and the reforms to incapacity payments for those members injured in their initial training.

The payment of a special rate disability pension under the Military Rehabilitation and Compensation Act currently ceases at age 65 or after 104 weeks for people aged 63 or over. This amendment will remove those limits and allow for the payments to continue past this time. This will bring the payment of the special rate disability pension under the MRCA in line with its counterpart under the Veterans’ Entitlements Act. This amendment is very welcome and removes the current anomaly.

The bill also allows for the payment of travel expenses to the Veterans Review Board for those under the Military Rehabilitation and Compensation Act. Currently these travel expenses are not met under the bill. This was a mistake in the original act and is now being corrected with this amendment. Again this will bring the Military Rehabilitation and Compensation Act in line with the Veterans’ Entitlements Act. Labor welcomes this amendment and notes the work of the different veteran organisations that helped point this anomaly out to the government.

The bill also includes amendments that will help improve payments to service personnel incapacitated by injury or disease while they are undergoing their initial training. These amendments provide that all members and former members who are injured or contract a disease while undergoing initial training and do not attain their final Defence Force income will be paid at the same progression rate as their classmates during the training period until completion of that training. The member or former member will then be deemed to have graduated from the initial training at the same time as his or her classmates. Once the person is deemed to have graduated, their normal earnings will be calculated against the rank and employment category that the relevant service chief advises the person would have held on completion of the initial training program. This is a positive amendment that corrects a current inequity. Labor fully supports this change.
The bill makes a number of other very small amendments. This bill will provide for the review of a single factor or multiple factors within a statement of principles, rather than the entire contents of that statement, by the Repatriation Medical Authority when they are requested to do so. Hopefully these amendments will therefore lead to a decrease in the time spent by the RMA reviewing statements. These amendments will also apply to the Specialist Medical Review Council, which is the appeal body to the RMA.

Schedule 2 of the bill makes a slight technical amendment to the VEA which will provide authorisation for the appropriation of funds from the consolidated review fund for the payment of all benefits and allowances. The amendments contained within schedule 3 will clarify existing policy in relation to income stream rules. They also include consequential amendments in response to changes in family law to allow the means test to be applied to certain non-superannuation annuities that are split pursuant to a divorce property settlement. Schedule 4 of the bill makes a number of very minor and technical amendments to the Military Rehabilitation and Compensation Act 2004.

As I have outlined, the bill contains a number of minor changes that will help improve administrative procedures within the Department of Veterans’ Affairs. These measures, while minor, are largely positive for the veteran community. I therefore congratulate the government on these changes.

However, as this bill has sought to fix some administrative and technical problems within the Department of Veterans’ Affairs, Labor is disappointed that these measures are not directed at solving some of the problems the department has been having with claims processing and backlogs, as have been pointed out by the shadow minister on many occasions. The annual report for the Department of Veterans’ Affairs revealed a dramatic increase in the time it takes to process veterans’ claims, particularly those relating to injury claims. I will quote some of these statistics from the department’s report to illustrate the point.

The time taken to process a primary compensation claim under the Veterans’ Entitlements Act is reported as 106 days, while the target is 75 days—a 40 per cent increase over target time. The mean time taken to process primary injury claims under the Safety, Rehabilitation and Compensation Act ballooned from 122 days in 2004-05 to 181 days in 2005-06—a 48 per cent increase. The mean time taken to process primary injury claims under the Military Rehabilitation and Compensation Act has blown out from 90 days to 146 days—up 62 per cent since 2004-05. Finally, the time taken to process new impairment claims under the Military Rehabilitation and Compensation Act has dramatically ballooned from 26 days to 130 days—up a massive 400 per cent since 2004-05.

Furthermore, when we questioned the department through the estimates process about claims processing, Labor uncovered that some 4,570 claims have exceeded the average time taken to process a claim. This backlog included 2,583 claims for a disability pension, 956 claims for compensation under the Safety, Rehabilitation and Compensation Act and 545 claims for compensation under the Military Rehabilitation and Compensation Act. When Labor questioned the department on this issue it was revealed to us that there had been a net reduction in staff in some of these areas in order to meet budget allocations. This is completely unacceptable and Labor believes that our veteran community deserves better treatment.

What makes it worse is that the department head had to admit in the recent esti-
mates hearings that the Howard government had known about this problem since 2002. They had known for nearly five years about the problems they were having in Veterans’ Affairs with the growing backlog and time taken to process claims. What has been their response over this time? It has been to cut more staff. The Howard government need to start to treat our veterans with greater respect and integrity than this. It is not good enough for resources to be cut in this way. It has a direct effect on the lives of our veterans. They deserve an efficient claims process, not staff cuts that make the waiting lists and waiting times longer. Many of the people involved in the claims process are in a damaged state. They are frail and they need our support and assistance. A long claims process can have a real impact on the wellbeing of the veterans as well as of their families. The longer it takes for claims to be considered, the more anxiety is brought to bear on people who often have been through some quite terrible circumstances, and the effect of that will be quite serious. Therefore, the government have to address this immediately.

In conclusion, the bill does make some welcome amendments and minor reforms which Labor fully supports. Our problem is that the bill does not go far enough. The simple fact is that the Howard government has to stop taking the veteran community for granted and start addressing some of these practical and functional issues in order to service them in a far better way.

Senator BARTLETT (Queensland) (12.54 pm)—The Australian Democrats support the Veterans’ Affairs Legislation Amendment (Statements of Principles and Other Measures) Bill 2006 as well. It makes some changes that are welcome. One would have to raise the question of why these measures were not included when the Military Rehabilitation and Compensation Act was put together. There was a lot of consultation done at the time and there was a working party involved in the drafting of that act. Issues such as ensuring that the special rate disability pension continued after age 65 and that those incapacitated during initial training received payments at least equal to those of someone who had completed training were discussed, as I understand it, during the original drafting of the MRCA by the working party. These sorts of things should have been included at the time.

There are still anomalies that need to be fixed. The Democrats, of course, always seek to be constructive, and every time positive moves are being made we are prepared to say so. We acknowledge the actions contained within this legislation but, nonetheless, repeat our concerns that there are other anomalies that still need to be addressed. I would also note that, as I understand it, the drafting working party for the Military Rehabilitation and Compensation Act were promised a follow-up forum after the act had been implemented and in place for 18 months or so. I do not believe there has been any proper meeting of that working party to see how things have progressed and to examine any ongoing anomalies. I think that those ESOs who were involved in the initial drafting should be involved in formal, public and open reviews of the MRCA. I think there are always opportunities for ongoing improvements.

I have stated a number of times in this chamber that, whatever our political persuasion or views about how our armed forces should be used in particular conflicts and activities, we all have a responsibility to ensure that those who join the defence forces are properly looked after. Certainly that does happen in some cases, but there are still far too many cases where it does not happen and those who run into difficulties have to spend a lot of their time fighting to get proper assistance when they should be getting that assis-
tance straight up. There is no doubt that with the inadequacies in the assistance provided, particularly to injured service personnel—whether they are veterans of military combat or service personnel who are injured in the course of their duties in other ways—every time we fail one of those people and every time one of them feels like they have been left on the scrap heap, we are not only committing a great injustice and disservice to that person and their family but also making it much harder for us to meet our recruitment and retention targets and needs for the armed forces. Those sorts of things are not in the best interests of the entire community, let alone those individuals and families who are directly affected.

Almost every time I make any public commentary on this sort of matter I receive a message from at least one and quite often a number of former defence personnel with the story of their dissatisfaction with the treatment they got and their feeling of being cast aside. Governments were quite happy to give them parades, medals and all of the things that look nice on the television, but when it came to actually helping them out in a time of need or to rebuild the remainder of their lives, the assistance that needed to be provided was not there. That is not me saying that; that is what I continually hear from injured ex-service personnel. That is the way they are feeling—that they are being cast aside and that their families are being left to carry the burden on their own. Not only is that an injustice for them but it is a clear impediment to us having any hope of meeting recruitment and retention targets, because some of those families spend a lot of energy going around telling other people: ‘The last thing you want to do is join the ADF because this is the way my son or daughter was treated.’ That is why it is in our own interest—let alone in the interest of doing the right thing—to continually look for ways to lift our game. This legislation is a small step forward. On behalf of the Democrats, I will continue to keep the pressure on whoever is in government so that they perform better in this regard.

Question agreed to.

Bill read a third time.

MARITIME LEGISLATION AMENDMENT (PREVENTION OF POLLUTION FROM SHIPS) BILL 2006

Second Reading

Debate resumed from 26 February, on motion by Senator Scullion:

That this bill be now read a second time.

Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.

FAMILY LAW (DIVORCE FEES VALIDATION) BILL 2007

Second Reading

Debate resumed from 26 February, on motion by Senator Scullion:

That this bill be now read a second time.

Senator STOTT DESPOJA (South Australia) (1.01 pm)—I will speak briefly to what seems both a non-controversial and technical bill. I am glad that we have a minister in the chamber who is from Western Australia because that is the part of this country that this legislation particularly affects. The purpose of the Family Law (Divorce Fees Validation) Bill 2007 is to amend the Family Law Act 1975 to validate retrospectively fee increases for divorce proceedings in the Family Court of Western Australia. Just for your information, in 1976 Western Australia established the only state family court in Australia, the Family Court of Western Australia.
Since July 2005 we have seen the filing fee for divorce applications under the Family Law Act increase from $288 to $405. However—and this is the crux of the legislation—due to an oversight this increase was not legally enforced in Western Australia. The Family Court of Western Australia thought that the increase had been approved, that the necessary amendment to the Family Law Regulations had been enforced, and so understandably they began to charge the increased amount for the filing fee but without legal authority. The proposed bill therefore aims to validate—and, again, I emphasise retrospectively—the charging fees that were in fact charged for divorce applications in the Family Court of Western Australia for the period 1 July 2005 to 9 October 2006.

I have tried to discuss this bill with people in the chamber because it seems a pretty quirky, albeit little, bill to me. I do not think this is such a small issue. Firstly, when we are talking about the increase, we are not talking incredibly small bickies. Secondly, we are talking about retrospectivity, which at the best of times gets some of us a little hot under the collar. Thirdly, if the banks had stuffed up in this way or an individual taxpayer had made a mistake, of course the government would be very keen to get back the money owing.

I understand the numbers in this place; I know that this bill will go through. And I understand why it has to be corrected—of course it has to be corrected—but does it need to be done retrospectively? I leave that question with the chamber. I put it to the minister: would it be such a bad thing if those Australians who have paid the additional amount were reimbursed? It is the same amount that their counterparts in other states would pay if they were filing for divorce, yes, but they have paid that amount without it being legally enforced. I actually think that those people in Western Australia who have in that time frame applied for or filed for divorce and paid the increased amount are owed some money.

I do not think that is going to happen today; I can see the legislation is going to go through. But, again, I make the point that if Australian taxpayers or the government had been short-changed by a taxpayer we would get that money back. We would not let it ride and, presumably, we would not pass retrospective legislation to let them get away with it. If the banks had done it, people would be demanding either the difference or some form of compensation. I think there are possibly some people who have filed for divorce in WA who might like a little reimbursement.

It is a technical point. It may seem small to some people; it may not seem a lot of money to some people. But when governments, administrators, bureaucrats or courts stuff up then maybe we should pay the price for that error instead of walking into this place and retrospectively changing something so that it suits our purposes, not necessarily those of the taxpayers.

Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.

NON-PROLIFERATION LEGISLATION AMENDMENT BILL 2006 [2007]

Second Reading

Debate resumed from 6 December, on motion by Senator Ian Campbell:

That this bill be now read a second time.

Senator ALLISON (Victoria—Leader of the Australian Democrats) (1.06 pm)—The Australian Democrats support the Non-Proliferation Legislation Amendment Bill 2006 [2007]. It implements the new requirements of the amendments to the Convention
on the Physical Protection of Nuclear Material, agreed in July 2005. It regulates, with respect to nuclear safeguards, the decommissioning of a nuclear facility to ensure Australia is able to meet its international obligations to the IAEA under the additional protocol, and it makes penalties for the most serious offences consistent with penalties under comparable Commonwealth non-proliferation legislation and provides a significant deterrent to the commission of such offences.

I want to talk briefly about what it does not do. It does not salvage the nuclear non-proliferation treaty negotiations, which failed in New York more than a year ago, particularly on disarmament. It is not likely to stop uranium sales to India, currently prohibited by the NPT. It is not likely to deliver a nuclear-free zone in the Southern Hemisphere, nor is it likely to stop the government going down the nuclear power plant path.

I will be moving some amendments on that latter point. We think this would make this bill worth debating, were it supported by the ALP, and I understand that is unlikely. The amendments are twofold in nature. Before a nuclear facility could be established anywhere in the country, consultation would need to take place between the Commonwealth and state and local governments. A plebiscite would follow if there were majority support and consent for a nuclear facility by those agencies. We define the facilities that would require this action to be: a mill for the production of uranium, lithium or concentrates; a facility for conversion or enrichment of any nuclear material; a facility for the fabrication of fuels for use in nuclear reactors; a nuclear reactor or a nuclear power reactor; a facility for reprocessing spent fuel; or a facility for the storage or disposal of any nuclear material, including any nuclear waste material.

We live in uncertain times when it comes to nuclear power. We have, as has been demonstrated in the chamber today, a lack of understanding on the part of the government as to what is and what is not prohibited in this country by Commonwealth and state laws with regard to nuclear power. We have a government keen to encourage it. The Prime Minister has on numerous occasions said that nuclear power is the answer, and in the last few days we have had the disclosure that the objective of the Prime Minister may have been discussed with mining giants and others with close connections to the Liberal Party before the Prime Minister announced that this was the way forward. So it is a very topical issue.

I expect that the Labor Party will say that this is all covered by the Environment Protection and Biodiversity Conservation Act, which makes a nuclear facility illegal, and that to put in another process would undermine that legislation in some way. But we would argue that, having a government which so freely ignores its own laws and can—because it has the numbers in this place—freely pass changes to those laws, it is worth having a discussion at this point in time about what ought to be in place before we make such a decision. The government is strong on choice and supposedly strong on democracy. It would be interesting to ask the people of Australia, in a plebiscite, to help us make a decision on such a matter. It should not be up to Mr Ron Walker, Sir Arvi Parbo and others who see the future in nuclear energy as opposed to other—cleaner and safer—forms of energy in this country.

This bill does in fact talk about safeguarding nuclear facilities, including the decommissioning of those nuclear facilities, so it is relevant to what the Democrats are hoping the Senate will agree to by way of process before such decisions are made. It is my guess, based on polling that has been done so
far, that you would not get majority support for nuclear facilities. It might just be useful to put this to the test, even without a proposal to go ahead with a nuclear power station, so that we could, for once and for all, drop this idea instead of going through the agonising business of costing something we know to be terribly expensive and proceeding down this path when we need to take action now, not in 10, 15 or 20 years time, and look at what is going on in the rest of the world. Perhaps a few reactors are being established in Asia, but if you look to Europe there are no major proposals for building new power stations in the UK, or even in the United States. The decommissioning of those reactors is, in fact, the biggest problem that those countries have—when to start doing it, how to do it and who will pay the cost of it, which is very substantial. I will move those amendments when we proceed to the committee stage.

Senator MILNE (Tasmania) (1.12 pm)—I rise today to make some comments on the Non-Proliferation Legislation Amendment Bill 2006 [2007]. I begin by saying that there seems to be an incredible amount of hypocrisy in both government and opposition ranks in relation to nuclear. First of all, we have a government introducing this bill to strengthen Australia’s efforts to prevent the proliferation of nuclear and chemical weapons and to support international measures ensuring the physical security of nuclear material and facilities, and that is an excellent aim. However, at the very same time that it says it wants to support non-proliferation, we know that the government is not going to use the power it has in the Nuclear Suppliers Group to block the US-India nuclear technology deal.

The non-proliferation treaty has already been weakened and undermined by the activities of various governments around the world. The United States has now actively undermined that treaty by having signed a nuclear deal with India, which is not a signatory to the NPT. There is no way you can justify that deal; it is outside the non-proliferation treaty, and Australia says it upholds that treaty. The Nuclear Suppliers Group makes all its decisions by consensus and one country can block. Why did Australia refuse to block that deal? The only assumption I can make is that Australia fully intends to get on the coat-tails of President Bush and his push into India by agreeing to sell uranium to India. That will be stage 2 of the process. Australia might say something, although that is highly unlikely since there have been news reports already that the US is relying on Australia’s support at the Nuclear Suppliers Group meeting to support the deal and the only opposition it expects will be from the Scandinavian countries.

Let us put on the record first of all that we have a government saying that it wants to strengthen Australia’s efforts to prevent the proliferation of nuclear and chemical weapons but which is prepared to support the United States in doing precisely that. The government is prepared to stand by and do nothing; in fact, it rubs its little hands together waiting for profits to roll in from expanded uranium mining at Olympic Dam.

The same can be said for the Labor opposition. It says it supports the non-proliferation treaty yet it has made very clear that, while it would oppose the India-US technology deal, it would not block that deal. So ‘opposing’ is just taking a principled stand while not using the power to block that deal. Ultimately we will see whether in fact both parties in Australia will support expanded uranium exports going not only to China but also to India.

The second thing I noticed is that the bill amends the Nuclear Non-Proliferation (Safeguards) Act 1987 to extend the geographical
jurisdiction for offences related to proliferation of nuclear and chemical weapons by an Australian citizen or resident anywhere. I wonder whether the government can see that in fact that might end up referring to it or its own members, because you cannot build a nuclear power station without running the risk of nuclear weapons proliferation down the track. You cannot go to enrichment without giving a very strong signal to all the countries around you that you are nuclear-ready—that you are able, at any time, to say you will withdraw your facilities from IAEA inspection and become a nuclear weapons state. Would Australia ever do that? There would be people who would say, ‘No, never,’ but we have a history, as we have found after years of it being hidden, that Australia in fact was exploring the nuclear weapons path some years ago.

I am rather concerned that at one level Australia is saying, ‘We do not support the proliferation of nuclear weapons,’ and at another level Australia is moving to expand uranium mining, the construction of nuclear power facilities and the development of a nuclear waste dump. The government have already changed the law to say that ANSTO can manage all these waste dumps and that ANSTO has control of the material. Secondly, they have changed the law to say that they can override objections from the Northern Territory and, as a result of other test cases, no doubt other states, forcing them to have waste facilities. Thirdly, they have changed the law to say that they can now nominate a site for a nuclear waste dump without having to take into consideration the views of traditional owners about the nomination of the site, and they have now changed the law to say that, having nominated a site, they can approve the site by taking away procedural fairness, saying: ‘We don’t believe Indigenous people should have procedural fairness. We legislate to say we won’t give them procedural fairness in terms of these waste dump sites.’

Australia is now saying that we want to go the whole hog here. The Prime Minister is talking to the US about getting Australia involved in George Bush’s global nuclear energy partnership. President Bush has said he wants a group of nuclear suppliers around the world which will lease enriched uranium and fuel rods and then take back the high-level waste not only from where it came but from elsewhere. This, of course, would facilitate President Bush, who is having an awful lot of trouble getting up a waste facility in the US because Yucca Mountain is turning into a disaster for him and his presidency, and there is nothing he would like more. What a surprise that, coincidentally, we have Mr Hugh Morgan this week backing a nuclear power station when last year he said on the record that the best use of land in outback South Australia would be for a global nuclear waste dump. He also said it would improve Australia’s international standing to building a high-level nuclear waste dump to take the world’s nuclear waste.

I am concerned about the number of backroom discussions occurring around this country. The Prime Minister is also talking to Mr Ron Walker, Mr Hugh Morgan and Mr Robert de Crespigny about their plans for a nuclear power station. Then we read in the paper today that Mr John White—who was on the government’s Uranium Industry Framework—has also set up his own company. To me that sort of thing smacks of insider trading: somebody already involved in a global push for leasing of nuclear fuel and building waste dumps has been appointed to a government appointed committee, the Uranium Industry Framework, which has insight into what the government is doing. At the same time he is setting up a company with a view—in his case, I am not sure whether it is
for a reactor or a waste dump—to establishing facilities associated with expanding Australia’s role in the nuclear fuel cycle. Mr John White has been a long-time supporter of building waste dumps in Australia and of enrichment and taking back high-level waste. I find it somewhat amazing that on the one hand the government is bringing forward the Non-Proliferation Legislation Amendment Bill 2006 [2007] and on the other hand it is removing safeguards left, right and centre—and the rights of Australian people left, right and centre to have any kind of input in the discussion about nuclear facilities in Australia.

We know that Mr Ziggy Switkowski’s report says that we could have up to 25 reactors by 2050. We know that reactors use huge amounts of water. We know that to maximise their effectiveness they have to be within 100 kilometres of major built-up areas—that means coastal Australia, close to large cities. Then we come to decommissioning. Who will be paying the full cost? I notice that this bill talks about permits for decommissioning. Interestingly, there is never any reference to who pays for decommissioning. Businessmen of the kind we have just spoken about would never talk of nuclear power being a cheaper option if they had to pay the full costs of decommissioning a plant. The decommissioning of Lucas Heights is estimated to be around $50 million.

Who will have to take on not only the full cost of decommissioning but also the full cost of insuring the plant? It would be interesting to know whether the government had already given these men an indication that it would underwrite the plant against any damages claims. Undoubtedly they would get private insurance, but that private insurance will be given in part on the basis that government underwrite it. So I would be very interested to know whether the Prime Minister in his encouragement of his associates to go down the track of a nuclear reactor has also given them an undertaking that the government would underwrite it and that the full cost of decommissioning would be passed on to somebody else, not to them. If those costs were incorporated you would never, ever have anyone in the private sector considering nuclear. Everywhere that it exists in the world it is backed by governments because it is not economical. Look at the situation at the moment of the Dounreay plant, which is being decommissioned. Multiple millions of British pounds are going into considerations about what to do about decommissioning in the future.

I note that, to reassure Australians, we are going to do something about increasing the penalties for people who try to get access to and provide nuclear materials illegally, and I agree that is a good thing. I share the concerns of some of the citizens groups in Australia, such as the Medical Association for Prevention of War and Friends of the Earth, that some provisions could apply to citizens groups who are trying to protest against the construction of new nuclear facilities in Australia. The government says that is not the intent, but over the past 10 years we have seen the Howard government’s erosion of the community’s right to protest, attacks on freedom of speech for whistleblowers—and certainly no protection of whistleblowers—suppression of reports, threats to scientists’ research grants and so on. So I am concerned that this is yet another way of hindering genuine protest activity and the communication of legitimate protest information. I note that the government says it will take that into account, but I would like to hear from Senator Ian Campbell an absolute and unequivocal statement in relation to the legitimate right to protest about new nuclear facilities in Australia. It is of considerable concern to me that, increasingly, there is a culture of fear and intimidation in Australia which is per-
meating the public sector. Even in today’s papers I noted a number of op ed pieces pointing to just that: that democracy is in a fairly weak state in Australia because citizens are being increasingly denied their civil rights.

I think the intent of the bill is laudable, but I think it comes before this parliament at a time when we are seeing people speak in a very duplicitous way about the intentions of the government down the track in relation to nuclear matters. Whilst the government may have laudable intentions, the fact is that once you start down this path you are facilitating proliferation around the world, because the more nuclear facilities you provide the greater the risk of terrorist activity and attacks, especially if we go down the enrichment path. That has been of grave concern because of the Khan network—nobody disputes that. From his position in Pakistan he illegally distributed nuclear material around the world, and we are still suffering the consequences of the Khan network.

The hands on the doomsday clock were moved forward recently, suggesting that since the height of the Cold War we have never been closer to a nuclear incident, or even an attack. The current situation in Iran is not something to be smiled at. I am surprised that the government finds it amusing that I should mention the hands on the doomsday clock, because I do not welcome reading in the paper every day the heightened concern about Iran. I certainly do not like the talk of increased threats to Iran from the US in particular, the talking up of the hawks’ view of the world, and I would like to see a diplomatic solution. The Iranians are saying that they want to develop a civilian nuclear power plan and strategy. We are saying that we do not believe them and we do not trust them. But on the other hand we are saying that we can go down this path because the safeguards agreements make certain that there can be no illegal or secret activity. If we can be certain that there is no illegal or secret activity here, why can’t we be certain of that in Iran? My view is that you cannot be certain because when you have nuclear power generation and the movement of nuclear fuel and nuclear waste around the world you open yourself to increased risks of nuclear proliferation.

That is why we would be much better off leaving the uranium in the ground rather than driving the proliferation of weapons around the world, which ultimately we are doing when we load up the world market with more uranium. As the Chinese ambassador to Australia said a couple of years ago, China does not have enough uranium for both its weapons program and its civilian power program, and that is why it wants Australian uranium. So it does not matter whether you put it straight into the nuclear power program so that they can displace their own uranium into their weapons program or whether you put it straight into their weapons program, Australian exports of uranium into China will facilitate China’s weapons program. There is no other way of looking at it.

We are also facilitating the export of nuclear material into Taiwan. Australia is also having discussions with Russia—the last meeting was in December—about selling uranium to them. So it seems to me that, whilst we may have a non-proliferation legislation amendment bill in the house, we have a very different agenda and a much more careless approach by our actions: it is a case of saying one thing and doing another.

**Senator IAN CAMPBELL** (Western Australia—Minister for Human Services) (1.29 pm)—At the risk of possibly incurring the wrath of the Acting Deputy President, Senator Milne asked me to make one response in relation to the right to protest. That is an incredibly important right in a democ-
racy like ours. It is not a right that they enjoy in Iran, I might mention. It is not a right that is encouraged in Iran, which is an administration that Senator Milne seems to be sticking up for. We will defend that here. Perhaps Senator Milne could say to some of her comrades—

Senator Milne—Mr Acting Deputy President, I rise on a point of order. The minister seeks to deliberately misrepresent me. I have never said that I support the Iranian regime.

The ACTING DEPUTY PRESIDENT (Senator Forshaw)—Senator Milne, that is not a point of order.

Senator IAN CAMPBELL—Very quickly, could I just say that it is not a right that the citizens of Iran enjoy. It is a right that all freedom-loving people would love to see them enjoy and it is a right that we would like to see the people of Iraq enjoy.

Can I suggest that, if Senator Milne wants to do something to encourage demonstration and protest in Australia, she should talk to the protesters who protested against the meeting of the G20 finance ministers in Melbourne. They brought the great city of Melbourne into disrepute and will discourage future governments of both political persuasions from hosting major international meetings in the city of Melbourne. The disgraceful behaviour of those protesters went way beyond the bounds of peaceful political protest, which is to be encouraged in this democracy, and brought violence and physical harm to the police force of Victoria. I thought all of us would want to encourage political protest as a form of expression in this great democracy of ours, but the behaviour of those protesters in Melbourne was a disgrace. Senator Milne could do a great service for Australia’s democracy by telling her friends and comrades amongst those protesters to cease and desist from their violent actions.

Question agreed to.

Bill read a second time.

In Committee

Bill—by leave—taken as a whole.

Senator ALLISON (Victoria—Leader of the Australian Democrats) (1.31 pm)—by leave—I move Democrats amendments (1) and (2) together:

(1) Schedule 1, page 4 (after line 5), before item 8, insert:

8A  At the end of section 3
Add:

(3) A further object of this Act is to ensure that communities in which a nuclear facility is to be established have authorised that establishment and have consented to the health, welfare, safety and environmental impacts and risks of the establishment of the nuclear facility.

(2) Schedule 1, page 4 (after line 15), after item 12, insert:

12A  After subsection 16A(1)
Insert:

Consultation before grant of permit

(1A) Before granting a permit in accordance with this section, the Minister must initiate a comprehensive consultation process as follows:

(a) the relevant State Minister for the environment must be notified in writing with comprehensive information about the facility for which a permit is sought 60 days before the granting of a permit;

(b) the Mayor of every local council within 0.5km of the boundary of the facility for which a permit is sought must be notified in writing with comprehensive information about the proposed facility 60 days before the granting of a permit; and
(c) a plebiscite must be conducted by the Electoral Commission in every federal electorate within 0.5km of the boundary of the facility for which a permit is sought, seeking approval for the establishment of the facility.

(1B) If, as a result of the plebiscite conducted in accordance with paragraph (1A)(c), a simple majority disapproves of the establishment of the facility, a permit must not be granted in accordance with subsection (1).

I will not go into great detail about the amendments. I have already canvassed their objectives and they are clearly laid out in the amendments. Just to recap briefly, they would require the agreement of state and local governments prior to a nuclear installation and they would also require a plebiscite of citizens in the electorate and in electorates within half a kilometre of the facility.

Senator MILNE (Tasmania) (1.32 pm)—I thank Senator Allison for preparing the amendments to the bill. I think it is entirely appropriate that we do have amendments which take into account the views of people who are living in the vicinity of any nuclear facility as is proposed. I would go further than 0.5 of a kilometre, but I am happy to support this as a minimum in terms of consultation with local communities.

As I indicated earlier today and have spoken about, the fact of the matter is that currently nobody who lives within 0.5 kilometres of the boundary of a facility has house insurance against a nuclear accident or incident. Anyone who looks at their house insurance policy will find that there is a standard exclusion clause. At the moment, the nuclear facility can be imposed on a group of local people without the consent of that local community and without them being able to be insured.

I would ask Senator Campbell whether the government is going to support the bill that I am going to bring in here which basically says that nuclear facilities must take absolute liability for any damages caused by that facility, as is required by the Vienna convention in relation to this matter, which is about responsibilities for civilian impacts. I think that is really important. There is a Vienna convention, a Paris convention and a joint protocol. Now that this bill is talking about our international responsibilities, let us sign up to the international convention, which takes away the need for communities to prove negligence before they get any compensation if there is a nuclear accident, incident, leak or break—whatever—of any kind. Other countries have done it. All of the nuclear countries have done it. Australia has not done it.

I think it is essential that people are provided with that guarantee that the owners of the facility will bear absolute liability and the community should not have to prove negligence. Equally, I think that communities need to be consulted. Community and local government need to be consulted. Senator Allison’s amendments say that if, as a result of the plebiscite, a majority disapproves of the establishment of the facility, a permit must not be granted. It is as simple as that. I think people do have a right to have some power over what happens in their communities. In the case of a nuclear facility, it is a dramatic impact on that particular area. I support Senator Allison’s amendments.

Senator WEBBER (Western Australia) (1.35 pm)—As Deputy Opposition Whip, I initially want to indicate that this bill is here because we all agreed that it was a non-controversial piece of legislation. We seem to be debating amendments to it that I was not aware that we were going to have. I thought it was to be a pretty straightforward and non-controversial discussion.
However, having made that point in the politest possible way that I can, I also indicate that Labor will not be supporting the Democrats amendments to this piece of legislation as we believe that such amendments would have the effect of watering down section 140A of the Environment Protection and Biodiversity Conservation Act, which explicitly precludes the approval of a nuclear installation. We believe that, whilst you can dress this up as being consultative or what have you, this measure does have the potential to weaken the existing arrangements. Therefore, Labor will not be supporting the amendments.

Senator IAN CAMPBELL (Western Australia—Minister for Human Services) (1.36 pm)—I would not normally speak, but I do make the point that Senator Webber has made a very good point. There is a prohibition on these facilities. To then set up a consultation process around a facility would in fact water it down. The Democrats and Greens are really playing a total stunt here. I commend the bill to the Senate.

Question negatived.

Bill agreed to.

Bill read a third time.

ACIS ADMINISTRATION AMENDMENT (UNEARNED CREDIT LIABILITY) BILL 2007

Second Reading

Senator CARR (Victoria) (1.38 pm)—The opposition will be supporting the ACIS Administration Amendment (Unearned Credit Liability) Bill 2007, which is designed to uphold the original intent of the Automotive Competitiveness and Investment Scheme, known as ACIS. The bill is designed to ensure that only activity that is eligible for support under the scheme actually receives support. It is a pretty basic premise of government programs that people have to meet the funding criteria, so of course Labor supports making it crystal clear in legislation. It is also important that programs are able to be administered as simply as possible and with minimum delay to business.

The bill will enable the Department of Industry, Tourism and Resources to continue to make payments at the end of each quarter without having to wade through an audit process for each firm each time. Unearned credit liabilities will be able to be issued once the audit has been done and it is found that a company has been claiming credits for ineligible activities. It is a straightforward proposition which Labor supports; however, it is important in the context of this bill to say a few things about the different attitudes to industry policy adopted by the government and the opposition, especially with regard to the plight of the car industry in this country at this time.

The opposition has put to the government that it is prepared to discuss with the government a bipartisan approach for the reform of ACIS. This has come about as a result of the fact that the car industry is facing a crisis in this country. The ACIS program, established as it was in 2002, has seen significant investment from the public purse in support of what is a strategically vital industry to Australia, not just in economic terms but also in social terms. This industry employs over
60,000 Australians and provides a skills base of great significance to a range of ancillary industries. It is a major exporter for Australia and of course it is very important, particularly to the south-east corner of Australia and especially to my state of South Australia.

It is important to acknowledge that 7,000 jobs in the industry have been lost since the ACIS program was established. I will go through them: General Motors Holden, 1,400 jobs; Mitsubishi, 1,397 jobs; and Ford, 850 jobs—that is, 3,647 jobs lost directly from vehicle manufacturers. I will go through the component manufacturers: Aunde Trim, 80 jobs; Calsonic, in Victoria, 195 jobs; PBR, in Victoria, 184 jobs; Johnson Controls, 75 jobs; Tristar, 40 jobs; Air International, 250 jobs—and another 120 jobs, because the losses are from two different branches; Ion, in South Australia, some 600 jobs and, in New South Wales, some 800 jobs; Silcraft, in Victoria, 280 jobs; Trico, 350 jobs; Autoliv, 302 jobs; VOA Webco, 65 jobs; Dana, 79 jobs; Australian Arrow, six jobs; Pilkington, 20 jobs; Spicer Axle, 200 jobs; Kemalex, in Victoria, 85 jobs and a further 80 jobs in South Australia; TI Automotives, 70 jobs; Cooper Standard, 40 jobs; Tenneco, 156 jobs; Exacto, 60 jobs; Bridgestone, 40 jobs; Irons Engineering, 41 jobs; and Hendersons, 25 jobs. That is a further 3,488 jobs lost, bringing the total to 7,135 jobs lost.

We know that the CEOs of the major manufacturers have now met the Minister for Industry, Tourism and Resources on three occasions and have put their views to him about the need for significant reform of the ACIS program. We know that requests have been made in terms of future investment in ACIS and for a position to be taken on the tariff issue. Under this government, ACIS arrangements require tariff reviews to be undertaken and plans have already been made for the further phase-down of tariffs in 2010.

We had the extraordinary situation of Senator Minchin being reported in the Age on 19 February under the headline ‘Brakes may go on car tariff cuts’. The article says:

Finance Minister Nick Minchin has signalled he will fight for the car industry, if a review before a planned tariff cut in 2010 finds the sector cannot cope with a loss of protection in tough trading conditions.

We know that the government’s industry statement is finished and ready to be launched, so it is appropriate for the government to come forward and explain what it is prepared to do with regard to the future of the car industry and to address the legitimate concerns that are being expressed by tens of thousands of Australians about the future of their families with regard to this industry, particularly given its significance to our economy and to our society.

What is quite apparent is that major pressures are bearing down and moving at a much greater rate than anyone could have anticipated in recent years as a result of changes to the depreciation of the Australian dollar and the pressures that have been brought on by other factors in the industry. It is time for the government to come forward and explain what exactly the government is prepared to do in the face of widespread representations that are being made about the need for significant reform of industry assistance.

It is also appropriate for this government to be clear as to where it stands more generally on support for aspects of industry policy. Senator Cory Bernardi recently made a speech on the government’s approach to industry policy which demonstrated just how little bipartisan support there is on these
questions. I would have thought, given the serious problems facing the automotive industry in South Australia—it contributes some 2½ per cent of GDP and employs some 13,500 people—that this government would be more serious about its commitments to this industry. I would have thought that the government would be prepared to talk to the opposition about what steps could be taken to secure the future of this industry.

It is unfortunate that, from time to time, one’s illusions are shattered—shattered by a government that is quite clearly uncaring and that has no sense of its responsibilities. It was recently brought to my attention that a speech was delivered by Senator Cory Bernardi of South Australia to a Liberal Party meeting in his state. In this rather schizophrenic diatribe, Senator Bernardi claimed that a Rudd Labor government, with me as industry minister, would mean:

... no car (manufacturing) for South Australia.

He further suggested that this demise would come about as the result of policies which he claimed involved advocating for Australia’s interests internationally. He said that addressing market failures which prevent businesses from being able to operate efficiently and maintaining a stable macroeconomic environment would be to blame. It is an extraordinary proposition. Senator Bernardi thinks that the government has no role to play in maintaining a stable macroeconomic environment. Perhaps he should knock on the Prime Minister’s door next time the government claims credit for supposedly low interest rates. Perhaps he should put that view to the minister for industry, in light of the position we have now when interest rates are the second highest in the developed world, and explain this theory that he is advancing.

Senator Bernardi also thinks that the government has no role in establishing policies to address market failure. So he is advocating the abolition of all government support for tertiary education and skills training, which are critical to the automotive industry because they provide skilled workers. After all, if the government has no role in addressing market failure, why should we worry about the positive externalities arising from education and training—the fact that society benefits as well as the individual? We should not worry about the fact that young people will not be able to borrow money in an open market to fund their studies because we have outlawed indentured servitude. This is the proposition that is being advanced in the claims that are being made about the opposition’s statement.

Senator Bernardi particularly objects to comments that I made about thumping the tables in the boardrooms of foreign companies. I confess that I have been known to use colourful language from time to time.

Senator Webber—Really!

Senator CARR—It is an extraordinary proposition, but I acknowledge that it is a claim that has been made. However, it is arguably a claim that other industry ministers might have made from time to time. It might be argued that one of our better industry ministers, Senator John Button, made the claim; that is who I was quoting. I was quoting Senator Button, who said that it is one of the jobs of the industry minister to advocate for Australia’s interests in discussions with the head offices of Australia’s vehicle manufacturers, for example. If Senator Bernardi objects to this concept, perhaps the focus of his dismay should be the Howard government’s own industry minister, Ian Macfarlane, who took the very sensible step of accompanying South Australia’s Labor Deputy Premier to Tokyo last December following persistent rumours about Mitsubishi.
What Senator Bernardi fails to explain in his vitriolic outburst is exactly how he thinks his flat-earth economic policies would actually help the South Australian car industry. If he is against the government maintaining a stable macroeconomic environment, addressing market failures and advocating for and in defence of Australia’s interests, why should he be in favour of retaining specific industry programs, no matter how vital the sector is?

**Senator Bernardi**—I am against your 1950s socialist—

**Senator CARR**—I am glad the senator has come down to the chamber. We did advise him that I was going to make a few remarks about his incredible incompetence and failure to defend his own constituents. One would have thought he would be up here defending the ACIS program.

**Senator Bernardi**—I am protecting them from you and your 1950s socialist—

**Senator CARR**—What he proposed in the speech he gave to the Liberal Party in South Australia is that he is opposed to this sort of support. I would have thought he would have explained that position to the Prime Minister and the minister for industry. There is no other logical conclusion to draw from his remarks to his Liberal Party colleagues in South Australia. If he thinks that the policies which are designed to protect jobs are just matters for the defence of socialists, he should try to explain that at the next election. He will have plenty of opportunity. If he thinks that the protection of manufacturing workers’ jobs is just a socialist policy, let him get up and explain that. The auto and manufacturing sectors in this country are extraordinarily important, not just to South Australia but also to Australia as a whole. This is not just a matter for socialists. It is a matter for every single Australian to be concerned about. In terms of South Australia—

**Senator Bernardi**—Kevin Rudd denies being a socialist!

**The ACTING DEPUTY PRESIDENT** (Senator Troeth)—Order! Senator Bernardi, you will have an opportunity to respond in due course. Please keep your remarks contained until then.

**Senator CARR**—What Senator Bernardi should appreciate is that the auto sector contributes 2.4 per cent to the GDP of South Australia. It contributes one per cent to Australia’s total GDP. It is not an insignificant issue. This parliament should take up these concerns and take up the protection of this industry insofar as it has such strategic importance to our economy and to our society.

However, for Senator Bernardi to denigrate, before his Liberal Party colleagues, the work of auto workers and the work of the auto industry in the manner in which he has defies any rational assessment. Automotive vehicles and components are Australia’s sixth largest export. They represent a larger export than even the exports of our agricultural sector. You would think the Liberal Party would at least know that. You would think that would be at the forefront of Senator Bernardi’s thinking, coming as he does from South Australia, a manufacturing state—but no.

The Labor Party would like to draw to everyone’s attention the fact that innovation and R&D are the keys to competitiveness for manufacturing industry. Manufacturing is one of the most innovative sectors of our economy, with the ABS finding that in 2004-05 over 43.1 per cent of businesses were innovative active compared with 34.9 per cent across all industries, and that within manufacturing the automotive industry contributes 23 per cent of R&D. Indeed, the automotive industry contributes 10 per cent of Australia’s total business R&D. Unfortunately, Australia’s performance in business R&D is no-
where near the standard of performance of our international competitors; it is nowhere near the benchmark being set by others. Business R&D in Australia is 0.89 per cent of GDP compared with the OECD average of 1.5 per cent. Among OECD countries, Australia ranks 15th in the world.

The Commonwealth refused to participate in the National Manufacturing Forum. Every state, every territory and all major industry players participated in this vehicle by which the fundamental issues facing Australian manufacturing could be discussed, but not the Commonwealth. When it comes to manufacturing, the Commonwealth essentially sits on its hands. It takes the view that it is someone else’s problem. It takes the view that, essentially, Australia can be a beach or a quarry. It has no understanding of the significance of manufacturing. Essentially, the government has turned away from its obligations in this regard.

Over the period 1986-87 to 1995-96, we have seen the average annual growth rate of real business investment in the research component of R&D plummet from 11.4 per cent to only 5.1 per cent. In manufacturing the story is particularly grim, with the average annual growth rate slipping from 10.6 per cent to only 1.9 per cent. Looking at gross R&D spending, we can see that China has committed to lifting its expenditure as a proportion of GDP from only 0.6 per cent in 1995 and 1.2 per cent in 2002 to 2.5 per cent by 2050. China is doubling its R&D spend every couple of years. Compare that with our performance and we can see that our performance is grossly inadequate.

We are in the situation where our manufacturing output has fallen by some $860 million. Our manufacturing output has shrunk by 1.1 per cent in 2004-05 and by 0.4 per cent in 2005-06. Since the last federal election, in 1996, we have seen a loss of over 110,000 manufacturing jobs. That equates to 204 manufacturing jobs disappearing each and every week of the Howard government. It is time to act and there is a requirement by this government to face up to its responsibilities. We have laid down the challenge and we now seek a response from the government.

Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.

Sitting suspended from 1.57 pm to 2.00 pm

QUESTIONS WITHOUT NOTICE

Howard Government: Economic Management

Senator SHERRY (2.00 pm)—My question is to Senator Minchin, the Minister for Finance and Administration. I refer to reports of incorrect costing or the lack of costing of major government promises, including the mature age worker tax offset, which blew out by $380 million; the child care tax rebate, which was underspent by $450 million; and the Prime Minister’s water package, which was not costed at all. Can the minister explain why these billion-dollar promises either are varying in cost by hundreds of millions of dollars—some even before they begin—or are not being submitted for costing approval in the first place? Can the minister also indicate why the government has covered up the public release of updated costs for some programs—isn’t the government failing to adhere to its own Charter of Budget Honesty?—and why the finance minister is failing to ensure proper oversight of the costing and process for billions of dollars in programs?

Senator MINCHIN—It is typical of the Labor Party to complain about underfunding when they lost complete control of the

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budget during their period in office. The budget blew out enormously. We inherited a budget that was running at $10 billion a year in deficit, and they had racked up some $70 billion extra in debt over the last five years of their budget.

I gather Senator Sherry is referring to an article by George Megalogenis in the Australian referring to underspending in particular programs. I draw to Senator Sherry’s attention the fact that there have been no cuts whatsoever in any of these programs. The programs are fully costed and continue to be fully funded. With respect to the Australian Water Fund, the implementation of that program is heavily reliant on the states delivering well-developed proposals before funding can flow, and it would obviously be irresponsible of us to provide funding for any proposal brought forward unless we were convinced that the funding could be well spent. That is the difference between us and Labor. Mr Rudd has been running around the country and going into every premier’s office saying, ‘What would you like me to give you?’ and then rushing out and doing a door-stop saying, ‘I will give Western Australia this and I will give South Australia that.’ He would simply be a doormat for the state Labor premiers and all their promises. He would not apply the rigour that we apply to the states when they come running to us for money. We are applying rigour in relation to the Australian Water Fund to make sure that the states’ proposals can be properly funded and do meet the criteria.

The schools infrastructure program has been so successful that in the current year this program is overspending, with funding being brought forward from 2008. In light of the strong demand for the program, the government on 19 February announced an increase in funding of $181 million, bringing the total expenditure on that program to $1.181 billion by the end of 2008. So, where the states are failing again to invest in their own schools, the Commonwealth is required, as a result of our sound budget management and our capacity to produce surpluses, to fill the gap left by the states, which are so hopeless on the subject.

In relation to the 30 per cent child care tax rebate and the tax break for entrepreneurs, the child care tax rebate and that entrepreneurs tax offset are uncapped, demand driven programs which rely on taxpayers to access the programs. Families using a tax agent have until May 2007 to lodge their tax returns. For families that have already lodged a tax return without claiming that entitlement, the Australian Taxation Office is already amending their tax assessments to ensure they receive their CCTR.

The government’s record on this is admirable. We are the ones who have restored the health of the government’s finances. We are the ones who are now in a position to provide these sorts of programs, which were impossible under the maladministration of the Labor Party, but we will exercise rigour and scrutiny in the application of these funding programs. We will not just let money roll out the door. We will make sure that the bids, for example under the Australian Water Fund, properly meet the criteria and we will not simply let the money go, as Mr Rudd would to the state Labor premiers when they come knocking on his door.

Senator SHERRY—Mr President, I ask a supplementary question. The question was not based on the article by Mr Megalogenis; it was actually based on the recent observations of the Audit Office and respected independent commentators, such as Allan Fels, Fred Brenchley and others, who have been openly critical of the declining fiscal discipline of this government, with Professor Fels and Mr Brenchley saying that it ‘appears alarmingly weak’. What does this say about
the finance minister’s competence, given that he is failing to ensure billions of dollars of spending programs are properly costed and reported and undergo due process? Isn’t this yet another example of a decaying, tired, arrogant and lazy government?

Senator MINCHIN—This is an outrageous attack from the Labor Party, who have spent 10 years opposing every attempt we have made to bring rigour and discipline to the federal budget. Every time we have brought in cost-saving measures and rigour to the budget, they have opposed them. Every time we have announced a spending program, they have said: ‘Why don’t you spend more on it? Why don’t you add another billion to it?’ They are a disgrace when it comes to economic management. They left the federal budget a complete disaster. They have no credibility on this subject and I will not take any lessons from them.

Howard Government: Economic Management

Senator SANDY MACDONALD (2.05 pm)—My question is to the outstanding Leader of the Government in the Senate, the Minister for Finance and Administration, Senator Minchin. Will the minister inform the Senate of the importance for the Australian economy of the government maintaining budget surpluses and making a contribution to national savings? Further, will the minister, in line with his previous answer, inform the Senate how other levels of government are performing in this regard?

Senator MINCHIN—I thank Senator Sandy Macdonald for that good question, representing as he does the state of New South Wales, which is in such an appalling budgetary state. The Howard government have always placed a very strong emphasis on ensuring economic management is right for the circumstances we face as well as on preparing for our future. Under our medium-term fiscal strategy we aim to keep the budget in balance over the course of the economic cycle and, because of our strong conditions at the moment, that means a surplus of around one per cent of GDP. That has ensured that from the federal government point of view we are not putting any pressure on interest rates. We are keeping inflation low and contributing to national savings. That has meant that we have been able to wipe out entirely the $96 billion in debt we were left and deposit $50 billion of savings into the Future Fund.

That strong budget position has given us the ability to make significant investments in our road and rail infrastructure, enhanced defence capability, school buildings and water infrastructure. What is most positive about these record investments is that they are funded without recourse to borrowing. By contrast, the six state Labor governments have resorted to substantial borrowing in order to fund their capital programs. At a time when we have eliminated government debt and created the Future Fund, state Labor governments and their government owned businesses will collectively borrow an additional $51 billion over the next four years. We are running a cash surplus this year of $11.8 billion, but state Labor governments are budgeting for a collective deficit of $3 billion. If state owned businesses like energy and water are included then they are looking at combined cash deficits of $14 billion this year alone. The states and their business enterprises are going to more than offset the cash surpluses that we generate at a federal level.

While we are looking to deposit our surplus into the Future Fund, the states will be out there borrowing some $14 billion. The worst offenders in this borrowing binge are the big three eastern states, led by Senator Sandy Macdonald’s state of New South Wales and its hopeless Labor government.
Of the $14 billion being borrowed, $6.4 billion is attributable to New South Wales, $4.4 billion to Queensland and $2 billion to Victoria. And there is no end in sight to this pattern of deficit and debt. For the next three years, New South Wales, Queensland and Victoria all project that their budgets will remain both in a cash deficit and in a fiscal deficit, which are the two measures we use to measure our surplus.

All that red ink in the Labor states is at a time of strong economic growth, when their budgets most definitely should be in surplus and when the states are receiving record GST revenues. The position of the states, of course, would be diabolically bad if we were to move into any economic downturn. There we have, on the record from six Labor states, Labor’s approach to budgeting. It is a repeat of the federal Labor approach of the 1990s, when they piled debt on debt every year and hoped that somewhere down the track it would all be paid for.

We have heard no condemnation of the policies of the states from the federal Labor Party—from Mr Rudd, Mr Swan or Mr Tanner, their economics spokesmen. As I said, Mr Rudd seems intent on using federal money simply to bail out the states. Most of the promises we have heard to date involve relieving the states of their responsibilities. Under Mr Rudd, it is clear that a federal Labor government would divert federal money from important national priorities and squander it on large-scale bailouts for these struggling and incompetent state Labor governments.

Defence Procurement

Senator MARK BISHOP (2.10 pm)—My question is to the Leader of the Government in the Senate in his capacity as Minister for Finance and Administration, Senator Minchin. I refer the minister to Treasury secretary Ken Henry’s speech on 9 February when he said that the Defence procurement rules provide protection for taxpayers if they are followed correctly. Didn’t Mr Henry go on to warn:

Just keep in mind how exposed you might be if and when the whole thing turns pear-shaped and the world learns that you have flouted the post-Kinnaird procurement guidelines?

Can the minister confirm that he was not consulted prior to the defence minister’s announcement on 1 February that he wanted to buy 24 Super Hornet combat aircraft? Given that the two-pass procurement guidelines were not followed in this instance and the $4 billion cost is not in the Defence Capability Plan, what guarantees do taxpayers have that this acquisition will not go pear-shaped?

Senator MINCHIN—I do not think the Labor Party should be lecturing us about Defence acquisition following their appalling record. The senator referred specifically to speculation with regard to the acquisition of the so-called Super Hornets. The government has made absolutely no decision to make such an acquisition. I note Dr Nelson’s comments. Of course, he is entitled to indicate his views about the way forward with regard to our air combat capability, as is his responsibility, but there has been no decision made to acquire those Super Hornets. As you know, we are proceeding down the path of the acquisition of the JSFs, and we have to balance that proposed acquisition against the life span of the F111s and the existing Hornets. There is speculation about whether Super Hornets may have a role to play in our air capability, but no decision has been made to acquire those Super Hornets.

Senator MARK BISHOP—I ask a supplementary question, Mr President. Don’t finance department officials participate in defence capability committees to help cost, evaluate and plan major project decisions prior to their announcement? Isn’t the minis-
ter himself an invited member of the National Security Committee of Cabinet when discussions include Defence projects? If the finance minister is not fully costing and scrutinising multibillion-dollar spending commitments, just who is protecting the taxpayers’ financial interests? Will the minister, on behalf of the government, guarantee that there will be full adherence to proper process in this particular procurement project?

Senator MINCHIN—I can only repeat what I said in the first part of the answer: there has been no decision to acquire Super Hornets and no announcement to that effect. It is one of the virtues of the Kinnaird reforms brought in by this government, under the very good stewardship of the former Minister for Defence, Senator Hill, that the finance department does have a greater role in acquisition projects. Indeed, I do sit as an invited member of the NSC on all financial decisions, and I will certainly be taking a very keen interest in decisions relating to our air defence capability.

Small Business

Senator BERNARDI (2.13 pm)—My question is to Senator Abetz, the Minister representing the Minister for Employment and Workplace Relations. Will the minister update the Senate on the contribution which small businesses make to creating employment? What measures has the Howard government taken to assist this sector to grow and to create even more jobs? Is the minister aware of any alternative policies?

Senator ABETZ—I thank Senator Bernardi for his question. Senator Bernardi has a deserved reputation for being a real champion of small business, and the reason he champions the cause of small business is that he knows of their job-creating capacity. There are nearly two million small businesses in this country and over the past three years the number of people employed by small businesses has grown by 31 per cent.

Unlike Labor, the Howard government has sought to assist small businesses to employ even more people by removing the Keating government’s so-called ‘unfair dismissal’ laws—laws which were an impediment to job creation in this country. In fact, since these laws were repealed—in the face of Labor opposition—we have seen over 200,000 jobs created, 80 per cent of them full-time. That is what Labor opposed: 200,000 new jobs, 80 per cent of them full-time.

The problem with those unfair dismissal laws is well known. Take the following comments:

... small business owners could not afford the time or expense of being dragged off to tribunals by ‘ambulance-chasing agents representing frivolous or vexatious claims of unfair dismissal’. Such claims were often designed to extract ‘go-away money’...

I wonder who said that. Those opposite know. It was Dr Craig Emerson, the Labor Party’s spokesman on small business, only two days ago. Yet another Labor figure said this about Labor’s policy on the ABC’s Madonna King program:

I am saying to you right now ... that I have not said ... that we are exempting small business [from the unfair dismissal laws].

Senator Boswell—Who said that?

Senator ABETZ—One and the same person—Dr Craig Emerson—two days later. He was walking both sides of the street. Isn’t it lucky for Dr Emerson that streets do not have three sides, because otherwise he would be in all sorts of bother trying to walk down all of them!

The simple fact is this: Labor knows that these laws are bad, yet they are not prepared to do anything about it because if they came into government they would be reintroducing these job-destroying laws. Why would they
be doing that? All we need to do is ask our friend opposite, Senator Kirk—facing unfair dismissal herself from the Senate because she dared to think for herself and not do what the union told her to do. In Senator Kirk’s own words: ‘I did actually receive a threat from the national secretary of the union as a consequence of my vote. I can’t be expected to be supported for preselection. That’s the way it works.’

More disturbingly, not only is the Labor Party beholden to the trade union movement but also, as has now been exposed, it is beholden to the likes of Brian Burke. The former leader, Mr Beazley, admitted he regularly met with Mr Burke and now we find out that the new leader, Mr Rudd, also met with him on a number of occasions. To discuss what, I wonder? Foreign affairs? I think not. It is about time Mr Rudd levelled with the Australian people and told us exactly what those discussions were about.

Unlike those on the other side, the Howard government has not been infiltrated by the trade union movement or the likes of Brian Burke. The Howard government, by taking the strong and difficult decisions, does what is right for the workers of this country, what is right for the families of this country and what is right for the wealth creation of this country. And Labor under Mr Rudd has not. (Time expired)

Defence: Guided Missile Frigates

Senator FAULKNER (2.18 pm)—My question is directed to Senator Minchin as Minister for Finance and Administration and representing the Prime Minister. I refer the minister to the project to upgrade the Navy’s guided missile frigates, originally intended to deliver six fully upgraded, mission capable warships. Is the minister aware that the government canned the upgrade of the two oldest ships in November 2003 because of the massive delays that were already being experienced? Can the minister confirm that former minister Robert Hill said at the time that the contract would be renegotiated to account for the fact that only four ships would be upgraded, instead of the planned six? Can the minister confirm that, as a result of those so-called ‘negotiations’, taxpayers will still pay the full price of the upgrade? Can the minister now explain why he thinks it is a good deal to get four upgraded ships for the price of six?

Senator MINCHIN—I do not represent the Minister for Defence in this chamber. I am happy to get some information for Senator Faulkner on that project, but I do not carry around with me details on every single acquisition project or upgrading project for Defence in question time. I would have thought the questions would be more properly directed to the Minister representing the Minister for Defence. But I will get whatever information I can for Senator Faulkner.

Senator FAULKNER—Mr President, I ask a supplementary question. I appreciate that the minister will attempt to provide an answer but I am disappointed that the Minister for Finance and Administration is not able to indicate to the Senate how the financial interests of Australian taxpayers are protected in a deal where we get four upgraded ships for the price of six. It is disappointing that the minister, as minister for finance, is not able to respond on this critical issue of how the government agreed to this absurd proposition.

Senator MINCHIN—Well, as I said, I will get Senator Faulkner some detailed information on that particular acquisition project. But, as Senator Faulkner would know, this country has faced unprecedented demands on its military and national security assets since 11 September 2001—a massive burden. Fortunately, this country has had a government which, with its responsible eco-
nomastic management, has been in a position to respond to the enormous demands placed on its military and its national security, in order to meet the very heavy demands placed upon it, and the massively upgraded requirements for us to invest in defence and national security, which this government is doing.

Transport: Infrastructure

Senator PAYNE (2.21 pm)—My question is to Senator Ian Campbell, the Minister representing the Minister for Transport and Regional Services. Will the minister please advise the Senate of how Australia’s strong economy is allowing the coalition government to build transport infrastructure throughout the nation and particularly in New South Wales? Further, will he also advise whether other levels of government are fulfilling their responsibilities?

Senator IAN CAMPBELL—The question from Senator Payne, a Liberal senator from New South Wales, is an incredibly important one, not only for the people of New South Wales but indeed for people right across Australia. Not only does the road and rail network transport goods and services around this country; it is also the place where families—around the week but certainly on weekends—get into their cars and move around the coast, go to their holiday destinations or go and visit family. It is incredibly important that we have reliable, modern, high-quality roads linking our capital cities and—Mr President, as you would know better than most—also that we fund local roads through the Roads to Recovery program, a program that was described by the Labor Party as a rort and a boondoggle, I think it was, and a program that would be under threat from the election of a Labor government.

In New South Wales in particular, as a very important part of Australia with a very large road network, there has been a massive increase in spending. Across Australia we are investing a further $15 billion under the current five-year AusLink program. Five billion dollars of it will be spent in New South Wales. There has been an expansion of the size of the national network. We are putting substantially more money into the Pacific Highway and substantially more money into the main link between Sydney and Melbourne, the Hume Highway—a massive increase and an increase of $3 billion on the national network alone, which is a 171 per cent increase in this five-year period over the last five-year period. That it is a phenomenal investment in road infrastructure. And there are investments in the rail infrastructure to try to get more transport off the roads and onto rail. As anyone who has driven up the Pacific Highway knows, there is an enormous load of heavy truck transport going up the Pacific Highway and the New England Highway, and we really desperately want to see some of that load taken by rail.

There was, as Senator Payne probably knows, a call yesterday by the NRMA for the Australian government to add the Princes Highway to the national network. The Princes Highway is a state road. It is the responsibility of the Iemma government. It is the responsibility of the New South Wales state Labor government. It is a road that they have ignored for years and years. It is a road that needs investment. Thanks to the hard work of local members along there, the federal government has invested money—and it has had to due to the total neglect of the New South Wales Labor government—it is a road that they have ignored for years and years. It is a road that needs investment. Thanks to the hard work of local members along there, the federal government has invested money—and it has had to due to the total neglect of the New South Wales Labor government—into the Pambula Bridge, which Senator Payne would know of; into some black spots between Nowra and Jervis Bay, where we have spent about $15 million; into the Conjola deviation, with $10 million; and into the North Kiama bypass, a road that I visited when I was the Minister for Local Government, Territories and Roads, with $34 million.
If we want to see the Princes Highway made safe, the best thing the NRMA can do is say to the state government: ‘The federal government have increased your funding by 171 per cent. The state government have got to be responsible for something in roads.’ We have expanded the network federally; the state government have got to be held to account and held responsible. I call on the state government of New South Wales, with the support of the NRMA, to increase their road funding to make the roads safer for New South Welshmen and to make the transport network around the great state of New South Wales safer and more secure.

**Qantas**

Senator FIELDING (2.26 pm)—My question is to Senator Minchin, the Minister representing the Treasurer. Minister, is it true that the Australian Securities and Investments Commission, ASIC, is investigating whether the bidder’s statement for Qantas contains false and misleading statements as to the track record of the bidders?

Senator MINCHIN—I am not aware of that. Senator Coonan, of course, represents ASIC in this chamber. I do not have a brief on ASIC’s role in the whole Qantas issue. I am well aware of the role of the FIRB and the ACCC in examining matters relating to the proposed Qantas purchase, but I am not aware of any role by ASIC. I recall from estimates, when I was there, that ASIC did not raise any concerns or issues with respect to the way in which the Qantas matter was being handled. If there is any information, I can provide it to Senator Fielding, but I am certainly not aware of any ASIC involvement in this issue.

Senator FIELDING—Mr President, I ask a supplementary question. Minister, if ASIC is conducting such an investigation—and that is ‘if’; you are saying you do not know—do you agree that the government’s decision about the takeover under the Foreign Acquisitions and Takeovers Act should be delayed until the results of that investigation are known?

Senator MINCHIN—It is not possible for me to answer hypothetical questions. I am not sure that Senator Fielding is actually asserting that there is some ASIC investigation about which none of us seem to know. He is not actually saying that; he is saying ‘if’. I am not prepared to answer any hypothetical. I am certainly not aware of any ASIC examination of this matter. We are properly undertaking the regulatory reviews of this matter through the Foreign Investment Review Board, under the Foreign Acquisitions and Takeovers Act and of course through the ACCC inquiry into the issues associated with Macquarie Bank’s investment in the Sydney airport and its involvement in the consortium that seeks to purchase Qantas. I am not going to answer a hypothetical, but I will pursue the matter of ASIC’s role—*(Time expired)*

**Taxation**

Senator FIERRAVANTI-WELLS (2.28 pm)—My question is to the Minister for Communications, Information Technology and the Arts, Senator Coonan, in her capacity representing the Minister for Revenue and Assistant Treasurer. Will the minister inform the Senate of the importance of a well-structured tax system to the Australian economy? Further, will the minister update the Senate on the financial benefits of the GST for my home state of New South Wales?

Senator COONAN—Thank you to Senator Fierravanti-Wells for a very pertinent question. Over the last 10 years, the Australian economy has gone from strength to strength. We are now experiencing the lowest unemployment rate in 30 years and the 15th year of continued economic growth. This is due, of course, to this government’s willing-
ness to do the heavy lifting and to take the hard decisions needed in Australia’s long-term interest. Reform of the tax system has been foremost amongst those decisions that this government has been prepared to take.

The goods and services tax, which we introduced in 2000, will provide an additional $67 billion in untied funding for the states and territories this year, with New South Wales enjoying the lion’s share, more than $20 billion. As a result of increased revenue from the Australian government, most states and territories have prospered and grown, as we hear. However, New South Wales has had 12 years of a Labor government. The New South Wales Labor government, led previously by Premier Carr and now by Premier Iemma, has failed to build or capitalise on the opportunities that this prosperity can bring. Report card after report card show New South Wales is the most mismanaged state in the country. New South Wales has the third highest unemployment rate, at five per cent, and imposes a higher tax burden on its citizens than any other state. Despite this excessive taxing, the New South Wales budget has a $3 billion cash deficit this year. It is projected to rack up an extra $20 billion of debt over the next four years.

Where the New South Wales government’s record of mismanagement is being felt more than in any other place is, of course, the housing sector, where inefficient and costly taxes are turning away investors and dampening the new housing market. Why? Because the only strategy that this inept New South Wales government has to dig itself out of this gross mismanagement of the economy is hiking up taxes on property. Even after the certainty provided by the GST, the New South Wales government has refused to provide its residents any relief from stamp duty. In fact, in 2004 the Labor government increased stamp duty by slapping a new premium property tax on houses valued at over $3 million. Land tax costs New South Wales residents more than $1.7 billion a year—a land tax which the Property Council, the Real Estate Institute of New South Wales and Access Economics have all identified as a significant brake on economic growth.

The Peter Debnam led coalition stands ready, Senator Fierravanti-Wells, to fix these problems and to restore New South Wales to prosperity. The coalition parties have pledged to top up the first home owners grant by $3,000—

Honourable senators interjecting—

The PRESIDENT—Order! There is too much noise in the chamber.

Senator COONAN—and to establish a stamp duty concession of $4,000 to investors providing rental accommodation, which are very sensible and much-needed initiatives. The opposition are all too happy to point to state Labor governments when asked what experience federal Labor has to run the economy. The sad fact is that the Labor states are littered with examples of appalling economic management and dodgy deals for their mates. The Labor brand is a tainted brand: whether you look at federal or state it is still the same old Labor.

Defence

Senator HUTCHINS (2.32 pm)—My question is to Senator Minchin, in his capacity as the Minister for Finance and Administration. I refer the minister to the Defence budget statements which say that the acquisition of six airborne early warning and control aircraft will not be finished until 2010, four years late. I also refer the minister to Senator Campbell’s failure to answer my question of 4 December last year on whether Defence would come good on Minister Nelson’s threat of 29 June 2006 to pursue damages if the project was two years late. Can the minister confirm advice from the Audit Office that the CEOs of Commonwealth agencies
have a legal obligation under the Financial Management and Accountability Act to pursue damages if agreed deadlines are not met? As the minister responsible for that act, and given that this project is now four years late, can the minister explain what action he is taking to ensure that Defence complies with its obligations under the law?

Senator MINCHIN—I have no doubts about the defence department’s proper role and accord with the financial requirements that it has under the FMA Act, and I applaud Defence on the way it has managed its affairs under former secretary Ric Smith and under its new secretary in, as I have said, the face of enormous demands on the defence department particularly since September 11, 2001 and with the particular regional responsibilities that we have undertaken in East Timor, the Solomon Islands, Fiji, Iraq and Afghanistan. It has been a remarkable performance by the defence department in the face of those particular pressures.

In relation to the particular project, the project with Boeing for the early warning aircraft, I do not have a particular brief on that with me. As I have said, that particular question would be better directed to the Minister representing the Minister for Defence. But my recollection is that the Minister for Defence was widely reported as meeting with Boeing in the United States relatively recently to make clear his profound disappointment at the fact that Boeing was apparently unable to meet the time lines with respect to that very important project, and is pursuing Boeing relentlessly to ensure that we receive those aircraft as soon as possible. There do seem to be issues associated at the Boeing end with respect to that project.

This is an important acquisition made possible by the fact that we have brought to this budget some discipline which was sadly lacking during the 13 years of the Hawke and Keating Labor governments, when they completely lost control of expenditure, budgets blew out, and we had deficits and red ink everywhere and an incapacity to properly equip the defence department to defend and secure this country. Under our government, with proper discipline brought to the budget, we have been able to ensure that Defence has built a three per cent real growth per annum into the defence budget to ensure that it can make the acquisitions necessary to ensure the defence and security of this country. If we had a continuation of the approach pursued for so long by the Hawke and Keating governments, these sorts of acquisitions either would have been impossible or would have put the nation even further into hock, as was the practice of the Hawke and Keating governments.

Senator HUTCHINS—Mr President, I ask a supplementary question. Minister, haven’t taxpayers spent $2½ billion on the airborne early warning and control project? Aren’t they entitled to expect their finance minister to protect their financial interests by demanding that there be real consequences if contract requirements to deliver multibillion-dollar projects on time and on budget are not met? Isn’t that part of your job?

Senator MINCHIN—My job as part of the NSC is to make sure that Defence properly contracts with suppliers for items and materiel which the National Security Committee agrees should be acquired by Defence. The management of those particular contracts is then a matter for the defence department, under the overall auspices of the FMA. Where suppliers fail to meet their contractual requirements, particular contracts will have penalty clauses attached to them. It is a matter for the defence department to pursue the relevant penalty clauses if there are breaches of contract by suppliers, and I have no doubt that the defence department will be doing that, as required.
Health: Breast Cancer

Senator BOB BROWN (2.37 pm)—My question is to Senator Santoro, the Minister representing the Minister for Health and Ageing. Minister, in relation to the cancer cluster at the ABC studios at Toowong, what has been the outcome of the inquiry by the Australian Radiation Protection and Nuclear Safety Agency, ARPANSA—

Government senators interjecting—

Senator BOB BROWN—Mr President, the juvenile interjections coming from those opposite are not germane to this very important issue. I ask: what is the outcome of that ARPANSA—

Government senators interjecting—

The PRESIDENT—Order!

Senator BOB BROWN—The minister opposite, who is interjecting, should listen to this question because it is an important and serious one. Minister, what has the ARPANSA inquiry discovered and when will the report be made available?

Senator SANTORO—I thank Senator Brown for his question. I can advise him that 10 cases of breast cancer have been diagnosed among employees working at the ABC’s Toowong studios in the last 12 years. The last case was diagnosed in July 2006. The ABC moved staff from its Toowong premises immediately after it received an expert report concluding that the incidence of breast cancer at Toowong was six times higher than among the general population of Queensland women. The expert panel chaired by Dr Bruce Armstrong, the director of research at the Sydney Cancer Centre and professor of public health at Sydney university, has been unable to find a link between the high incidence of breast cancer and the work environment or technology in use at the ABC studios in Toowong and it is continuing its investigations.

I would like to take this opportunity to commend the ABC for its quick action in starting to move staff from its Toowong site on the day it was told of the panel’s findings—21 December 2006. The ABC has temporarily relocated staff to other premises, including the Ten Network’s Mount Coot-tha studios and other sites in south-east Queensland. All staff had moved from the Toowong site by the end of January. The ABC is looking for a new permanent location for its Brisbane operations. The ABC is offering support and counselling services to staff, including free mammograms for all female staff. The ABC will commission a study of breast cancer cases at its other sites around Australia and, of course, it has undertaken to keep the government updated on this issue.

As further information becomes available and is able to be provided to Senator Brown and other senators, if I am asked a question I will do my best to satisfy such a request. May I also express the government’s appreciation for the way that the new Managing Director of the ABC, Mr Mark Scott, has decisively dealt with the issue. He has come under some criticism, particularly by the Queensland government, which we think is undeserved. As soon as that problem was definitively diagnosed, Mr Scott, on behalf of employees—

Senator Bob Brown—Mr President, I rise on a point of order. I did not want to cut the minister off but, before he sits down, I want to draw his attention to the question, which was specifically about the extremely low radiation emissions and the ARPANSA report, and whether the minister knows what is in that report and can report to the Senate about that.

The PRESIDENT—Senator Brown, what is your point of order?

Senator Bob Brown—The minister is not answering the question.
The PRESIDENT—There is no point of order.

Senator SANTORO—In relation to Senator Brown’s subsequent question through the point of order, I will certainly make available to Senator Brown any information that is made available to me in terms of that report. I give an undertaking that I will consult with the health minister and see if there is any further information that I can provide to Senator Brown. In terms of what I was saying about Mr Scott addressing the issue, the government is very grateful. I know that the general public understands that he acted with haste and with all due regard for the health and welfare of ABC employees.

Senator BOB BROWN—Mr President, I ask a supplementary question. I ask specifically if the minister can look at that ARPANSA study and report to the Senate on whether the extremely low frequency emissions have been assessed and what the results are; and secondly, why weren’t those emissions measured two years ago when the people working in the studios first made the request to have them measured?

Senator SANTORO—I undertake to have a look at the questions that Senator Brown has asked. If I am able to report any additional information to Senator Brown at the next sitting, I will do so.

Telstra

Senator CAROL BROWN (2.43 pm)—My question is to Senator Coonan, the Minister for Communications, Information Technology and the Arts. I refer the minister to her answers to questions in this chamber relating to broadband on Monday of this week. Is the minister aware that Telstra has publicly stated that the minister misled parliament nine times during her answers? Is the minister aware that Telstra does not advocate the abolition of the universal service obligation, the customer service guarantee or untimed local calls? Is the minister aware that Telstra has also publicly accepted the need for regulated access on any fibre to the node network? Was the minister ignorant of Telstra’s public views on these issues when she provided her answers on Monday of this week, or did she deliberately misrepresent these views? Will the minister now correct the misleading statements she made to this chamber on Monday of this week?

Senator COONAN—Thank you to Senator Carol Brown for the question. I noticed Senator Conroy trying to give her a bit of a tutorial before she asked the question. Look, I am very pleased to deal with this question. Telstra’s plan is to abolish the telecommunications-specific competition laws. Telstra, of course, is reacting to increasing competition in the sector and, if it were to succeed in that, Australia would be the only country in the OECD not to have a telecommunications-specific regime. I can only go on what Telstra itself published in its actual brochure that it sent around to all its shareholders. This is a direct quote from Telstra:

We must ALL tell them to get rid of the regulations that only apply to Telstra and stifle investment in broadband infrastructure.

That is a direct quote. What might they be? What might be the safeguards that only apply to Australia? Let me tell you, Mr President, that they include the 22c capped untimed local calls across Australia, they include the priority assistance with life-threatening health conditions and they include bill assistance for low-income earners, including pensioner discounts.

The interesting question here is not what Telstra is doing but what the Labor Party supports. For several weeks now, the Labor Party has simply refused to rule out that it is backing a campaign to abolish the entire telecommunications competition framework and
the important consumer safeguards like priority assistance, 22c capped untimed local calls, bill assistance and the Network Reliability Framework. Obviously, the Labor Party does not know what it can possibly do with the telecommunications regime. It has not ruled out abolishing these important consumer safeguards such as priority assistance. I hereby challenge the Labor Party: say what you will do; say what you will rule in and what you will rule out.

Senator Conroy interjecting—

The PRESIDENT—Order, Senator Conroy!

Senator COONAN—Whatever safeguards and laws Labor intend to abolish, I hope they have the gumption to come clean with Australian consumers and identify them. I challenge Senator Conroy to tell the Australian public what specific regulations Labor will abolish. We know that Senator Conroy has very clearly said that regulatory change is needed now. We know that Labor support Telstra’s campaign to roll back the telecommunications-specific regime. We know that Labor in fact support Telstra, who say:

We must ALL tell them to get rid of the regulations that only apply to Telstra and stifle investment in broadband infrastructure.

They include these important consumer safeguards. It is important to note that, in this pamphlet Telstra have sent out to shareholders, they have made no distinction between what regulations they will rule in and what regulations they will rule out. The Labor Party have not ruled in or ruled out any of these regulations. So the Australian public are entitled to believe that the Labor Party have hitched their wagon to Telstra’s campaign to roll over all competitors, to roll back consumer protections and to go after the little people who depend on this government to stand up for them when it comes to giving them telecommunications services.

Senator CAROL BROWN—Mr President, I ask a supplementary question. I refer the minister to Telstra executive Phil Burgess’s quotes today, that there is a ‘disgusting lack’ of broadband in Australia caused by ‘the federal government’s nonsensical regulations’. Why won’t the federal government follow Labor’s example and make the regulatory changes needed to deliver a fibre to the node broadband network for Australia?

Senator COONAN—Thank you for the supplementary question. Whilst I would never make this comment myself, I have noticed that there has been some commentary that has referred to Mr Burgess as a “Telstra windbag”. But the important point here is that Australia now has over 3.9 million broadband subscribers and that we rate very strongly when it comes to the take-up of broadband—now No. 2 in the OECD. The important point for the purposes of this debate is that the Labor Party are backing the campaign by Telstra, the biggest telecommunications provider in this country, who want to roll over consumers’ rights and roll back regulation.

Australian Youth

Senator JOYCE (2.49 pm)—I would like to take this opportunity to wish Senator Hefterman a happy birthday for this weekend. My question is to the Minister for Community Services, Senator Scullion. Will the minister inform senators of government initiatives and programs that mentor or assist disadvantaged or at-risk youth in the community?

Senator SCULLION—I would like to thank the senator for his question and I would like to not only acknowledge his long-standing interest in disadvantaged youth in his own community but also acknowledge and thank him for the advice that he has pro-
vided me with on that matter. This government absolutely believes that all young Australians deserve the opportunity to fully participate in our community.

Opposition senators interjecting—

Senator SCULLION—Thank you! Unfortunately, not all young people have the skills and the confidence to be able to participate in our community. The issue associated with that should be well known to all those here who are parents or who are associated with youth in any way: the issue of disconnection. If you are disconnected from your community or you are disconnected from your family—

Opposition senators interjecting—

Senator SCULLION—I am sad that those on the other side see this as such a low-priority issue that they interject on this matter. But it is certainly an extremely important matter to those on this side.

Last Saturday I was very pleased to launch a new program that will assist young people at risk in the Illawarra region of New South Wales. While I am on my feet I would certainly like to acknowledge the work of Senator Fierravanti-Wells, who will be providing a number of youth forums next month in Wollongong which officials from my department will be attending. I am looking forward to hearing your advice on those matters. Senator Fierravanti-Wells. The program is a partnership between St George Illawarra Dragons Rugby League football club and a number of youth services providers in the Illawarra. I would like to take this opportunity to thank those providers. They are: Southern Youth and Family Services, YWCA Shoalhaven and Central Illawarra Youth Services. The Dragons are going to work with the youth services providers to ensure they attract kids to these programs. This is all about providing a range of activities that are aimed at building the skills and particularly the self-esteem that we all know will assist these young people in reconnecting with both family and the community.

This very positive program will also affect young women. We often think of football clubs as representing the blokier end of town, but this will also involve young women through the support of the YWCA Shoalhaven. Very usefully, the YWCA Shoalhaven is providing the basis for the harm reduction in alcohol use program for the football clubs, in that very blokey environment. So they are not only providing the training; they are also ensuring that eight of the players from St George Illawarra Dragons, plus staff, are getting training in appropriate alcohol use. They are going throughout the Group 7 League in the Shoalhaven area. This is a great program. It links a substantial community service organisation with service providers and communities—and what a partner to select. St George Illawarra Dragons are a fantastic community organisation. I have to commend them very much for their participation.

Opposition senators interjecting—

The PRESIDENT—Order! There is too much noise on my left!

Senator SCULLION—The noise on the other side reflects their very low level of interest in this very important program. We do not just take these ideas out of the air; we consult widely. This idea and others have come and they have certainly been validated by the questions of the youth roundtable. The group has been here this week and they have been providing the government and me with a great deal of advice on how we should couch these programs directed at assisting youth at risk in our communities. I think that it is a fantastic program. I congratulate all those involved in it and I commend the program to the Senate.
Defence: Royal Australian Navy

Senator FORSHAW (2.53 pm)—My question is directed to Senator Ellison representing the Minister for Defence. Can the minister confirm that the Navy submarine rescue vessel, the Remora, which sank off Rottnest Island three months ago, remains on the seafloor? Is it true that while the rescue vessel remains 125 metres underwater the Navy does not have any submarine rescue capability? What are the implications for the Navy’s submarine capability of not having a rescue vessel available? Does the government intend to salvage the rescue vessel or will it be abandoned and a new rescue vessel purchased? How long are either of these options likely to take and what will be the cost to the taxpayers?

Senator ELLISON—I understand that operations are ongoing. The fact is that it is in difficult circumstances and Navy is still assessing the situation in relation to whether it has the capacity to retrieve that vessel. I will get an update for Senator Forshaw and advise the Senate. I understand that Navy is working on this and it is a work in progress.

Senator FORSHAW—Mr President, I ask a supplementary question. I thank the minister for his answer but I am not sure how serious he really is about it as a work in progress. Given that the Navy has been without its submarine rescue vessel now for three months and will remain so for an indefinite time in future, why have personnel been despatched to try and recover the wreckage of a submarine which sank off the coast of Papua New Guinea in 1914? Shouldn’t they be endeavouring to salvage the Remora first so that our submarine capability can become fully operational once again?

Senator ELLISON—I am not so sure that the use of personnel in PNG is deterring from the operation in Western Australia. That is an assumption that Senator Forshaw makes without foundation. I have indicated to the Senate that I will give an update on the operation on Remora and I will get back to the Senate.

Aged Care

Senator ADAMS (2.56 pm)—My question is to the Minister for Ageing, Senator Santoro. Will the minister outline to the Senate how the Howard government has been able to increase the safety and security of older Australians in aged care?

Senator SANTORO—I thank Senator Adams for her question and again acknowledge her very strong interest in matters relating to ageing Australians and particularly the physical health and welfare of ageing Australians within our aged-care homes. There is no doubt that with Australia’s rapidly ageing population the aged-care industry will continue to require greater financial support from the Commonwealth. It is worth noting that since this government took office in 1996 expenditure on ageing and aged-care activities has increased from $3.1 billion to an estimated $9.9 billion in 2010-11, an increase of 219 per cent. Since 1996 the total number of aged-care places has grown from 141,293 under Labor to 236,000 today. We are pleased that through this government’s disciplined economic management we have been able to deliver $1.5 billion, securing the future of aged care in Australia that I have been talking about in this place all week.

In relation to the package, we have welcomed the endorsement by many of the participants within the aged-care industry of Australia. We have also welcomed the endorsement of the government’s strong economic management by respected aged-care industry figures such as Francis Sullivan from Catholic health services. In relation to this package Mr Sullivan said—and it is worth noting in this place:
It is pleasing to see that frail elderly people can also benefit from the country’s surplus and join in the proceeds of prosperity.

That is what Mr Sullivan said. Just because you are getting on in years and just because you are an elderly person in an aged-care facility it does not mean that you are less deserving to share in the nation’s prosperity that you as an ageing person have contributed so much towards.

From today, as part of the government’s $100 million security reform package, all new aged-care workers and volunteers will be required to undergo police checks to ascertain their suitability to work with frail elderly Australians. With the implementation of this requirement for police checks, the Howard government is again delivering on its commitment to ensure the safety and security of our older citizens who rely on the aged-care sector. We have already delivered on our promise of one unannounced spot check for each aged-care home every year. We have already delivered on that vital promise. The fact that the government is able to fund such measures in an effort to ensure safety and security of aged-care residents as well as ensuring community confidence in the aged-care industry is another indication of what strong economic management can deliver. It shows that this government does not simply regulate and leave someone else with the economic burden, as the previous Labor administration did when they were in government—$100 million plus in debts that we had to fix up.

On this side of the House we recognise the imposition that new safety requirements have on the aged-care sector. Our strong fiscal position means that we have the capacity to assist. They can bleat all they want, but this contrasts with the inheritance this government had from the previous regime, whose fiscal and economic recklessness led the wolf to the doors of Australia’s aged. Embarrassed you may look and embarrassed you may be. Labor’s disastrous mismanagement of the Australian economy and, as a result, the aged-care system was exposed by the Auditor-General in his 1998 report, which revealed that Labor left a shortage of 10,000 beds when they went out of office. It is a stark reminder of how important good fiscal policy is and what a disastrous effect a Labor government would have on the sustainability of the aged-care industry. (Time expired)

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

QUESTIONS WITHOUT NOTICE: ADDITIONAL ANSWERS

Qantas

Senator MINCHIN (South Australia—Minister for Finance and Administration) (3.01 pm)—I add briefly to an answer I gave earlier to Senator Fielding. I am happy to report that the Treasurer’s office has confirmed with ASIC that there is no ASIC investigation into the Qantas-APA prospectus.

Defence: Royal Australian Navy

Senator ELLISON (Western Australia—Minister for Justice and Customs) (3.01 pm)—I undertook to get back to the Senate in relation to a question from Senator Forrest in relation to the Remora. Defence continues to work on the recovery of the Remora. The discussions have commenced with United States Navy Submarine Salvage Office to undertake the salvage of Remora once this team has completed recovery of the Black Hawk helicopter off Fiji. Whilst the Australian submarine escape and rescue capability is diminished, the international submarine escape and rescue community remains available as a contingency should a submarine become disabled.
Managed Investment Schemes

Senator ABETZ (Tasmania—Minister for Fisheries, Forestry and Conservation) (3.01 pm)—On 8 February Senator O’Brien and Senator Bartlett asked questions and I undertook to take aspects of them on notice. I seek leave to incorporate the relevant information in Hansard.

Leave granted.

The information read as follows—

Senator O’Brien asked on Thursday 8 February 2007 about tax changes and consultation with industry regarding non-forestry managed investment schemes.

Senator Abetz answer to the question that he took on notice is as follows.
The Minister for Agriculture, Fisheries and Forestry regularly meets with relevant Government Ministers to discuss matters, such as managed investment schemes, in the normal course of his business as a Government Minister.
The Minister for Fisheries, Forestry and Conservation is aware that the Australian Government, through the Department of the Treasury, held discussions with major non-forestry managed investment scheme companies over the future tax treatment of investments under the proposed new arrangements. Companies such as Timbercorp, Great Southern Plantations and Gunns were aware of the possible implications of a new tax ruling prior to the Government’s announcement.

Senator Bartlett asked the Minister representing the Minister for the Environment and Water Resources, upon notice: 8 February 2007

Does the Minister agree with the concerns expressed that the organisation charged with running the basin will need ownership rights and that this will cost billions of dollars, which will severely reduce the amount available for other measures?

Senator Abetz—The Minister for the Environment and Water Resources has provided the following answer to the honourable senator’s question:

I refer the honourable senator to the media release issued by the Chief Executive of the Murray Darling Basin Commission on February 8, 2007.

Media Release

Thursday, 8 February 2007

Statement from Wendy Craik, Chief Executive of the Murray-Darling Basin Commission

Murray Darling Basin Commission,

On 7 February 2007 the Murray-Darling Basin Commission President, Chief Executive and Executive Team released to partner governments to the Murray-Darling Basin Initiative a document entitled “Comments on the Australian Government National Plan for Water Security”.

This document contains a statement that “the available budget for a new Commission will be decreased by approximately $900 million over 10 years”. I am now aware that this statement is incorrect.

The funding in the Australian Government National Plan for Water Security to cover the activities of the Murray-Darling Basin Commission or its successor is $600 million. This covers:

• $100m for expanded capacity for the Commonwealth to set and administer the Cap; and

• $500 million to cover costs associated with the ongoing operation of the Commission Office activities (covering all partner government contributions).

Further, other funds will be available including:

• the $500 million (plus interest) the Commonwealth invested in the Murray-Darling basin Commission in June 2006;

• the funds ‘passed through’ from charges for water service provision totalling around $500 million over 10 years; and

• ongoing Commonwealth investment in the Commission of around $150 million over 10 years.

Together these represent an increase in the funds currently available to the Commission.
I appreciate that the matter has been clarified and regret the misunderstanding and withdraw the statement quoted above.

Wendy Craik
Chief Executive, Murray-Darling Basin Commission

ENVIRONMENT GROUPS:
DEDUCTIBLE STATUS
TASMANIAN PULP MILL

Return to Order

Senator ABETZ (Tasmania—Minister for Fisheries, Forestry and Conservation) (3.02 pm)—I understand that Senator Bob Brown yesterday raised an inquiry about the production of certain documents. I inform Senator Brown and the Senate that regarding the documents he refers to the government responded to these matters variously on 16 June 2005 through Senator Hill and 23 June 2005 through Senator Vanstone. The position of the government as outlined to the Senate at that time was that fulfilling these requests is regarded as an unwarranted diversion of departmental resources away from their key role of protecting the nation’s environment. The government’s position has not changed.

QUESTIONS WITHOUT NOTICE:
TAKE NOTE OF ANSWERS

Defence Procurement

Senator MARK BISHOP (Western Australia) (3.03 pm)—I move:

That the Senate take note of the answers given by ministers to questions without notice asked today relating to a range of defence matters.

I say at the outset that there are probably not two more important matters in the role of government than the sound administration of defence policy in all aspects and the sound administration and proper use of public funds. Throughout this continuing debate as to the proper administration and management of a range of procurement projects over the last 10 years, it is fair to say, in the most generous way, that government policy, administration and practice have been at best haphazard. If we look at a range of projects that are still some two, three and four years overdue, one is being extraordinarily generous to use the word ‘haphazard’ when the appropriate description is that there has been a litany of disasters in the administration by this government of a range of procurement projects.

When one looks for the common theme that runs through the government mismanagement of defence procurement projects one sees a number of items—significant cost overruns, time blowouts and ongoing changes to contracts and contract specifications which have ongoing consequences for time and delivery. The net result has been, in a range of platform procurement items, whether in the air, on the ground or at sea, continuing delay in delivery of those platforms and those projects to the Australian Defence Force and, as a consequence, the ongoing inability of the government to match reality with desire in terms of capability.

We only have to look at a range of helicopter projects for it to be understood that, if projects are delayed by two, three or more years and are not delivered consistent with the contract terms, we do not have capability and that capability has to be supplemented at cost from other areas, which eats into the available funds for budget. This has been a direct consequence of government decision making by a range of ministers for defence over the last eight to 10 years in a range of capital acquisition projects.

One only has to look at the list of projects which are on the public record. Firstly, the AWACs, the early warning and control aircraft, are two years late and you can bet your bottom dollar that the systems integration issues there are going to be much more serious and will blow out to four or five years.
After four years we still do not have one M113 personnel carrier. At the public hearing today we were advised by representatives of Defence Materiel Organisation that they are still facing at best a two-year delay with the Tiger helicopters. We know that another helicopter platform, the Seasprites, has been grounded. They are under review by government, and a general of the Army has been tasked with doing a review as to whether they are suitable going into the future or whether they need to be replaced. That review currently sits on Minister Nelson’s desk and no public decision has been made, although leaks have been strategically made to the media. We know that the Seasprites are never going to fly in this country.

Fiascos such as this litany of ships, helicopters and personnel carriers have contributed in a significant way to the inability of the government to reconcile defence accounts over the last few years and, in particular, the inability of the Secretary and Chief of the Defence Force to sign off on those same accounts at the end of each financial year. It is disgraceful that, in a department with a budget of $20 billion outlaid per annum, the senior officers are unable to sign off on the accounts because of lack of governmental and ministerial attention to their portfolio responsibilities. It is time in this whole area of defence spending—(Time expired)

Senator FERGUSON (South Australia) (3.08 pm)—I listen with interest to Senator Bishop when he questions the financial management of this government on defence acquisitions and a lot of other matters. No other government has been more transparent and open with opposition members when it comes to questioning the acquisitions and a lot of other matters. No other government has been more transparent and open with opposition members when it comes to questioning the acquisitions and the work of the Australian defence forces, which I might add have been working now at maximum effort for over seven years. At no time in our history have our defence forces had to put such an effort into their operations over such a long period of time.

I was interested to hear Senator Bishop criticise government administration and financial management, and he talked about a ‘litany’ of disasters and cost overruns. I know he was not in this place when we last had the misfortune of having a Labor government. We now happen to have what are probably the best conventional submarines in the world, but can he not remember the cost overruns and delays that we had with the submarines that were put into place by the then defence minister in the Labor government, particularly during Senator Ray’s time? We have finished up with very good conventional submarines. When you talk about cost overruns and budget overruns and time delays, just think back to what Labor did when it was in government with the Collins class submarines, to name one example.

It is a well-known fact that the best laid plans of defence acquisition do not always materialise because they are beyond the control of any government or defence force. If you are making overseas acquisitions and relying on suppliers in another country who are providing the equipment that we in Australia are purchasing for our defence forces, then sometimes it is outside the control of either the defence force or the government to change those cost overruns or the delays in timing which we all wish did not take place. Not one of us wants to see the plans of our defence forces delayed because of cost overruns and time delays.

When Labor start criticising this government’s financial management, I think they ought to take a long hard look at themselves. Over the past 11 years, this government has put this country in a position that could have only been dreamt of when it took office in 1996. I always welcome a debate on finan-
cial management from the Labor Party because they try to run away from their past record in government and the fact that when we took over the financial management of this country there was a horrible deficit, which we no longer have. Any independent assessment would suggest that this government’s financial management has been far in excess of any of its predecessors.

We are proud of our financial management. That does not mean that in some individual areas there are not occasions where there are cost overruns. We know that can happen, but, because of the financial management of this government, we can absorb those cost overruns and still run a budget that is in surplus.

Senator Ian Campbell—And a strong defence force.

Senator FERGUSON—We can still run a strong defence force, as my colleague Senator Ian Campbell says, which is, to use the colloquial term, punching above its weight in areas throughout the whole of the world. That is something that it has not had to do for a very long time, certainly not for the period of time that we have been expecting our defence forces to operate at such a high tempo. I am very proud. I know that senators on this side of the chamber have nothing but admiration for the way that our defence forces manage to cope with the difficulties of being in so many different places in the world. They are carrying out their activities on behalf of Australia in a variety of operations overseas at a level that makes us on this side very proud. (Time expired)

Senator WEBBER (Western Australia) (3.13 pm)—Whilst Senator Ferguson says he listens to contributions with interest, so do I. It is a very interesting contribution from those opposite when they say, ‘We have a very good conventional submarine fleet.’ Indeed, we do, but we would have to have the only very good conventional submarine fleet in the world that cannot go underwater. It cannot be allowed to submerge because this government has not got around to sorting out what is happening with the rescue vessel.

The rescue vessel sank off the coast of my home state of Western Australia and, until we work out whether we are going to replace it or go and salvage and fix it, the submarines are not going anywhere. I do not blame the Navy for making that decision. Until this government works out what it is going to do with the rescue vessel, we have a whole bunch of very good conventional submarines that cannot be submerged. It is a bit like the helicopters that this government decided to purchase—they could not fly over water or at night. This is ridiculous. They call themselves good financial managers and yet they buy a whole bunch of things we cannot use, such as helicopters that cannot fly over water or at night, they do not provide the capacity to utilise these things properly and they are more than happy to spend up to billions of dollars on these things.

Senator Ferris interjecting—

Senator WEBBER—The Seasprites! A billion dollars worth and we still do not know whether we are going to see the project through or not. And the best Defence can say is if we decide to scrap the Seasprite project then we might be able to recoup a little of the money selling off spare parts. That counts for good financial management, does it—a billion dollars for a project that you do not know you are going to see through? If that is good financial management, heaven help this country if this government continues. They are squandering money all over the place. It is a bit like the $10 billion water plan that does not have to be checked off by Finance or go to cabinet. It is $10 billion and you just do a quick run-your-eye-over, back-of-the-
envelope calculation and that is good enough.

We have submarines that cannot go underwater, helicopters that cannot fly, a whole organisation that cannot keep its eye on its other assets and rocket launchers that get stolen. This is a complete financial shambles and incompetence. You do not know how to manage the system. This is completely stupid. When Senator Hutchins asked the minister for finance what was happening under the Financial Management and Accountability Act—something that you would think the minister for finance would know about, in terms of penalties—he said, ‘That’s a matter for Defence.’ That is not good enough when it comes to billions of dollars worth of taxpayers’ money. Meanwhile, the priority for Defence seems to be to go up to Papua New Guinea and try to salvage something that has been underwater since 1914, but they cannot actually deal with the priority of working out what they are going to do with the rescue vessel so we can actually use our submarine fleet. Talk about bad planning. Talk about poor financial management. It is absolutely ridiculous.

Then we come to the Minister for Defence. Isn’t he good? He has no idea where the money is going, he has no idea about the financial controls within his own department, but he has the audacity to compare what is happening in Iraq with the Australians who fought at Kokoda. You should be ashamed of yourselves. You really should. Instead of good financial management, instead of providing the infrastructure and support that our ADF personnel badly need and absolutely deserve, all we get is jingoism and misrepresentation from that minister. It is a complete outrage. He should pay attention to his duty to the taxpayers and to how the money is being spent and what is happening with the Seasprites. He should be actually making sure that we do have the capacity to use the Defence assets that we have rather than getting out there and sprouting jingoistic nonsense.

In the meantime, where is the minister when it comes to looking after the people who have been superannuated out of the ADF on the grounds of ill health? You can find a billion dollars for the Seasprites when you are not quite sure whether you are going to use them or not—and we all think that you are not going to use them but you cannot quite get around to making that decision—but you cannot consult with the people who have been superannuated out on the grounds of ill health and look after their future long-term needs. They put themselves in harm’s way on this government’s instruction and there is absolutely no intention by this government to take into account their special considerations. Do not come in here and lecture us. (Time expired)

Senator JOHNSTON (Western Australia) (3.18 pm)—Today’s taking note of answers again establishes the great fact that is emanating from across the chamber, and that is that there is no-one in the federal opposition who has any real understanding of defence, and they have even less understanding of capability acquisition. Senator Bishop underlines that. He talks about AWACS. The AWACS is a light, command and control, carrier launched aircraft used by the US Navy. The project that he is referring to, which he wants to say is so important, is called AEW&C—airborne early warning and control. The project name is Air 5077. It has a value of $3.7 billion. I would have thought that a person coming in here to talk about projects would understand or have some vague knowledge of the correct identification of projects. There is nobody in the opposition, sadly, that has any real knowledge of defence or capability acquisition. Indeed, I think it was on Tuesday night that Senator Faulkner said in this place:
The government may say that the DMO annual report 2005-2006 identifies some project performance improvements. I acknowledge and believe that these can be attributed to better management inside the DMO and reflect well on the work being done by the DMO management team.

The question must be asked: better than what? Who could fail to remember the litany of cutbacks and slashings—15,000 defence personnel just taken off the books—by the Labor Party when they were last in power?

Let us just go through the good work that the minister and the Howard government have been doing in defence. We came to power and made a commitment to increase defence funding by an average of three per cent per annum over a decade, and we have done that. We gave a long-term funding commitment to a defence capability plan to give industry the certainty it needs. We did that. We established the Defence Materiel Organisation to provide a single point of accountability for defence acquisitions. May I pause to say that it is working magnificently, with almost $60 billion worth of projects on the go. We established the Kinnaird review into defence procurement.

We developed an acquisition reform plan to further improve the way government buys new defence equipment and capability, including changes to DMO to improve financial transparency and accountability. We did that. The Defence white paper Defence 2000: our future Defence Force, established a benchmark for the ongoing future development of the Australian Defence Force. Around 100 major projects worth some $17 billion have been approved from the white paper recommendations. We established the Defence Industry Advisory Council. They are things that the opposition know nothing about and never talk about because they are not interested in the subject. We carried out the Defence Reform Program, which identified savings in excess of $900 million a year to be redirected to combat capabilities such as additional Army personnel, modifications to amphibious ships and combat equipment, and ammunition.

We developed a strategic defence industry policy identifying six key strategies to shape Defence’s future relationship with industry. We established the Australian Strategic Policy Institute, ASPI, which gives the opposition every opportunity to hone their skills to try and understand something of defence, but, sadly, the messages are not getting through. And since taking office we have fixed Labor’s blunders. Who could forget them? They were fantastic. There were the minehunters—an absolute shocker—$138 million worth of vessels that never even went into the water. We lost the intellectual property with the Collins class submarine—the welding was wrong—because the Labor minister at the time failed to administer the contract properly. Kockums never properly transferred the intellectual property—a classic ministerial mistake that the previous Minister for Defence, Minister Hill, fixed and repaired. These are just the tip of a very black iceberg. If Labor were ever to come to power, the defence of Australia would be in jeopardy. (Time expired)

Senator HURLEY (South Australia) (3.23 pm)—Having lived for some 11 or 12 years in the northern suburbs of Adelaide, a stone’s throw from Edinburgh Air Base, I have had contact with many serving defence personnel and their families. I know how loyal, dedicated and proud those service men and women, and also their wider families, are of their service to their country. Their whole families share in that commitment to the defence forces. Over the last few years we have seen more and more demanded of those Defence Force personnel. What happens with this government? Is this backed up by the same dedication and commitment by this administration? I think we had the an-
swer when Senator Chris Ellison was asked about the critical rescue ship for submarines. He dismissed it, saying ‘it is a work in progress’. He could not give us an update or any detailed description of what is going to happen with getting the Remora off the ocean floor.

Can you imagine the feelings of Australian defence personnel and their families if a submarine actually went down while we were still waiting for that rescue ship to get off the ocean floor? Can you imagine how it would be for those families if they were told by the government: ‘We’ve made this arrangement with these overseas forces and, once they’ve got here, it’ll be all right’? It could be days before they arrive to rescue the service personnel out of that submarine stuck on the bottom of the ocean floor because they did not get around to it—it is just ‘a work in progress’; they did not get around to fixing the rescue ship that is languishing on the floor of the ocean. That is the kind of dedication and commitment we have from this administration to our defence personnel and their families. This is the kind of inaction and lack of activity that we have seen from the government in the past decade. There has been a series of failures in accountability and procurement. This is a very sad reflection on the government. It is a sad reflection of the value that they place on our defence service personnel and their families.

**Senator Ian Campbell**—Why are you reflecting on the naval officers who are trying to get the Remora off the sea floor?

**Senator Hurley**—The work in progress? The Minister representing the Minister for Defence in this chamber was not even aware of it. It was not high enough on his list of priorities.

**Senator Ian Campbell**—It’s a work in progress by the Navy, so why are you reflecting on the Navy?

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**The DEPUTY PRESIDENT**—Senator Ian Campbell, stop interjecting. Senator Hurley, address your comments through the chair.

**Senator Hurley**—That is the kind of government response we get to the dedication that is shown by our defence forces. The other kind of response we get was illustrated today by harking back to previous Labor governments—over 10 years ago, to the Collins class submarine. The government were able to dredge up one project to illustrate that perhaps a Labor government might not have been as good either.

Let me read what the Australian Strategic Policy Institute said about the Collins class submarine in their review of it. The review stated: ‘The Commonwealth’s $5 billion investment has not only provided Australia with a key strategic asset but also greatly boosted the skill base of our naval construction industry.’ That is precisely the point. There might have been cost overruns, although $5 billion looks pretty small now, I must say, compared with the blunders and overruns of the current government. The Labor government put this in place, built up our skills in Australia, created Australian jobs, Australian assets and Australian skills that have provided ongoing work for Australian workers. Senators stand up and try to defend cost overruns, saying: ‘We can’t control what they do in other countries. We can’t guarantee that other countries will deliver on time.’ What a pathetic response to a defence industry that is even more critical in today’s troubled times. I call on the government to put more effort into backing up the critical work that our defence personnel do in Australia.

Question agreed to.

**COMMITTEES**

Reports: Government Responses

**Senator IAN CAMPBELL** (Western Australia—Minister for Human Services)
(3.28 pm)—I present three government responses to committee reports. I seek leave to incorporate the documents in Hansard.

Leave granted.

The documents read as follows—

Government Response to the Joint Standing Committee on Foreign Affairs Defence and Trade report Australia's Defence Relations with the United States

The ANZUS alliance

Recommendation 1

The Committee recommends that the ANZUS Alliance be maintained in its current form and that the treaty be viewed not just as a specific set of requirements, rather as a statement of shared values capable of being acted upon in the face of evolving contemporary threats.

Response

Agreed. The ANZUS Treaty, underpinned by shared values, remains vital to Australian security. The alliance has proven to be adaptable and relevant, and has provided the foundation of our defence and security relationship since 1951. The continued utility of ANZUS was demonstrated by its invocation in the days following the terrorist attacks in the United States on 11 September 2001. The capacity of Australia and the United States to respond to evolving contemporary threats is underscored by Australia’s ongoing cooperation in military operations in our immediate region and beyond. The breadth of the relationship was demonstrated when US and Australian militaries united to respond to humanitarian disasters, such as the 2004 Indian Ocean tsunami and severe earthquakes in Pakistan in 2005. The high levels of trust and common purpose manifest in all of these endeavours are firmly based in the shared values which underpin the alliance.

Australian force structure, interoperability and intelligence

Recommendation 2

The Committee acknowledges that the free passage of information on the internet is likely to ensure that threat techniques faced by western forces in Iraq and Afghanistan are transmitted to disaffected groups in our region, meaning future regional conflicts may become increasingly violent and lethal. The Committee recommends that force structure decisions must therefore be based on the provision of the best possible protection for Australian Defence personnel.

Response greed.

The Australian Government agrees that Australian Defence personnel should be provided with the best possible protection, based on the principle that force protection should be optimised in accordance with operational requirements, without compromising other functions or elements of capability. This will often involve, inter alia, preparedness, doctrine, tactics and rules of engagement in addition to force structure decisions on major platforms or systems. These decisions will assess the current and future risk posed by a full range of conventional and non-conventional threats, rather than focusing solely on specific techniques used presently by threat groups in Iraq and Afghanistan.

Recommendation 3

The Committee supports the continuing enhancement of cooperation between Australian and US intelligence agencies; however, sufficient investment must be made in Australian analytical capabilities to ensure Australian analysis of US raw intelligence material is always undertaken.

Response

Agreed. The Australian Government supports the Committee recommendation. The Intelligence and Security Group in Defence, and its component agencies, continue to develop strong relationships with their US counterpart agencies and with the wider intelligence community. The Australian Government applies analytical resources to meet Australian intelligence priorities and conduct independent analysis of US intelligence material in accordance with those priorities.

Combined defence exercises

Recommendation 4

The Committee supports the continuation of joint training between the Australian and US Defence Forces and recommends that the Joint Combined Training Centre (JCTC) concept be codified in a Memorandum of Understanding before Exercise Talisman Sabre 2007.
Response

Agreed. A Memorandum of Understanding on the Joint Combined Training Centre was signed by US Secretary of Defense and Australian Minister for Defence on 18 November 2005.

Recommendation 5

The Committee recommends that the Australian Defence Force continues to apply the most appropriate rules of engagement consistent with the Australian assessment of application of force.

Response

Agreed. The Australian Defence Force continues to apply the most appropriate rules of engagement consistent with the Australian assessment of application of force.

Australian defence industry development

Recommendation 6

The Committee recommends that the Australian Government make every effort to obtain exemption from ITAR from the United States Government in respect of defence goods and services purchased from the United States for Australian Defence Force purposes.

Response:

Not Agreed. The Australian ITAR exemption agreement has been stalled in the US Congress since early 2003. As an alternative to the ITAR exemption, the Australian Government is working with the US Administration to develop more extensive capability arrangements that might better deliver the interoperability outcomes both nations want.

Foreword

The Howard Government remains strongly committed to Australia’s Antarctic programme. It recognises the significance to Australia of the Antarctic Treaty system and the importance of our contribution to it. The Government values Australia’s leadership in Antarctic science and in Antarctic environmental protection initiatives.

Consistent with this commitment, the Government welcomed the inquiry by the Joint Standing Committee on the National Capital and External Territories into the adequacy of funding for the Australian Antarctic Division of the Department of the Environment and Water Resources.

The Government notes that the Joint Standing Committee reviewed the Department’s annual reports, obtained briefings from the Australian Antarctic Division and conducted public hearings between March and June 2004.

The Government thanks the Joint Standing Committee for its report Antarctica: Australia’s Pristine Frontier: Report on the adequacy of funding for Australia’s Antarctic Program. The Government appreciates the considerable efforts of the Committee members and all others who assisted in development of the report’s recommendations.

The Government recognises the heavy resources demands placed on the Australian Antarctic Division’s logistical, research and environmental activities because of the remoteness of those activities and the difficult climate. In addition, there are increasing costs associated with compliance with environmental standards and with occupational health and safety management in an inherently hostile and sensitive environment.

The Government remains committed to an effective and collaborative Antarctic Science programme, and encourages thorough examination of opportunities for international cooperation in Antarctic research and logistic support. Consistent with this commitment, in May 2005 the Government made a four-year $46.3 million funding boost to make possible an inter-continental Airlink between Hobart and Casey Station. This is the largest single increase in spending for the Antarctic programme for over two decades.

Direct access to Antarctica by a fast and safe Airlink is no longer a dream. This initiative will
significantly modernise the Australian Antarctic Division’s capacity to support activities in Antarctica. In addition, it will give Australia an Antarctic presence consistent with our national interest and with the Government’s long term commitment to our continuing leadership in the region.

The Government is confident that the provision of these additional resources will enable the Australian Antarctic Division to:

• ensure that Australia continues to play an active and leading role in Antarctic science research;
• build on its collaborative partnerships with other Antarctic nations, and to significantly enhance the public profile of Australia’s Antarctic science programme; and,
• fulfil its legislative environmental and cultural heritage obligations.

The Government’s response to the Joint Standing Committee on the National Capital and External Territories (JSCNCET) Report Recommendations

Operations and logistical support

Recommendation 1

The Committee recommends that the Australian Government makes funding available in the 2005-06 financial year to enable a scoping study to be conducted to determine the need for a new dedicated marine research vessel to advance marine science in general and, the Australian Government’s goals for Australia’s Antarctic programme.

Support in principle

The Government accepts the importance of undertaking marine research in the Southern Ocean in support of the Australian Government’s goals for Antarctica. It also understands the less-than-ideal situation inherent in the multi-purpose nature of Australia’s existing Antarctic research voyages.

The Australian Antarctic Division of the Department of the Environment and Water Resources will be commencing a new tender process for the provision of shipping services for the 2007/08 financial year. As part of the budget process tied to this tender the Australian Antarctic Division will review its operational requirements in light of the impending introduction of the intercontinental airlink between Hobart and Casey Station and the impact that this will have on the type of shipping service required to meet the needs of the Australian Antarctic programme. The Government recognises the importance of maintaining a viable and world class capability to undertake marine science in the Southern Ocean and this will be addressed as part of this process.

The Australian Antarctic Division is currently fully committed to the implementation of the Antarctic Airlink. This project will provide a flexible transportation system and dramatically change the way that Australia supports its Antarctic programme. The introduction of intercontinental air transport will also allow for a change in the way that shipping is used.

The Government agrees with the Joint Standing Committee that the Australian Antarctic Division must continue to seek partnerships which will enhance the marine research component of the science programme and that the Australian Antarctic Division should continue to utilise its current shipping arrangements to cater for logistical and marine science needs.

Australia’s obligations under the Antarctic Treaty System

Recommendation 2

The Committee recommends that the Australian Government makes an appreciable investment commensurate with Australia’s significant involvement in polar activities to support Australian programs planned for the International Polar Year 2007-2008 and ensures that Australia plays a leading role in International Polar Year activities. In addition, the Committee notes the need for additional funds to be made available immediately for this purpose.

Support in principle

As leader of the Australian Antarctic programme, the Australian Antarctic Division of the Department of the Environment and Water Resources is already making a significant contribution to International Polar Year activities within its current science programme.

The Government agrees that the International Polar Year 2007-08 represents a significant op-
opportunity to build on Australia’s extensive collaborative partnerships with other Antarctic nations, to enhance the public profile of Australia’s Antarctic science programme and to realise the benefits of access to both shared logistics and to major new collaborative data sources.

Australian scientists are closely involved in the development and implementation of the International Polar Year, and in coordinating key projects. This includes taking lead roles in the Census of Antarctic Marine Life, an oceanographic study investigating the climate of Antarctica and the Southern Ocean, and a geophysical and glaciological survey of the extensive Gamburtsev sub-glacial mountains in the Australian Antarctic Territory.

The Australian Antarctic Division is active in sourcing funding support for International Polar Year projects from external agencies. As an example, in mid-2005 the United States based Sloan Foundation agreed to provide funding support for the Census of Antarctic Marine Life.

The Australian Antarctic Division has received many research project proposals as part of the Australian Antarctic Science Grants scheme for International Polar Year related activities. These will all be assessed for funding suitability and support as part of the 2006/07 appraisal process.

The Government’s commitment to fund the Australian Antarctic Airlink will also provide Australian scientists with better access to Antarctica during the International Polar Year. The Australian Antarctic Division is also considering ways to reschedule logistic support for Antarctic science so that activities are maximised during the International Polar Year period.

Conservation and protection of the Antarctic environment

Recommendation 3

The Committee recommends that the Australian Government allocate an additional $50 million to the budget of the Department of the Environment and Water Resources over a ten-year period, to be administered under Australia’s Antarctic Program, specifically for the remediation of past work sites in the Australian Antarctic Territory.

Support in principle

The Government is firmly committed to meeting Australia’s obligations under the Madrid Protocol. The Government also clearly understands that site remediation in Antarctica is difficult due to the harsh climatic conditions and remoteness. These factors make clean-up activities extremely costly and difficult to complete in the short term.

The total cost for the remediation of past activities in Antarctica has not yet been fully determined and any budget implications can only be considered when all requirements are known. In the meantime, scientific research will continue to be undertaken as part of Australia’s Antarctic science program to develop strategies and techniques to safely clean-up the sites of past activities without damaging the fragile environment of Antarctica. This will also assist in providing an indication of the success of past remediation efforts.

Cultural heritage management: Mawson’s Huts

Recommendation 4

The Committee recommends that additional funding be provided to enable the Australian Antarctic Division to comply with its responsibilities under the Environment Protection and Biodiversity Conservation Act (1999) for its work with the cultural heritage management of Mawson’s Huts. The Committee also encourages the continuation of partnership links with community sponsors to continue the restoration work of Mawson’s Huts.

Support in principle

The Government recognises the heritage significance of Mawson’s Huts, Australia’s most important cultural heritage site in Antarctica, and the importance of conserving the site. The Government applauds the efforts already undertaken by various community groups supported by the Australian Antarctic Division of the Department of the Environment and Water Resources to protect this valuable part of Australia’s heritage.

The Australian Antarctic Division, in collaboration with a number of community groups, has been actively involved in the conservation of the Mawson’s Huts site since 1997, and continues to provide support to bodies interested in conserving...
the site. This includes providing logistic support, expert advice and in-kind support (such as the loan of equipment) and facilitating access to the site so that conservation work can be undertaken. The Australian Antarctic Division continues to investigate ways to enable future joint public/private initiatives to play active roles in preserving historic Antarctic sites. The Australian Antarctic Division is also working with other divisions within the Department of the Environment and Water Resources on the development of a comprehensive Antarctic and subantarctic heritage plan.

The Australian Antarctic Division will continue to support conservation of Antarctic heritage sites, taking into account the urgency of action, professional assessment of conservation actions and the relative priority accorded to other environmental and research commitments. The Australian Antarctic Division will also pursue options of public and private partnerships to assist in this work.

**Australia’s Antarctic science program**

**Recommendation 5**

The Committee recommends that the current appropriation for the Australian Antarctic Science grants scheme administered by the Australian Antarctic Division be doubled from the current level of approximately $700,000 per annum for the remainder of the Science Strategy 2004/05-2008/09 and be reassessed after that period.

**Disagree**

The Government is committed to an effective and collaborative Australian Antarctic Science programme.

The total value of the grants received by research agencies under the Australian Antarctic Grants Scheme comprises the cash provided to the research agency supplemented by the logistical, field, station or shipboard support provided by the Australian Antarctic Division of the Department of the Environment and Water Resources. The in-kind support provided by the Australian Antarctic Division is in the order of $250,000 to $400,000 per project depending on the individual requirements of each research project.

**GOVERNMENT RESPONSE TO THE REPORT BY THE PARLIAMENTARY JOINT COMMITTEE ON NATIVE TITLE AND THE ABORIGINAL AND TORRES STRAIT ISLANDER LAND ACCOUNT ON THE OPERATION OF NATIVE TITLE REPRESENTATIVE BODIES (MARCH 2006).**

**Recommendation 1**

The Committee recommends that the OIPC develop comparative data, based on a range of key performance indicators, to assess the relative effectiveness of NTRBs in meeting their statutory obligations and that this data be published annually.

**Response**

Accepted, with publication options to be considered at a later date. The Government acknowledges the importance of assessing the relative effectiveness of NTRBs in meeting their statutory obligations and is working on developing and improving a range of comparative assessment data. There are, however, significant complexities associated with establishing key performance indicators on which to base relevant data. NTRBs’ operating environments differ widely, for example, with respect to: the extent to which native title may have been extinguished or connection maintained in the NTRB’s area; levels of future act activity within the NTRB’s area; the degree of intra-indigenous disputation within the NTRB’s area; and the policies of State and Territory governments towards resolving native title matters. Comparative assessments based solely on uniform key performance indicators - such as claims or future act matters finalised - would therefore be of limited assistance in determining an NTRB’s relative effectiveness.

As part of the existing funding and reporting framework, OIPC has therefore concentrated on developing mechanisms for comparing NTRBs’ success in completing activities nominated in their operational plans. To make these comparisons more meaningful, OIPC will encourage NTRBs to adopt more uniform activity descriptors where appropriate, while remaining sensitive to the need for NTRBs to plan their workloads in response to local circumstances. This process will be assisted by performance enhancement
activities which target common NTRB needs and will lead to more uniform ways of working. These activities are discussed in more detail in the response to Recommendation 8. The Government will also consider other ways in which more objective comparisons between NTRBs might be facilitated.

Given the complexities outlined above, the Government would be hesitant to publish annual comparative data on the relative effectiveness of NTRBs at this stage. It will however give further consideration to this possibility as funding and reporting frameworks are refined.

**Recommendation 2**

The Committee recommends that the Commonwealth establish an independent advisory panel to advise the Minister on the re-recognition of NTRBs once their recognition period has expired.

**Response**

Not accepted. The Minister is not presently required to consider independent advice in making decisions about NTRB recognition. Under the proposed reforms, the Minister would make decisions about recognition more frequently than at present but would not be required to consider additional criteria in doing so. The introduction of re-recognition requirements would not affect the substance of the advice on the relevant criteria provided to the Minister by OIPC. As at present, the Minister will be required to consider whether an NTRB has satisfactorily performed and would be capable of satisfactorily performing NTRB functions. OIPC holds substantial amounts of information relevant to these criteria and its staff have practical experience in gauging whether they have been met.

NTRBs would be able to make submissions to the Minister on re-recognition decisions. Further, as is presently the case for recognition decisions, NTRBs could seek review of a decision under the Administrative Decisions (Judicial Review) Act 1977. The proposed reforms will therefore retain existing procedural safeguards for NTRBs. At the same time, the re-recognition process will bring more accountability to the native title system as a whole compared with current indefinite recognition arrangements.

The current reforms are also designed to improve efficiency in the native title system and the Committee’s recommendation is not compatible with this objective.

**Recommendation 3**

The Committee recommends that the Commonwealth provide further details of the proposed transitional arrangements that will apply when the recognition period for NTRBs expires in order to avoid uncertainty for claimants.

**Response**

Accepted. When the Bill is introduced, updated and more detailed information will be posted on the OIPC website (www.oipc.gov.au). It is planned that all existing NTRBs will be re-recognised on 1 July 2007. Therefore the earliest these transitional arrangements would be needed is 2008 (and it may actually be some years after that) and there would be ample time to inform claimants about the new system. In relation to re-recognition processes after the initial transition period, it is envisaged that where an NTRB’s recognition is not to be renewed, a replacement will have been identified and transfer arrangements made well ahead of recognition expiring, so there should be no uncertainty for claimants.

**Recommendation 4**

The Committee recommends that the Commonwealth address the issue of native title claims that overlap the boundaries of different representative bodies to avoid uncertainty for claimants.

**Response**

Accepted. The Native Title Act 1993 (Native Title Act) already provides for written agreements about representation between NTRBs where a claim overlaps NTRB boundaries. To date, this has not been a problem area, with representation usually being readily agreed on the basis of where the largest geographic part of the claim falls, or where the greatest number of claimants live. Nevertheless, OIPC will pay particular attention to such cases to determine whether there are issues adversely affecting claimants. Should there be instances where NTRBs fail to come to a suitable arrangement, OIPC will act as a broker in discussions to resolve the impasse. This could
include, for example, agreeing to vary existing funding agreements so that funding for a matter is re-allocated between NTRBs, or assisting NTRBs to explore whether a variation to NTRB boundaries is warranted.

**Recommendation 5**
The Committee recommends that the Commonwealth immediately review the adequacy of the level of funding provided by the OIPC to NTRBs for capacity building activities including management and staff development, and information technology.

**Response**
Accepted in part. There is significant capacity building activity being undertaken within current funding levels. Activities include training in administrative law and corporate governance, and human resources development and support. OIPC has to date been able to meet all requests for these services from within existing funding. There is therefore no requirement for an immediate funding review. On completion, the current projects will be evaluated, and at that stage, OIPC will review the adequacy of funding.

**Recommendation 6**
The Committee recommends that the Commonwealth, in conjunction with industry groups, consider providing additional pooled funding for emergency and unforeseen situations, such as future act matters, litigation or court proceedings; and that the OIPC develop guidelines and procedures that will enable funding to be available in these situations in a timely fashion.

**Response**
Accepted in part. OIPC already provides funding for major litigation under its Contested Native Title Litigation Scheme. In 2005-06, save for one application which is under consideration, all applications for funding under this Scheme were approved (although some applicants received less than the amount originally requested). Guidelines for funding under the Scheme came into effect on 1 January 2006. The Guidelines make it clear that OIPC will process applications for funding within 10 working days of receiving all relevant information from NTRBs.

NTRBs are also free to apply at any time for additional funding for unforeseen activities which can be made available in a short space of time. OIPC does its utmost to process applications for such funding as quickly as possible. However, processing time-frames may be affected where the relevant NTRB does not provide all relevant information to OIPC at the time of making the application.

The Government notes that future act proponents and some State and Territory governments contribute funding for future act matters, including by funding NTRB future act officers in some instances. The Government is not aware of any evidence to support the need for additional pooled funding for future acts and is not aware of any evidence of emergencies arising. The Department of Industry, Tourism and Resources has consulted with the Minerals Councils of Australia regarding this aspect of the recommendation.

**Recommendation 7**
The Committee recommends that the Commonwealth ensures that the level of funding available to the Office of the Registrar of Aboriginal Corporations provides NTRBs with adequate training and support to meet the requirements of the introduction of the new corporate governance regime under the Corporations (Aboriginal and Torres Strait Islander) Bill 2005.

**Response**
Accepted. The Office of the Registrar of Aboriginal Corporations (ORAC), FACSIA received additional funds in the 2006-07 Budget to implement enhanced capacity building for Indigenous corporations including accredited and non-accredited training in corporate governance. In addition ORAC already has a training and information program in place to assist participants understand the new Corporations (Aboriginal and Torres Strait Islander) Bill 2005. There will be time for corporations to transition into the new legislative framework in the lead up to its commencement and also after its commencement and ORAC is working with funding bodies to maximise opportunities for corporations to understand the new requirements.
Recommendation 8
The Committee recommends that the Commonwealth immediately review the level of operational funding provided to NTRBs to ensure that they are adequately resourced and reasonably able to meet their performance standards and fulfil their statutory functions.

Response
Not accepted at this stage. Approximately half of the total funding allocated to the native title system annually is directed to NTRBs. Funding for individual NTRBs is reviewed annually and allocated in light of the operational plans they submit. The Australian Government considers that any deficiencies in performance result primarily from a lack of NTRB capacity, rather than a lack of funding. NTRB capacity is being specifically addressed through the Performance Enhancement Program (PEP) and by the current legislative reform proposals, which aim to achieve greater levels of NTRB accountability, responsiveness and efficiency.

In the 2005-06 Budget the Government agreed to extend additional funding provided to the native title system in 2001-02, committing an additional $72.9 million to the native title system over the four years to 2008-09.

Of the additional funding provided in 2005-06, $15.6 million was allocated for NTRB capacity building and strategic litigation initiatives. Expenditure under the PEP for 2005-06 was approximately $2.9 million. Spending in 2006-07 is likely to increase to $4.8 million with the full year effect of key initiatives implemented in 2005-06.

In 2005-06, the PEP provided for implementation of a new Common Services Project (CSP). The CSP will focus on delivering a range of human resource development and support services for NTRBs. This is consistent with recommendations made in a recent report commissioned by OIPC which considered NTRB needs in relation to recruiting and retaining legal staff. The CSP builds on the report’s recommendations by encompassing NTRB needs in relation to anthropologists and other staff where feasible, and seeks to address training and development needs of all NTRB staff.

Monash University, through the Castan Centre for Human Rights Law (Castan Centre), has been engaged to deliver services under the project. The Castan Centre’s mandate includes promoting human rights through teaching, publications and public education.

The Castan Centre will engage a Strategic Development Manager to advise NTRBs on human services issues. Other services to be delivered under the project include: a student placement program; promotional activities regarding opportunities in NTRBs; a locum program; encouraging development of a mentoring service; preparing an induction manual and providing associated training for professional officers; conducting training needs assessments for NTRB staff and providing training in key needs areas; and developing and implementing an NTRB staff performance evaluation and learning needs assessment tool.

The CSP will also explore levels of interest amongst NTRBs in common services arrangements for professional indemnity and other insurance cover. Experience in these trial areas will provide guidance on the potential for other common services arrangements to be implemented for NTRBs.

In addition to the CSP, the PEP provides for a range of initiatives designed to improve NTRB capacity and performance, including:

- communication forums and workshops for NTRB management and key staff groups;
- additional dedicated funding for NTRB staff development, training and support;
- specialist training workshops on governance, administrative law and contract management for NTRB staff and governing committees;
- support for improvements in NTRB IT infrastructure;
- services commissioned through the Australian Institute of Aboriginal and Torres Strait Islander Studies (AIATSIS) Native Title Research Unit, including: the annual national native title conference; web based services and native title focused research and publications; maintenance of resource and professional development networks; access by NTRBs to AIATSIS collections; and devel-
development of training and resource materials on conflict management in native title;

- research and investigations into significant issues affecting NTRB efficiency and effectiveness;
- web resource development; and
- change management and assistance with compliance obligations.

These activities aim to improve NTRBs’ capacity to perform their functions cost-effectively, and hence improve outcomes for Indigenous people from the native title system.

Funding for the native title system will be reviewed in the budget context at the end of the current funding cycle.

Recommendation 9
The Committee recommends that the OIPC, in close consultation with NTRBs, develop standardised criteria for use in the recruitment of representative body staff; and that these criteria be used nationally to provide consistency in standards of recruitment.

Response
Accepted. While OIPC seeks to avoid being overly prescriptive about NTRBs’ day-to-day operations, some consistency in this area is desirable in the interests of attracting and retaining quality staff across the system. The new CSP (see response to Recommendation 8) will assist NTRBs with advice on human resources development and practice generally, including by providing advice on key issues such as recruitment.

Recommendation 10
The Committee recommends that the Commonwealth investigate the feasibility of:

- the secondment of expert government staff to NTRBs;
- the establishment of a centre of excellence to develop the legal capacity of NTRB lawyers and from which NTRBs could draw expertise as required; and
- the provision of scholarships for postgraduate study to further enhance skills in areas of relevance to the work of NTRBs.

Response
Accepted.

- the Government acknowledges the benefits of staff exchanges and has recently arranged initial secondments to and from NTRBs. Further secondments may be arranged as opportunities arise.
- the Castan Centre will be promoting career opportunities in NTRBs to public sector personnel, and opportunities for seconding lawyers and public sector personnel to NTRBs;
- under the CSP, the Castan Centre will also be providing many of the services which the recommendation envisages being provided by a Centre of Excellence. There will be targeted courses provided to lawyers on aspects of native title law and practice, the development and promotion of a mentoring framework for NTRB professional staff, a register of Counsel and other professionals with experience in native title matters, and a source of professional advice for NTRBs on human resource issues; and
- there is already a postgraduate scholarship program for lawyers in the native title system or for interested new graduates. NTRBs may also support such activities using dedicated additional funding provided for staff training, development and support.

Recommendation 11
The Committee recommends that the Commonwealth implement a national recruitment strategy to address the professional staffing needs of NTRBs and that this strategy:

- promote the status and positive image of work in NTRBs;
- focus on promotion of careers in NTRBs to the professions;
- introduce an ongoing NTRB student placement program; and
- promote the employment of Indigenous people to positions in NTRBs.
under the CSP, the Castan Centre has been engaged to promote careers in NTRBs;
these promotions will target major law firms and relevant university faculties. Second-
ments will be coordinated, and a register of experienced Counsel developed and main-
tained;
the Castan Centre currently coordinates the placement of law students in NTRBs, and it is planned that this be extended to anthropology students; and
there are already a significant number of indigenous employees in NTRBs, and more will be attracted as career prospects improve through enhanced human resource practices.

Recommendation 12
The Committee recommends that representative bodies focus on the professional development needs of NTRB professionals and enhance the support structures and programs available to them, including:
• developing a formal induction training program for new recruits;
• establishing ongoing training programs to further enhance skills in particular areas;
• creating a mentoring system; and
• implementing performance evaluation systems to assist in the identification of professional development needs.

Response
Accepted. Under the CSP, the Castan Centre has been engaged to:
• develop, implement and support a model NTRB performance evaluation and learning needs assessment tool for professional staff.

Recommendation 13
The Committee recommends that the OIPC continue to monitor the salary differentials provided to senior professional staff of NTRBs; and introduce a scale of salaries to provide consistency across the system if significant differentials continue to apply.

Response
Accepted in part. It is agreed that consistent salary scales are desirable, and OIPC will continue to monitor the differentials revealed in the survey which it commissioned, and which it has provided to NTRBs for their guidance. OIPC has provided a model remuneration framework to NTRBs for use as a guide in the recruitment process with the objective of achieving greater consistency across NTRBs over time. However, NTRBs have not supported a compulsory salary framework, and OIPC, while encouraging consistency, does not consider it appropriate to enforce one against NTRBs' wishes.

Recommendation 14
The Committee recommends that representative bodies investigate the feasibility of implementing a system of 'pooling' of professional staff in situations where an NTRB may lack a full complement of particular professional staff.

Response
Accepted. Under the CSP, the Castan Centre has been engaged to develop and implement a locum service to place short term appointments in critical NTRB need areas pending recruitment. NTRBs already collaborate extensively and share resources and expertise where possible, and this will be further encouraged. The Government acknowledges that this recommendation could create considerable efficiencies and will consider how it might be more fully implemented.

Recommendation 15
The Committee recommends that the OIPC continue to support NTRBs in improving the quality of their strategic planning processes and especially in integrating strategic plans,
operational plans and performance based budgeting and reporting.

Response

Accepted. OIPC is committed to working closely with NTRBs to improve native title outcomes, including through integration of planning, budgeting and reporting processes. However, consistent with Recommendation 16, the proposed reforms will remove requirements for NTRBs to prepare strategic plans and table annual reports in Parliament (see further below).

Recommendation 16

The Committee recommends that the OIPC, in consultation with representative bodies, review the current compliance and accountability requirements placed on NTRBs with a view to reducing unnecessary duplication of reporting and streamlining reporting procedures.

Response

Accepted in part.

As noted above, the proposed reforms will remove requirements for NTRBs to prepare strategic plans and table annual reports in Parliament. Given their generality, strategic plans have proved to be of limited use as planning tools. They have therefore created unnecessary work both for NTRBs and OIPC. Requiring NTRBs to table their annual reports in Parliament has also proved to be unnecessarily onerous. These measures will substantially streamline planning and reporting procedures.

NTRBs’ reporting requirements under the PFA are consistent with Australian Government requirements for all Indigenous program funding. However, OIPC continually attempts to identify ways to reduce unnecessary reporting requirements and red-tape for NTRBs. For example:

- The PFA is periodically reviewed and redrafted to improve clarity and remove unnecessary requirements. NTRB Chief Executive Officers, Chief Financial Officers and senior professional officers have been consulted in this regard and their views taken into account. PFAs were also amended to allow NTRBs to engage consultants who are members of a relevant professional association without going to tender, and to raise the value of work that can be procured without tendering. PFAs were also amended to remove the automatic requirement that OIPC obtain an independent assessment before agreeing to fund contested litigation which had caused unnecessary delays in processing funding applications.
- OIPC recently issued Guidelines for Contested Native Title Litigation Funding which clearly state the criteria that NTRBs must address in applying for such funding.
- As noted in the response to Recommendation 1, for 2005-06, financial reports were required every three months and operational reports were required every six months. For 2006-07, financial and operational reports will be required every four months. The revised reporting frequency was broadly supported by NTRBs’ Chief Financial Officers and will ensure that reporting is more outcomes-focused and thus more useful. The new requirements should also be simpler to comply with.

OIPC will continue to streamline compliance processes wherever possible. However, this imperative must be balanced against the need to ensure that public monies are adequately accounted for and appropriately targeted towards progressing native title matters for which NTRBs are funded.

Recommendation 17

The Committee recommends that the amended Guidelines on the Provision of Financial Assistance by the Attorney-General under the Native Title Act 1993 due to come into effect in June 2006 provide:

- provisions to encourage agreement-making rather than litigation to resolve native title disputes; and
- that eligibility for assistance be subject to means testing along similar lines to those applying for grants of legal aid.

Response

Provisions to encourage agreement making

Accepted. The Australian Government announced a package of complementary reforms to
the native title system in 2005, including a review of the Respondents’ Funding Scheme Guidelines. One of the Government’s objectives is to promote the resolution of native title matters through agreement making, rather than litigation, wherever appropriate. The consultation draft Guidelines incorporate features that will further encourage agreement making, including the following measures:

- authorising assistance in stages of 6 to 12 months, or shorter timeframes, to facilitate improved and more transparent planning by funded parties focused on achieving outcomes;
- varying or terminating assistance if a grant recipient fails to act reasonably by not endeavouring to reach a reasonable agreement with a claimant;
- limiting financial assistance in court proceedings to situations where the matter raises a new and significant question of law, or the court requires the respondent's participation in proceedings, or the claim will affect the respondent in a real and significant way and the claimant unreasonably fails to negotiate.
- strengthening reporting requirements imposed on grant recipients to include strategies to resolve issues in dispute.

The proposed draft Guidelines were released for consultation in November 2005. Responses are being assessed. Subject to approval, it is proposed the revised Guidelines will be implemented by 1 January 2007.

Eligibility for assistance to be subject to means testing

Not accepted. At present an applicant’s financial circumstances are assessed when determining the reasonableness of making a grant of financial assistance.

Under the consultation draft guidelines, evaluation of financial circumstances would continue to apply where an individual applies for assistance and is not represented by a peak body. As a condition of a grant of financial assistance an applicant may also be required to make a contribution to the total matter costs.

Where the applicant is not a natural person consideration will be given to what other financial resources are available to the applicant from owners, members and beneficiaries. A publicly listed company would be regarded as having sufficient financial resources not to receive assistance.

Recommendation 18

The Committee recommends that the Commonwealth examine appropriate means for resourcing the core responsibilities of Prescribed Bodies Corporate.

Response

Accepted. As the Committee notes, the native title system reforms include an examination of the current structures and processes of Prescribed Bodies Corporate (PBCs). This task is overseen by a Steering Committee comprised of officers from the Attorney-General’s Department, OIPC and ORAC. The Steering Committee has undertaken targeted consultations with a range of stakeholders including NTRBs, PBCs, State and Territory Governments and industry bodies.

The Steering Committee has considered appropriate means for resourcing of PBCs’ core responsibilities in the context of the examination, including consideration of existing funding sources and resourcing needs beyond funding (eg, capacity building and professional assistance). Consideration has also been given to whether existing structures and processes could be made more manageable and less resource intensive.

NTRBs are a key existing source of assistance for PBCs in meeting their core responsibilities. The Committee’s Report suggests that NTRBs must cease being involved with PBCs when PBCs hold their first annual general meeting. In fact, under their funding agreements with OIPC, NTRBs can perform their statutory functions in relation to PBCs at any time. These functions are significant and include assisting PBCs to negotiate ILUAs and other future act agreements. It is however currently the case that NTRBs cannot use their Australian Government funding to contribute to a PBC’s day-to-day administrative costs beyond the PBC’s first annual general meeting.
Recommendation 19
The Committee recommends that the Commonwealth, State and Territory Governments widely publicise the availability to Prescribed Bodies Corporate of different funding sources, particularly in relation to the PBCs’ land management functions.

Response
Accepted. As noted above, the current examination of PBCs includes consideration of existing resources available to PBCs, including in relation to their land management functions. The Government agrees that there would be merit in working with State and Territory governments to publicise the availability of any such resources to PBCs.

Foreign Affairs Defence and Trade Committee: Joint Report: Government Response
Senator BARTLETT (Queensland) (3.29 pm)—by leave—I move:

That the Senate take note of the documents.

I want to note that one of the government’s responses tabled today is to a report from the Joint Standing Committee on Foreign Affairs, Defence and Trade that was tabled on 22 May last year. Going by the standards of the current government, a nine-month turnaround is actually quite prompt, but I should point out that it is well and truly outside the requirements of the standing orders for responses to committee reports from the government. Particularly given that there were only six recommendations contained in that report, I think a nine-month turnaround is unacceptable.

Nonetheless, it is appropriate to take the opportunity to note the government’s response and the fact that five of the six recommendations were agreed to or supported by the government. This flows on from some of the issues in the debate we had while taking note of questions about the nature of our Defence Force activities. The core recommendation from the committee was that:

… the ANZUS Alliance be maintained in its current form and that the treaty be viewed not just as a specific set of requirements, rather as a statement of shared values capable of being acted upon in the face of evolving contemporary threats.

Whilst I was not part of the subcommittee that drew up this particular report, even though I am a member of the broader joint standing committee, that is a recommendation I support. Indeed, I have published material, along with other Democrat colleagues, expressing support for the ANZUS alliance. Nonetheless, there are clearly significant concerns among a wide range of the Australian community about how the defence alliance and defence relationship with the United States are revolving. It is true that the ANZUS alliance is valuable and that it should be able to evolve in various directions. So, in criticising the way it is evolving, I am not criticising the ANZUS alliance or specifically the alliance with the United States but rather expressing concerns about the direction in which it is being taken or, perhaps more specifically, the direction we are allowing it to be taken by virtue of being led by the current United States administration.

Once again, under the new political correctness regime we have from this government, anybody who voices any sort of concern about specific details of our defence arrangements with the United States immediately gets slammed as being anti-American. There is an attempt to close down debate via sloganeering such as that rather than actually dealing with the substance of the concerns. Judging by the comments he made, it seems it is okay for the Australian Prime Minister to quite seriously slander the United States Democratic Party presidential candidate Senator Barack Obama, but if anybody else expresses concerns about defence issues with the United States they are called
anti-American. The simple fact is that we have seen not only growing security threats but a growing lack of safety for Australia and Australians as a direct result of some of the decisions of this government, which have been driven by their uncritical application of the alliance with the current US administration.

This particular report and the government response to it draw attention to the continuing joint training between Australian and US defence forces and recommends that the joint training centre concept be codified in an MOU before the next exercise, Talisman Sabre, this year. That is coming up in a few months in my own state of Queensland. It raises one of those concerns that often manifests in the general community. I believe there is very strong support in the Australian community for an alliance with the United States, but there is also very strong disquiet about the way that alliance is manifesting itself with regard to some of the defence relationships. We have seen the bizarre situation of the huge amount of money that is being put forward for the next fighter plane and some of the very strange decision making and commentary relating to that from the government side. It is not just a matter of billions and billions of dollars being misused or misapplied; it is a matter of locking our defence forces in the long term into structures and equipment that do not maximise our flexibility and not focusing our demands and our needs where they should be.

Similarly, we had community concern about the recent announcement of the plan for a new US base in Western Australia—something that obviously, in being only recently announced, came about after this committee tabled its report. But the same question is raised. It is a question not of whether we should have an alliance with the United States but of how we are allowing that alliance to be manifested, particularly at a time when United States foreign policy is clearly so flawed, so dangerous and apparently still determined to go down a very dangerous path. It is precisely at that time that we should have enough flexibility in our alliance and our defence arrangements to be able to say, ‘We are not going with you on this one.’ The lack of ability to do that and the lack even of recognition of the need to be able to do that are core problems with the government’s policies in this area and, indeed, the government response tabled here.

Question agreed to.

Native Title and the Aboriginal and Torres Strait Islander Land Account Committee

Report: Government Response

Senator BARTLETT (Queensland) (3.37 pm)—I move:

That the Senate take note of the report.

I want to speak on the government’s response to the report of the Parliamentary Joint Committee on Native Title and the Aboriginal and Torres Strait Islander Land Account, Report on the operation of native title representative bodies. The report was tabled in March 2006, so the government has taken 12 months to come back to the Senate on this. I might note in passing that the government has also tabled its response to the report of the Joint Standing Committee on the National Capital and External Territories, Antarctica: Australia’s pristine frontier: The adequacy of funding for Australia’s Antarctic program. That report was tabled in June 2005, so it has taken nearly two years for the government’s response to that one. I suppose we should be grateful that the response to the Report on the operation of native representative bodies has taken only 12 months. While it has 19 recommendations—and I suppose it does take a little longer to determine responses to that many recommendations—I believe it is still appropriate for the government to be aiming for the three-month
benchmark for providing responses. Another reason for that is that in the intervening period there have been ongoing consultations regarding further changes to the Native Title Act, some of which go to the heart of the role of native title representative bodies. I believe it would have been quite feasible and appropriate for the government to respond to the committee’s recommendations much earlier. If they had been clearly detailed and specified, they could have been available for the government’s consultations leading up to the preparation of the legislation before the chamber regarding changes to the Native Title Act that were reported by the Senate committee this week—as well as a few that are still in the pipeline.

The government responses to the recommendations on the whole are positive. A few were not accepted but a large number of them were and that is welcomed. Some that were accepted in part go to the issue of the level of funding provided to native title representative bodies, and I want to re-emphasise the importance of that. The government understandably and appropriately have said that the issue is about capacity building as much as it is about funding. That is true up to a point, but I do not think you can completely disconnect one from the other. The government have stated that there is significant capacity building activity being undertaken within current funding levels; therefore, there is no requirement for an immediate funding review and that on completion the current projects will be evaluated, and at that stage the Office of Indigenous Policy Coordination will review the adequacy of funding.

I think there was sufficient evidence given at the very recent Senate committee inquiry into the proposed legislation amending the Native Title Act to reinforce the concerns that were expressed by the joint committee 12 months ago. I urge the government to take a step further forward than it has in some of those areas. I also note the recommendation from the Legal and Constitutional Affairs Committee that was tabled earlier this week recommending that the federal government finalise and implement the proposed funding arrangements for prescribed bodies corporate as a high priority. There was no doubt that the evidence presented to the committee emphasised the importance of this.

The changes that are going to be made to the Native Title Act—speaking on the assumption that they will be passed by the Senate in one shape or form—will continue to put a very high level of responsibility on the native title representative bodies that perform an important role and, by and large, perform it quite well. There is enormous diversity in some of the native title claims that are being put forward and it is an incredibly difficult task for representative bodies to be able to assist in those native title claims. It is crucially important that those representative bodies perform that role effectively not only for the traditional owners and Indigenous Australians but also for all of us.

This week we saw the positive news of the New South Wales Labor government reaching a very important agreement with the Githabul people in far north New South Wales. It recognised the Githabul people’s continuing connection to the lands there and their native title rights, and provided the potential for some very significant opportunities for the Githabul people. Unfortunately, on the other side of the border, where I live, the Queensland Labor government are a long way behind in finalising and recognising the claim from those same Githabul people. State borders have no relevance when it comes to the traditional lands of Indigenous Australians. We have major and very positive progress on the New South Wales side of the border yet very limited progress on the Queensland side of the border. Frankly, the
reasons given by the Queensland government as to their lack of progress on the matter do not stack up. When it comes to native title claims in Queensland, particularly in the south-east corner, the government has an unfortunate record of not facilitating or encouraging their successful conclusion. It may be a different matter in other parts of the state, but when it comes to the built-up areas, particularly in the south-east corner, that willingness is not there.

I take the opportunity with this response to urge all levels of government, particularly in my state of Queensland and with the historic Noongar claim in Western Australia, to get over this notion that native title is an inconvenience, a concession, a battle or a negative for white Australia, governments or landholders. I believe native title has as much to offer non-Indigenous Australians as it has for Indigenous Australians. Indeed, given the potential that was evident at the time of the Mabo and Wik court rulings, the opportunities for Indigenous Australians have sadly fallen far short of what could have been achieved if greater political courage and more political will had been shown.

There is still potential there for real positives for Indigenous Australians, as the Githabul claim has shown. But I believe that the positives and the potential for non-Indigenous Australians are not emphasised enough. Speaking for south-east Queensland, where I have lived my entire life: for the councils and the people in the non-Indigenous communities of south-east Queensland to know and to be able to see and recognise that the Indigenous peoples of that region still have continuing connection to the land, even amongst the massive urban development that has occurred there, would be a real positive and would really open up further opportunities and potential for that region.

I really do not understand why there is such reluctance on the part of governments to progress these claims. It is not just the Githabul claim over Mount Lindsay, the Beaudesert Shire area and the Border Ranges. There are other claims on the Gold Coast. There are very important claims for North Stradbroke Island and some of the islands in Moreton Bay. There is real potential there and it should be finalised.

To go back to the government response, that means better support for native title rep bodies, as well as more political will from state governments and also more assistance with staff training. Whilst the government, in its wording of the response, has accepted the recommendations regarding recruitment strategies to address the professional staffing needs of rep bodies, I still would like to see that being delivered on the ground in a way that is meaningful, particularly for Indigenous people themselves.

A lot of the money is going to anthropologists and lawyers who are non-Indigenous. And whilst there are Indigenous people employed in some of these rep bodies, a lot of them are not in the highly paid and highly skilled areas and there needs to be a lot more done about that. I do not really see that as reflected adequately yet in the response that has occurred to date.

Senator SIEWERT (Western Australia) (3.46 pm)—I was a member of the Parliamentary Joint Committee on Native Title and the Aboriginal and Torres Strait Islander Land Account and am pleased to see that the government has finally responded to its Report on the operation of native title representative bodies. I have not been here as long as Senator Bartlett, so this is actually, in my limited experience, a fairly rapid response to a Senate committee report.

I am pleased to see that the government has accepted a number of the recommenda-
tions, including key performance indicators, addressing the overlap between native titles and the level of funding for training and support. I am deeply concerned that, as Senator Bartlett has alluded to, the government seems to be implying that, if you supply funding for training and support, that will deal with the issues relating to native title rep bodies. I am concerned that they are shirking the need to increase funding to rep bodies. I am further concerned that the changes of legislation that they will shortly bring before this place will further undermine native title rep bodies. I will go into some of those details shortly.

The focus on staff professional development was also supported, as were the issues around standard staff recruitment criteria. They also said that they supported the recommendation to provide further details on transitional arrangements. However, the changes that they are seeking to make to the Native Title Act will undermine native title rep bodies. They will give the minister much more prerogative about re-recognition of native title rep bodies. It does not actually set a time frame for the secondary notification when they are reregistering again. It does not set a time frame for when the minister has to make his or her decision. And I think that will significantly destabilise rep bodies.

The report also says that the government agrees to and accepts the recommendations regarding examining the issue of resourcing for core responsibility for prescribed bodies corporate. This was a very important recommendation because, time and time again during the hearings, it came up that prescribed bodies corporate were totally underfunded for the work that they were expected to do. While the government has acknowledged this issue and has undertaken to look into it, that is not the same as giving an undertaking that it is going to actually adequately fund PBCs. I understand that it has said that it is still considering this point. But I believe that the government really needs to act on this immediately and fund these bodies, because they are struggling to meet their workloads.

When you look at the recommendations that the government have partially accepted, they have partially accepted recommendations on the level of funding provided to rep bodies for capacity development and making pooled funding available for emergency and unforeseen circumstances. They have also said that they will look at monitoring salary differentials. I think the government need to go further in their commitment to these recommendations.

I am particularly concerned, however, about two of the recommendations. The government has rejected the call for the establishment of an independent advisory panel on the re-recognition of NTRBs and reviewing the level of operational funding provided to NTRBs.

I am also concerned about the tenor of the government’s response to the recommendation around an independent advisory panel. They say, basically, in their response, that they can rely on the Office of Indigenous Policy Coordination. But, if some of the advice and some of the decisions that have been coming out of the OIPC lately—such as the new whole-of-government response to providing services to Aboriginal communities—are anything to go by, I am very deeply concerned that the minister thinks he just needs to rely on the OIPC to provide advice on re-recognition of bodies.

This goes to the comments that I made previously about the minister having much more executive decision making control now over native title rep bodies and, after the second stage of re-recognition, does not have to inform the bodies; there is no time line on when he or she informs the bodies of their
re-recognition. This can and will make it extremely difficult for native title rep bodies to do long-term planning. I am deeply concerned at the approach the government is taking on this one.

I am also very concerned about the fact that the government are not committing to operational funding for native title rep bodies. During the hearings, the issue of funding came up again and again, and it came up again during the recent inquiry into the Native Title Act. I am particularly concerned about this because the changes the government are proposing will further undermine native title rep bodies, give greater coercive powers to the Native Title Tribunal and allow non-Aboriginal corporations to take on responsibility for representing and consulting with native title holders.

In particular, the changes are going to undermine native title rep bodies by making their continued existence much more uncertain, through the periodic recognition process. When the new process comes into being, the minister can decide whether to give a rep body one, two or three years recognition. If they only give a group 12 months recognition, it is going to be very difficult for the group to accomplish anything in that 12 months or to plan into the long term. These changes are heaping a lot more administrative load onto the shoulders of NTRBs, without addressing the already pressing issue of underfunding. As I said earlier, the changes are giving a lot more executive discretion to the minister to deregister NTRBs, to change the areas that they represent, to change their boundaries and to affect their financial decision making. By changing the criteria for assessing the performance of NTRBs, I believe these changes are also further undermining NTRBs.

The proposed changes to the Native Title Act in a number of ways contradict the claims that the government are making in their response. I have not had time to go through in any great detail the response from the government to the report. Where I have studied it in more detail, so far it seems to me to indicate that what the government are saying they are agreeing to and accepting is a bit different to the reality. I have some concerns that, even when the government have said, ‘Yes, we’ll accept this recommendation,’ if you get down to the fine detail and then cross-reference that to their proposal under the Native Title Act, in fact they are not being as supportive of the recommendations as one is led to believe.

The government’s commitment to native title must be severely questioned with the approach that they are taking to the changes to the Native Title Act. There were many submissions to the inquiry that highlighted people’s very strong concerns with the changes, in particular the transferring of the negotiation responsibility to the Native Title Tribunal. The tribunal operates more effectively in some states than in others, but nearly all the submissions indicated they had a great deal of concern with the transferring of that negotiation responsibility solely to the tribunal. I think that further undermines native title rep bodies’ ability to do their job, to negotiate and to come to a successful outcome. There was a study released yesterday or the day before yesterday in Queensland that showed that, where mining companies are involved, the outcomes through the tribunal are overwhelmingly in favour of mining companies as opposed to native title rep bodies. I hope that is not a sign of things to come in the future because I think that will further undermine native title in Australia. I seek leave to continue my remarks later.

Leave granted; debate adjourned.
National Capital and External Territories Committee
Report: Government Response
Senator GEORGE CAMPBELL (New South Wales) (3.55 pm)—by leave—I move:
That the Senate take note of the document.
I seek leave to continue my remarks later.
Leave granted; debate adjourned.

Senators’ Interests Committee Report
Senator GEORGE CAMPBELL (New South Wales) (3.56 pm)—On behalf of Senator Webber, I present the annual report for 2006 of the Senate Standing Committee on Senators’ Interests.
Ordered that the report be printed.

DOCUMENTS
Departmental and Agency Contracts
The following documents were tabled pursuant to the order of the Senate of 20 June 2001, as amended:
Departmental and agency contracts for 2006—Letters of advice—
Agriculture, Fisheries and Forestry portfolio agencies.
Defence.
Education, Science and Training portfolio agencies.
Environment and Water Resources portfolio agencies.
Families, Community Services and Indigenous Affairs portfolio agencies.
Human Services portfolio agencies.
Prime Minister and Cabinet portfolio agencies.
Transport and Regional Services portfolio agencies.

Indexed Lists of Files
The following document was tabled pursuant to the order of the Senate of 30 May 1996, as amended:
Indexed lists of departmental and agency files for the period 1 July to 31 December 2006—Statement of compliance—Human Services portfolio agencies.

MIGRATION AMENDMENT (MARITIME CREW) BILL 2007
CUSTOMS LEGISLATION AMENDMENT (AUGMENTING OFFSHORE POWERS AND OTHER MEASURES) BILL 2006
First Reading
Bills received from the House of Representatives.

Senator SCULLION (Northern Territory—Minister for Community Services) (3.57 pm)—I indicate to the Senate that these bills are being introduced together. After debate on the motion for the second reading has been adjourned, I will be moving a motion to have the bills listed separately on the Notice Paper. I move:
That these bills may proceed without formalities, may be taken together and be now read a first time.
Question agreed to.
Bills read a first time.

Second Reading
Senator SCULLION (Northern Territory—Minister for Community Services) (3.58 pm)—I move:
That these bills be now read a second time.
I seek leave to have the second reading speeches incorporated in Hansard.
Leave granted.
The speeches read as follows—
MIGRATION AMENDMENT (MARITIME CREW) BILL 2007
The Migration Amendment (Maritime Crew) Bill 2007 amends the Migration Act to create a new class of temporary visa to be known as a maritime crew visa.
These statutory reforms are needed to strengthen the integrity of Australia’s borders. Maritime crew wishing to enter Australia in the service of non-military ships will in future have to apply for the new maritime crew visa while they are outside Australia. The application process for the new visa will enable crew to be appropriately security cleared before they enter Australia.

Under current arrangements, the crew of non-military ships are granted Special Purpose Visas by operation of law, a process that does not permit security checks to be conducted before the crew of these ships are allowed to enter Australia. While an application process before grant of a maritime crew visa will be new to foreign sea crew seeking to enter Australia, much of the procedure involved after the grant of the visa will be familiar to crew and those involved in the shipping industry in Australia.

To ensure this is the case, the Government has been working with the shipping industry so that the transition to the new visa will be as seamless as possible for those working in the industry. As with most other visas, the detail governing the new maritime crew visa will be set out in the Migration Regulations. In constructing the regulations for maritime crew visas, care will be taken to minimise the impact and cost to the industry after the new maritime crew visa regime commences.

The visa application process will be available electronically and there will be no charge for the visa. Shipping agents will be able to apply on behalf of members of crew. The amendments made by the Bill will provide that the maritime crew visa is authority to travel to and enter Australia only by sea. This will ensure that persons who enter Australia holding a maritime crew visa can be processed at seaports where there will be sufficient time, for example, to confirm that crew members are actually in the service of the ship. These sorts of checks would not be possible at an airport where large numbers of passengers must be processed in a short period of time.

Due to the nature of the maritime crew visa, the Government has provided sufficient flexibility in the visa arrangements to enable holders of maritime crew visas to be granted certain other kinds of visas to suit the purpose of their stay in Australia.

This recognises the fact that some crew members will need to fly to Australia to join their ship here. It also takes account of the fact that maritime crew visa holders may wish to spend time in Australia for other purposes, such as holidaying.

It is anticipated that Transit visas and Electronic Travel Authorities are two such visas which will be specified by legislative instrument as able to coexist with maritime crew visas.

To reinforce that a maritime crew visa is only authority to travel to Australia by sea, the amendments will make it an offence for an airline operator to bring a maritime crew visa holder to Australia by air. However, the Bill also provides airline operators with a defence where, at the time of boarding the aircraft, the non-citizen held another visa that permitted travel to Australia by air.

Finally, the amendments in the Bill provide for a maritime crew visa to be ceased by declaration where it is considered undesirable for a person or class of persons to travel to, enter or remain in Australia, for example, when a master reports a crew member as having deserted the vessel. This replicates the current arrangements for ceasing a Special Purpose Visa under subsection 39(9) of the Act.

The Bill also includes an express power to revoke such a declaration to allow for situations where additional information may come to light about a person’s suitability to travel to or remain in Australia.

To ensure that a non-citizen does not have to re-apply for a maritime crew visa where a declaration is revoked, the Bill provides that the effect of revocation is that the declaration is taken to have never been made.

Consequently, it has been necessary for the Bill to also include a provision to protect the Commonwealth from any civil claims if a non-citizen is detained in the period between a declaration ceasing their visa and the revocation of that declaration.
In conclusion, the creation of a new maritime crew visa will ensure that the necessary security checks are applied to crew entering Australia by non military ship in order to strengthen the integrity of Australia’s borders.

I commend the Bill to the Chamber.

CUSTOMS LEGISLATION AMENDMENT (AUGMENTING OFFSHORE POWERS AND OTHER MEASURES) BILL 2006

This bill, the Customs Legislation Amendment (Augmenting Offshore Powers and Other Measures) Bill 2006, contains amendments to the Customs Act 1901 and the Customs Legislation Amendment and Repeal (International Trade Modernisation) Act 2001 that relate to:

- border enforcement powers under the Customs Act;
- Customs brokers’ employment arrangements;
- duty recovery and payments of duty under protest; and
- false and misleading statements made under the new SmartGate system.

This bill empowers Customs officers and other Commonwealth officers, immediately after boarding a ship or aircraft for various border enforcement purposes under the Customs Act, the Criminal Code and any relevantly prescribed Act, to conduct personal searches for, take possession of and retain:

(a) weapons;
(b) items that may assist a person to escape detention; and
(c) evidence of the commission of a relevant offence.

The new powers ensures the personal safety of the officers in exercising their enforcement functions, help prevent the escape of any person detained as a suspect, and help prevent the disposal of evidence. This bill will also make amendments to other provisions relating to search powers in the Customs Act.

To recognise the changing employment practices in the Customs brokers’ community, this bill will remove the current restrictions in the Customs Act prohibiting individual Customs brokers from being employed by more than a Customs brokerage at the same time.

The bill amends the Customs Act to limit the time for the recovery of Customs duty to 4 years in all cases, except in the case of fraud or evasion where no time limit will apply. The proposed new regime is a response to the decision of the High Court in Malika Holdings Pty Ltd v Stretton (2001) 204 CLR 290 and is consistent with the existing regime for the recovery of other indirect taxes.

The bill will also clarify the process for making a payment of Customs duty under protest. Further, the bill will amend the Customs Act to enable the CEO, in certain circumstances, to offset an amount of unpaid duty on goods against any amount of refund or rebate the owner would be eligible for if the owner pays the duty.

 Customs will be introducing the electronic SmartGate passenger processing system in early 2007 that will allow eligible air passengers and crew to use an automated clearance process through the immigration point at the border.

This bill will amend the Customs Act to ensure that any false and misleading information provided using the SmartGate system is covered by the existing offence provisions relating to making false and misleading statements made to an officer of Customs.

Debate (on motion by Senator Scullion) adjourned.

Ordered that the bills be listed on the Notice Paper as separate orders of the day.

NUCLEAR POWER

Senator WONG (South Australia) (3.59 pm)—I move:

That the Senate—

(a) notes that:

(i) nuclear energy is not economically viable in Australia,
(ii) nuclear energy is not a climate change solution for Australia, and
(iii) the delay in establishing nuclear power would only exacerbate the 11 years of inaction under the Howard Government; and
(b) calls on the Government to publish the
details of any plans, including possible lo-
cations, for nuclear reactors and high level
nuclear waste dumps in Australia.

This motion, as senators are aware, relates to
nuclear power. It talks about the fact that
nuclear energy is not economically viable in
Australia and that it is not a climate change
solution for Australia. I want to focus firstly
on the economic viability of nuclear power.
What we have seen is a government, one that
has failed to undertake the action required on
climate change in years past, trying to divert
attention from its lack of action by creating
and running a debate about nuclear power.
But they know nuclear power is unviable.
Let us leave aside the significant environ-
mental issues associated with nuclear power
and let us leave aside the community concern
and the opposition within the Australian
community to nuclear power. The reality is it
is not economically viable. Do you know
who supports us in that view? Do you know
who has actually said publicly on the record
that nuclear power would cost at least 50 per
cent more than current forms of power gen-
eration? That is Senator Minchin. Senator
Minchin, on Lateline earlier this month,
made it clear that his view is that nuclear
power would be substantially more expen-
sive, at least 50 per cent more expensive than
existing forms of power generation.

So the government know that nuclear
power is not an economically viable option.
Nevertheless, they are keen to press ahead
with it, it appears. We have seen the extraor-
dinary spectacle over the last few days in this
parliament of, on the one hand, Senator
Minchin refusing to rule out in this chamber
supporting a nuclear power facility in the
state of South Australia—

Senator Scullion—Refusing to rule out?

Senator WONG—The Minister for
Community Services makes a comment
about refusing to rule it out. Minister, some
of us—and I suspect some of the people who
put you in this place—would probably ap-
preciate your being up-front with them about
whether your plans to deal with climate
change—

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

Senator WONG—Through the chair: the
minister knows that the people who put him
here would probably be of the view that he
should be up-front with them about whether
or not he is prepared to support a nuclear
power facility in the Northern Territory. I am
listening, but I do not think I hear the minis-
ter indicating that. That is the deafening si-
lence we seem to have in this chamber
whenever we raise this issue.

Senator Scullion—We are up-front. We
are having a debate. This is the opportunity.

Senator WONG—The minister says we
are having ‘a debate’. This is the debate. Do
you know what the government wants? The
government wants a debate on its terms. You
want a debate—through you, Mr Acting
Deputy President—and the government
wants a debate that is theoretical only, one
where it does not have to front up to the Aus-
tralian people to actually disclose what its
plans are.

Some of us on this side of the chamber—
and, I suspect, many if not all but certainly
most of the people that put you here—would
probably want you to be up-front as well.
What are your plans? What is your position?
Would you support it? You do not want to
say that before an election because you know
that most of the people who put you here
would not agree with it. That is the reality.
You want a debate on your terms. You do not
want to have to fess up. You do not want to
come clean with the Australian people about
the plans that you really have for nuclear power. It is extraordinary! We know from the documentation and the reports that have been provided that not only is nuclear power economically unviable; it would require a significant government subsidy. We know, of course, that the waste issue has never been resolved adequately. It has certainly not been resolved here in Australia.

I want to talk about the issue of climate change. I will firstly make the point that the Stern report, the members of the IPCC panel, the European Union and the UK government have all agreed that global carbon emissions must be reduced, by 60 per cent by 2050, to try to stabilise the earth’s climate system. Under John Howard’s plan, Australia’s greenhouse pollution will in fact increase by 29 per cent by 2050, even if we build a substantial number of nuclear reactors across Australia. The Switkowski report confirms that the Prime Minister’s nuclear power plan will not cut greenhouse gas emissions and that it is not a plan to avoid dangerous climate change. We have a supposed solution that government members want to debate on their terms, because one dare not have the temerity to ask them whether they in fact support a nuclear power facility in their electorate. The government wants a debate about nuclear power as a solution to climate change when, firstly, it is economically unviable, according to the comments of the finance minister, and, secondly, the report commissioned by the Prime Minister demonstrates quite clearly that emissions will increase even with a move to nuclear power.

The reluctance to rule out supporting a nuclear power facility in their electorate seems to be particularly evident among those in this chamber. I notice that some of the minister’s colleagues in the House of Representatives—is it 18 to date; I may be wrong, Minister—have said they would not support one in their electorate. One wonders why we have a range of MPs, members of the House of Representatives, who are prepared to say they do not want one in their electorate but we do not have senators who are actually prepared to say, ‘I’m not prepared to support one in my state or my territory.’ I am happy to say that, and I am sure all Labor senators would be happy to say, ‘We do not want to support a nuclear power facility in our state. We do not want to support a nuclear power facility in Australia. We want to tackle climate change but we want to do it in a way that is both economically sensible and will have an effect on greenhouse gas emissions and that looks to a future with a reduced carbon impact.’

I beg your pardon, Minister; I think 16 of the 87 coalition MPs have indicated an unwillingness to support a nuclear facility, a nuclear reactor, in their electorate: Ms Bishop, Mr Somlyay, Mr Slipper, Mr Hunt, Mrs Gash, Mr McGauran, Mr Wakelin, Mr Lindsay, Mr Schultz, Mr Entsch, Mr Scott, Mr Broadbent, Mr Andrews, Mr Hardgrave, Mrs Gambaro and Mr Turnbull. That is quite a list, but not a single senator on the government side is prepared to stand up, for the state or territory that put them here, and say, ‘No, I am not supportive of a nuclear power facility in the state or territory from which I come,’ or to even say what they would require before they would permit one. Let us be generous to the government and say, ‘So you are not prepared to give a commitment to the electors about whether or not you would support one. Are you at least prepared to indicate what your process would be?’—nothing on that either.

In fact, we asked that question in question time this week. We made the point that the former environment minister, Minister Campbell, who has since been moved on—some might say he was downed by a parrot—had put in place a code for the community consultation and involvement that would
have to occur in a decision to establish a wind farm. We asked the government if they would agree to such a process if they were putting in place a nuclear reactor. There was no answer on that, either. If we were going to have a nuclear reactor in New South Wales or Queensland—where the senators in the chamber are from—would you demand that the people of New South Wales and the people of Queensland have some say in whether they choose to go down that path?

The reality is that nuclear power is not the answer. Australia needs to go on a low-carbon diet, not a nuclear binge. If global greenhouse pollution were to rise by 29 per cent by 2050—under John Howard’s plan to build a significant number of nuclear reactors we would still get an increase in greenhouse gas emissions—the world would probably experience a four degree rise in global temperatures. We know from the CSIRO that such a rise in global temperatures would seriously damage our environment and our economy. It would be likely to damage if not destroy the Great Barrier Reef, it would impinge upon water flows to cities and the Murray-Darling Basin by around 48 per cent, it would increase the bushfire danger across Australia and it would move the dengue fever transmission zone down to Brisbane and possibly Sydney. That is an extraordinary indicator. I was born in Malaysia and I go back there regularly to see my family. Dengue fever is something one associates with the tropics. CSIRO is saying that, among other things, one of the impacts of climate change would be a move southwards of dengue fever.

The CSIRO reports and the Stern review state that global emissions must be cut by 60 per cent by 2050 if we are to avoid dangerous climate change. Where is the government’s plan to do this? Even if we adopt holus-bolus some of what the government is suggesting in relation to nuclear power, we are still looking at a net increase in greenhouse gas emissions. The Stern review has made it very clear that delaying action would cost massively more than taking action, and the world has only 10 years in which to act.

Climate change is a serious threat, and posturing about expensive and toxic nuclear energy, which is more than 10 years away, is a distraction this country simply cannot afford. The reality is that nuclear power is more expensive than energy efficiency and renewable technology, which are available today, and Australia needs to cut its greenhouse pollution now, not in 10 or 20 years. The delay that is outlined in the government’s own documentation regarding this issue would simply exacerbate 11 years of inaction under the Howard government.

I recall that when Senator Minchin was asked in question time about the failure of the government to address the issue of climate change—its failure to undertake economic analysis of it, to consider what needs to be done and to look at alternative forms of energy, energy efficiency and a whole range of things that we need to do to tackle climate change—he pointed to a range of environment department reports. But do you know what is most telling? This government has never commissioned—perhaps it has done so now, but certainly it had not as at the last estimates hearings, which were two weeks ago—a report on an analysis of the economic impact of climate change. This is a government that considers itself to be a great economic manager—a reputation which in the last couple of weeks has been significantly dented by poor financial decision making such as we saw in relation to the water package. This is a government that trumpets its credentials as a good economic manager.

The Stern report likened the economic impact of climate change on the globe to the impact of the world wars and the Great De-
pression. That is the nature and scale of the economic impact, not only on this country but on the global economy. This government has not undertaken work to analyse the potential economic impact on Australia. Treasury has never been asked to do that. How can a government claim that it is tackling an issue—that it understands how important climate change is to our environment and economy—when it has not even considered the economic impact on Australia?

What has happened instead is that the government have commenced a debate about nuclear power. As I said, it is a debate they want to have on their own terms. They want to have a theoretical debate without being up-front about what they are proposing, without members saying whether they are prepared to have a nuclear facility in their electorates and without saying what process might be in place. In fact, today they shut down debate in the House of Representatives. This is a government that say they want a debate. Mr Garrett attempted to move a motion in relation to climate change. I cannot recall exactly how many minutes he was allowed to speak before the government shut him down, but shut him down they did. If you want a debate, why don’t you have one? If you want a debate, why do you use your numbers in the lower house to stop debate on this issue? Wouldn’t you be happy to debate the matter?

The reality is that you do not want to debate the difficult things. You do not want to debate the fact that, within your own ranks, you have people coming out and saying they do not want a reactor in their local area. Frankly, you have internal divisions about whether this is the right way to go. You have coalition MPs who are running a million miles from a plan to build nuclear reactors in Australia. The fact is that Australians do not want nuclear reactors in their backyard. They do not want them in Western Sydney, in Adelaide, in Townsville, in Cairns or in Brisbane. They do not want them. They are not a climate change solution. Will we see real action from the government or will we simply see more obfuscation and more attempts to have what is really a phoney debate? It is a debate that is all about trying to distract attention from the fact that for 11 years this government has failed to understand the scale of the threat that climate change poses to our economy and our environment.

I hear people sighing over on the other side because they do not agree with us. Well, show us what you have done. After I came into the parliament in 2002, I did the ECITA Committee estimates for the environment department and I recall being told over and over again by members of the Public Service that there was ‘rephasing’ in the various programs run by the Australian Greenhouse Office. You might recall that the Australian Greenhouse Office was set up by Minister Hill as, I think, an executive agency or a statutory agency. The government subsequently downgraded that. They had a range of programs which, over the years, kept being ‘rephased’, which is the magical word that the government use when they allocate money to a program that is unable to be spent because they have not got around to doing it or because the program has not been running properly or for whatever reason.

So the government points to a whole range of programs run by the environment department. But, if you analyse very carefully the underspend in those, you will see that the government simply has not been doing its job properly. It has not been funding and driving a range of programs to try to prepare Australia for a carbon-light future; it has not been driving a range of programs to try to reduce carbon emissions.

Perhaps one of the most obvious examples of this is the way this government has tried
to run a scare campaign when it comes to carbon emissions trading. How many times did we hear Mr Macfarlane, Senator Minchin and others in the government try to whip up a scare campaign about how much this will cost and how it was a dreadful thing et cetera? ‘We could not have carbon emissions trading; that would be a very bad thing.’

Well, a carbon trading scheme is a way in which you could introduce a market mechanism to try to reduce carbon emissions. It is a good thing to use market mechanisms to drive sustainable outcomes. One would have thought that a government that says, ‘We like markets,’ would see the sense in that. The government sets the parameters and you ensure that private enterprise can use the market to drive a more sustainable outcome to reduce their carbon emissions.

The reality is that the government is behind business on this issue. That is how much the Howard government is off the pace when it comes to tackling climate change. Not only have you had the Business Roundtable on Climate Change for almost a year, I think, calling for some sort of carbon trading scheme; you even have the Energy Supply Association calling for such a scheme—energy suppliers, people who would be affected by an emissions trading scheme, saying, ‘This is what we should be doing.’

So which group of people in Australia is really the only significant group that does not see the benefit in this? It is the Howard government. This is a market mechanism which could actually drive a more sustainable outcome. I notice, though, that in some of the language you are trying to segue from that position because you recognise it is unsustainable, and even the Prime Minister’s own task force has alluded to the possibility of a national scheme ahead of an international scheme.

I want to end by repeating paragraph (b) of my motion. I call on the government and the Senate calls on the government ‘to publish the details of any plans, including possible locations, for nuclear reactors and high-level nuclear waste dumps in Australia’. Let’s see what you want to do. If you want to have the debate, why don’t you come into this place and be very clear with the Australian people—the people who put you here—as to what your plans are and whether you as a senator elected by a state or territory are prepared to support a nuclear power facility in your home state. I invite you to do that. If you are prepared to support one, at least be honest enough to say it. Senator Chapman is speaking next; why don’t you tell us whether you would support one? (Time expired)

Senator CHAPMAN (South Australia) (4.19 pm)—The speech that we just heard from Senator Wong in support of her motion on nuclear power has writ large upon it the absolute hypocrisy of the Labor Party on this issue and is their poor attempt to mask the confusion and inconsistencies of their own position—if they could only actually arrive at one—on energy and climate change. Labor are only interested in short-term political advantage, and that is totally treacherous for Australia’s national interests.

Labor fear an informed public debate. Labor resort to an uninformed, scaremongering, fear campaign, just like they did with the GST, just like they did with the first round of workplace relations reforms, just like they continue to do with Work Choices. Yet again we see Labor demonstrating policy laziness—unwilling or too incompetent to take on the hard issues. They are not capable of debating an issue on its merits; they are not capable of challenging myths.

We might ask: why do Labor rely on uninformed scaremongering? Because they have no practical, workable solutions to current
issues. That is because they are driven by ideology which eliminates from consideration and discussion practical, workable solutions. Labor are a collection of reinforcing ideologies that cancel each other out and are incapable of devising practical solutions to problems. That is why Labor are no good in government.

Senator Wong—Tell the states that!

Senator CHAPMAN—All this shows is that Labor are totally unfit to govern. Labor’s—

Senator Wong interjecting—

The ACTING DEPUTY PRESIDENT (Senator Murray)—Order! Senator Wong, others may not have but Senator Chapman at least heard you in silence.

Senator CHAPMAN—As I was saying, Labor is totally unfit to govern. Labor’s environment policy is as confused and self-contradictory as this motion from Senator Wong. For example, as far as Labor is concerned, when Professor Tim Flannery warns about climate change he is a prophet and a visionary but when he advocates nuclear power as part of the solution he is a dangerous ratbag. We in government want an open-minded debate founded on the science and the economics, and indeed the sheer commonsense, relating to these issues. In contrast, Labor is about ideology, fear, suspicion and, most of all, the political necessity of appeasing the Greens.

We need to look at the contradictions in this cobbled-together motion that Senator Wong has put up this afternoon; they are plain for all to see. Paragraph (b) calls on the government to reveal any plans for the location of nuclear plants. To be logical, that should be consequent on paragraph (a) which addresses the items being noted. But it is not. There is no logical consequence between paragraph (a) and paragraph (b) of this resolution. The call for details of plans and locations for nuclear reactors and waste storage is not consequent on the economics, on climate change or indeed on any delays in establishing nuclear power. This simply reinforces the fact that this motion is nothing more than scaremongering. Speculation on where nuclear reactors might be located is grossly premature and an obvious tactic to stampede public opinion away from a proper debate on the merits of nuclear power. The good news for Labor members is that the government is not proposing to build a nuclear power station in any Labor electorate. But there is bad news for Labor: after the next election there will be even fewer Labor electorates within which to build them.

Senator Lundy—That’s very arrogant!

Senator CHAPMAN—The Howard government, in contrast to Labor, supports an informed public discussion on nuclear energy in Australia, one that is driven by facts not by emotion or hysteria, Senator Lundy. Contrary to what is said in this motion about nuclear energy not being economically viable, Labor’s own emissions goal will make nuclear energy economically viable because their approach, clearly, will increase energy prices. Indeed, Labor’s approach necessitates the future use of nuclear energy because without it there will be even greater massive and unsustainable increases in the energy prices for all Australians.

According to her remarks today, Senator Wong believes that global warming is the single most urgent issue facing mankind. Her solution? To immediately take one possible solution off the public agenda for all time. I think that Senator Wong is a little confused about climate change. After watching the Oscars on Monday night she decided that the glaciers are melting because of all those happy penguins dancing on them!

Senator Lundy—That is condescending claptrap!
Senator CHAPMAN—The Howard government supports an informed public debate, not one that is driven by hysteria.

Senator Wong—I rise on a point of order, Mr Acting Deputy President. I would like to place on the public record that regrettably I did not have the chance to watch the Oscars.

The ACTING DEPUTY PRESIDENT—It was an amusing remark though, I must say.

Senator CHAPMAN—We have got to say that Labor’s opposition to nuclear energy casts doubt over its commitment to addressing the impact of climate change. On this important issue Labor is as divided as ever—and that is illustrated, again, by the differing views on the Labor front bench. On uranium, Labor has its celebrated three mines policy. Kevin Rudd thinks, ‘The Lodge will soon be mine.’ Julia Gillard thinks, ‘When we lose the election, the leadership will be mine,’ And, of course, Brian Burke thinks, ‘If federal Labor wins, all of them will be mine, mine, mine.’ We have got Peter Garrett and Anthony Albanese, fierce opponents—

Senator Wong—Did you know about Walker? Tell us about Walker, if you want to play that game!

Senator CHAPMAN—of any change to the three mines policy. This division within Labor is clearly there for all to see.

Senator Lundy—We always know when you are skating on thin ice: you spend more time criticising the Labor Party than on the subject we are debating.

Senator CHAPMAN—The inconvenient truth of this debate—Senator Lundy, I listened to your speaker in silence and I expect the same courtesy in return.

The ACTING DEPUTY PRESIDENT—Senator Chapman, please address your remarks through the chair and do not respond to provocation, and probably I should say that to both sides.

Senator CHAPMAN—Thank you, Mr Acting Deputy President. As I was saying, the inconvenient truth of this debate is Labor’s hypocrisy with regard to climate change. Their policies have got the half-life of a Peter Garrett lyric. Nothing illustrates this better than in Senator Wong’s and my state of South Australia. Premier Rann says that he will pass a law that no nuclear power station can be built in the state of South Australia, but of course he hates uranium so much that he cannot wait to dig every last ounce of it out of the ground and sell it to the rest of the world as soon as possible. This is where we see the utter hypocrisy in Labor’s approach, and the utter inconsistency and of course division within the Labor Party. They do not want nuclear energy. Mr Garrett says that he wants to see the coal industry stopped in its tracks. In contrast to that, only today a state Labor member—again in my state of South Australia—Mr Tom Kenyon, had this to say in the Australian: It’s time we in the ALP gave up pretending that nuclear energy is Satan’s power supply of choice, because it’s not working. It’s time we stopped ... saying that nuclear power is bad for the environment. It’s just not true. Name one species that has been made extinct by nuclear power. You can’t, can you?

This is from the Labor Party itself. Not only are they divided with regard to uranium mining, they are also divided with regard to the issue of nuclear power. There is no end to their inconsistencies as far as nuclear power is concerned.

Senator Wong’s motion is completely contradictory and I have already pointed out the falsity of her point with regard to the economics of nuclear energy. It is completely contradictory in saying that the delay in establishing nuclear power would only exacerbate 11 years of government inaction. If it is not economic and it is not the climate change solution, as the first two clauses in her mo-
tion claim, then any delay in nuclear power’s establishment is quite irrelevant. So again we see the inconsistencies inherent in this particular motion that Senator Wong is putting forward today.

In contrast to that, the Howard government is keen to see an open and informed debate on this issue. We believe that it is in the nation’s interest to consider the nation’s long-term energy security especially as we move into a low-emission future. In contrast to the Labor Party, the Howard government does not shy away from difficult debates, and to be precautionary with regard to climate change we are prepared to examine all possible solutions and invest in a wide range of options and technologies for our future energy needs. This includes energy efficiency, clean fossil fuels, renewable energy and nuclear energy. In the past we have not contemplated the use of nuclear energy as a power source, but its potential to provide low-emissions baseload electricity on a large scale is becoming more widely recognised. It is par for the course in overseas countries. I guess we might ask Senator Wong whether she has ever been to France, because if she has been to France then she has used nuclear energy, despite what she puts forward here in her motion today.

As an example, work undertaken at Princeton University cites nuclear energy as one of seven key energy technologies that can help to stabilise global greenhouse gas emissions over the next 50 years. That is why the government established the task force to review uranium mining and processing and the contribution of nuclear energy in Australia in the long term. The Switkowski inquiry in June of last year was asked to undertake an objective, scientific and comprehensive review of uranium mining, processing and nuclear energy to consider whether a nuclear industry was viable in Australia and whether nuclear power could be a clean alternative to coal-fired power generation.

Indeed, there have been three recent reports with regard to uranium and the use of nuclear energy in Australia’s future energy mix. The uranium industry framework report was released on 13 November last year and includes a number of recommendations to capitalise on opportunities to develop Australia’s uranium industry. The House of Representatives Standing Committee on Industry and Resources inquiry centred on a case study into the strategic importance of Australia’s uranium resources and concluded that increased production from Australia’s uranium industry could make a substantial contribution to meeting global demand for energy while reducing greenhouse gas emissions. Then the Switkowski report, Uranium mining, processing and nuclear energy—opportunities for Australia? was released on 29 December last year and included in its key findings support for the expansion of Australian mining and export of uranium and considered that nuclear power could become economic even against conventional coal based electricity. That review’s final report provides a comprehensive analysis of the facts surrounding nuclear energy, finding it to be clean, safe and potentially able to make a significant contribution to lowering Australia’s greenhouse gas emissions.

The Howard government recognises the need to reduce greenhouse gas emissions globally and understands that renewables and nuclear will play their part. That is why we are rolling out some $500 million in low-emissions technologies which will leverage more than $1 billion of investment from the private sector to prove up the technologies which will give us the breakthroughs that we need. Until the Labor Party recognise that solving climate change will not be fixed by simply shutting down the economies of powerhouse regions such as the Hunter Valley,
Gippsland in Victoria, the Bowen Basin in Queensland and the Collie region in Western Australia, they cannot be taken seriously on this vital issue.

Through the Low Emissions Technology Demonstration Fund, the Howard government has announced its commitment to five key projects. Three of these are low-emissions coal technologies and represent a total investment of about $992 million. The other two projects are for solar and gas. The Low Emissions Technology Demonstration Fund does not pick winners but focuses on supporting all technologies which can significantly reduce our emissions. Instead of standing in the way with their outdated, ideological, anti-uranium and anti-nuclear power rhetoric, as we have heard from Senator Wong today, which really are poorly masked diversionary tactics and scaremongering as the only way they can see as the route into government—and that is reflected very much in this motion today—Kevin Rudd and his colleagues on the other side really need to start doing some hard policy work and thinking and acting in not only the national interest but also the global interest.

‘Nuclear’ is a highly emotive word and it attracts a variety of views across the community. Public discussion is often based on perceptions rather than facts, and those perceptions sometimes relate to views that were shaped by events many decades ago. Again, this is where the Labor Party relies on scaremongering rather than dealing with the facts and science of today. We on the government side believe it is far more important to consider the nation’s long-term energy security, particularly as we move into a low-emissions future.

There are some real challenges posed by the potential of climate change. We need to take a precautionary approach to that but, that said, there is no silver bullet to reducing greenhouse gas emissions. We need to look at a portfolio of measures and technologies across all sectors of the economy. We must also look at global solutions. If we can eliminate our emissions tomorrow, for example, it would take just nine months of growth in China’s emissions to replace our current greenhouse output. That really emphasises the need for a global approach to this issue. Rather than put aside our own enormous natural advantage in fossil fuel resources, therefore, we must work on ways to reduce the greenhouse consequences of using them. We will continue to support the development of renewable energy technologies as part of this approach.

We have well-targeted initiatives aimed at technology development and innovation, rather than punitive taxes or charges which destroy jobs and industry—which again seems to be the approach of the Labor Party. We have practical solutions as our approach to renewable energy, rather than Labor’s rhetoric. We have already invested hundreds of millions of dollars in renewable energy and that includes $100 million for the Renewable Energy Development Initiative, $75 million for Solar Cities, $51.8 million for the Photovoltaic Rebate Program, $20 million for the advanced electricity storage initiative, $14 million for an advanced wind forecasting capability and a further $123 million for the expansion and extension of the $205 million Renewable Remote Power Generation Program. They are just a few of the initiatives that this government has taken with regard to this issue.

I believe that the Australian people will judge our response to greenhouse not by our words, not by Labor’s words, but by the actions of this government, and those actions have been very positive. We are taking a serious approach to address carbon emissions. Importantly, we will be coming very close to meeting what would be our Kyoto target for
emissions, and that contrasts markedly with half of the European countries who signed Kyoto but indeed have absolutely no chance of getting close to their targets. I ask: what is better? To actually meet those targets or get close to them, as Australia will do irrespective of our attitude to the Kyoto treaty, or to sign the treaty and then have no actual commitment to meeting the goals that you have signed up to? We have committed $2 billion to support emission reducing technology, such as the world’s biggest solar power plant, the solar tower, recently funded in Victoria. Clearly, there is a world of difference between our approach to greenhouse and the approach of the Labor Party.

We are implementing a range of practical policies which will provide effective solutions to this problem. Of course, we will do that without damaging the Australian economy. That again contrasts markedly with the Labor Party, who have been captured by the green movement and are prepared to do and say anything to keep the Greens on side. They are blind to the fact that the policies the Greens are dictating to them will hurt our economy and cost many Australians their jobs. Labor’s policy of signing Kyoto and going it alone on emissions trading would shift emissions and jobs from here to China and India, which are not parties to those agreements and have no commitment to the Kyoto protocol. Economic modelling by ABARE and industry shows that, under the opposition’s policies, the wholesale price of electricity would double and petrol prices would increase by some 50 per cent. As I said, Labor have to resort to scare tactics to mask their slavery and cuddling up to the Greens and their willingness to sacrifice Australian jobs on their ideological altar. Careful handling of greenhouse policy is essential to avoid damaging impacts. It needs an experienced and sensible government which has shown that it can make policy in the national interest.

I conclude by saying that Senator Wong, who moved this motion, is not so much Penny as Henny Penny. You might recall the nursery rhyme—

The ACTING DEPUTY PRESIDENT—
No, I am sorry; you should withdraw that.

Senator CHAPMAN—I will withdraw that, but I will recall the nursery rhyme where a leaf drops on Henny Penny’s head and she runs about hysterically telling everyone that the sky is falling in. At this point, I might resist the temptation to cast the Leader of the Opposition as Chicken Little and Peter Garrett as Turkey Lurkey, but I want to emphasise the moral: don’t panic. The Senate’s time ought not be wasted with these sorts of hysterical, hypocritical motions that are simply scaremongering on the part of the Labor Party as a cheap way of winning votes, in contrast to the hard work of doing the hard yards on these policy issues that the government has done. The sky isn’t falling, only Labor’s credibility.

Senator ALLISON (Victoria—Leader of the Australian Democrats) (4.39 pm)—That was an extraordinary contribution from a member of the government talking about lazy policy. I do not think I have ever seen such lazy policy as this government has exhibited on climate change. Its basic premise is to do nothing for the next 20 years and hope it goes away. What is going to go away is our economy, if that kind of thinking prevails.

The starting point to this motion of Senator Wong’s today is the government’s own report on the viability of nuclear power for Australia, Uranium mining, processing and nuclear energy—opportunities for Australia? otherwise known as the Switkowski report. A key conclusion of this report was that nuclear energy would not be economically viable
without a carbon price signal. According to the report, on average, nuclear power would be 20 to 50 per cent more expensive to produce than coal in Australia but could become competitive with fossil fuel based generation with the introduction of low to moderate pricing of carbon dioxide emissions.

Whether we are talking about nuclear energy or some other low or zero emission technology, a price signal is going to be needed. There is no question about that. One of the reasons is that coal is very cheap in this country; it is artificially cheap, you might argue. It has been the beneficiary of government subsidies for more than a century. There are old coal-fired power stations that have already depreciated their capital cost and therefore the only costs that they are forced to pay are running costs, such as fuel and maintenance.

Exceptions to that rule that alternatives need a carbon price signal would be solar thermals, such as the solar hot water services that many more of us are putting on our rooftops—although nowhere near enough; the penetration is still extremely low in this country—and electricity that is generated by hydro and bio-energy. These are already competitive in price with coal. There are parts of the world where coal and wind power are also lineball. However, the point of the issue is not that coal is too cheap, but the inevitable move to a carbon constrained future in order to avert dangerous climate change. In other words, there is the inevitable need to move away from greenhouse intense coal generation and replace the existing electricity infrastructure with low and zero emission generation technology.

What are the comparative economics of the nuclear energy future versus the renewable energy future? The Switkowski report is thorough in its comparative analysis; however, some prerequisites of a nuclear future are not costed in that report. They are the costs, management and liability associated with the storage of nuclear waste for a minimum of 1,000 years. The government says that storage has been taken into account, but it has not been for the length of time we know is necessary for safety and surveillance over this material. The cost of risk mitigation of a potential nuclear accident is not included and, importantly, nor is the cost of dismantling the energy market in order to accommodate nuclear power.

The reform of the current energy market rules delivered cost savings through competition, but all that would have to be undone with nuclear power coming into the system. The government has already decided Australia's energy future is a nuclear one, having nobbled renewable energy by systematically removing current commercialisation programs and the access of renewable energy to the market. More seriously, the Prime Minister peddles the misconception that renewable energy cannot meet baseload. I have heard this repeated ad infinitum. I challenge the Prime Minister when he says nuclear and clean coal are the only two technologies that can provide baseload. This is wrong and he knows it.

Electrical power systems are complicated, and the Prime Minister is using that complexity to create fear of the lights going out in ordinary Australians’ households. The lights will not go out if we move to renewable energy. If anything, they will go out because of the decades of underinvestment in infrastructure and the inflexibility of an outdated 19th century centralised energy system and, if I could call it this, Soviet style five-year plans and economic regulation.

What is needed is a diversified energy portfolio, and load management to accommodate that. It is about providing energy at the point, time and size it is needed through
distributed generation. A move away from complete reliance on large central baseload generation with transmission lines crossing the country is necessary. What are also necessary are a fair go and a level playing field for energy efficiency and renewable energy. That level playing field would introduce a carbon price signal through emissions trading schemes or another carbon price signal. It would need to remove current regulatory barriers for energy efficiency and renewable energy as that nuclear power system is obviously going to need. It would need to provide a level playing field and Australia’s energy future would be truly clean and green—that is, it would be renewable.

I think we can also say that so far Australians have not been given proper choices. They have not been asked if, for the same cost, would they prefer a renewable energy future or a nuclear energy way forward. The motion also talks about the delay in establishing nuclear power and how that would exacerbate the 11 years of inaction under the Howard government. It has actually not been 11 years of inaction; it has been 11 years of very tentative action. The Democrats have been responsible for almost half a billion dollars being allocated to greenhouse gas abatement, and I am proud of that achievement. The government, however, watered it down, as it waters down almost every other positive initiative in this direction, like the mandated renewable energy target. That was set out to be a two per cent extra renewable energy component of our energy system and is now more like 0.5 per cent. In any case, the target was largely taken up in the first three years.

The Switkowski report foreshadows 12 to 25 nuclear reactors in operation by 2050. For the record, it is estimated that if the go-ahead for a nuclear power station were to be given tomorrow it would still take 15 years before the first nuclear power station would be commissioned—and that is 2025. By 2025, with business as usual, Australia’s greenhouse emissions and energy demand will have grown unchecked and resulted in Australia’s greenhouse emissions exceeding 130 per cent of 1990 levels. That is another reason why nuclear power is another bad and too expensive bet.

As the Stern report to the UK government on the economics of climate change demonstrated, action is needed now. Stern found that the impact of doing nothing will cost at least 10 times more than the cost of fixing the climate change problem. The costs of destabilising the climate are significant but manageable. Delaying action would be dangerous and much more costly. The next 10 years are critical for action to reduce greenhouse emissions. Stern concluded that further ‘action on climate change is required across all countries’ but that it need not cap growth aspirations of wealthier or even poorer countries. Climate change demands an international response based on shared understanding of long-term goals and agreement on frameworks for action.

In economic terms the Stern report emphasises that climate change is ‘the greatest market failure the world has ever seen’. It also interacts with other market imperfections; therefore, while a range of options exist to cut emissions, deliberate government policy action is required to result in abatement. Acting now, acting early by providing early policy direction, will mean the cost of responding to climate change is reduced. I call to task both the government and the ALP on this point because their inaction on the hard policy issues of energy efficiency and renewable energy has been problematic. What is required is coordinated action at all levels of government policy: coordinating building regulation; coordinating energy...
market reform; and removing the disincentives for distributed generation, renewable energy and energy efficiency. This should be supported by clear targets and market mechanisms, such as carbon emissions trading, renewable energy trading and energy efficiency trading—in other words, the black, the green and the white certificate trading.

We also need complementary regulatory policies for minimum energy performance standards for all buildings—that is, commercial and domestic houses; minimum energy performance standards for appliances and equipment; mandatory installation of solar hot water systems and rainwater tanks; new approaches to urban infrastructure for water and electricity, including minimum fuel efficiency standards for new vehicles; increased deployment of solar power; and distributed generation through the dual markets of continuing the photovoltaic rebate scheme and introducing feed-in tariffs.

Part of this motion calls on the government to publish details of any plans, including possible locations, for nuclear reactors and high-level nuclear waste dumps in Australia. We support this call for the government to publish those details. The local community has the right to know. But the Australian Democrats are going one step further on this: we say that the local community must give their consent and their support before facilities are granted permits to proceed. For that reason I put forward amendments to the Non-Proliferation Legislation Amendment Bill 2006 requiring: consultation to take place between the Commonwealth, state and local governments before a nuclear facility could be established, which would need to be demonstrated; and majority support and consent for the nuclear facility by the local community, gained through a plebiscite.

For the record, the Labor Party did not support those amendments, giving the reason that this would undermine the Environment Protection and Biodiversity Conservation Act that makes nuclear facilities illegal. We do not agree with that. It is very clear to me that the government could, in our next week of sitting, change the Environment Protection and Biodiversity Conservation Act in ways that would remove the illegality of a nuclear facility. The government has shown contempt for the EPBC Act on numerous occasions, so it is quite feasible to imagine that in this case it would do likewise.

Before concluding, I thought it would be useful to draw on some work by the leading campaigner on nuclear matters, Dr Helen Caldicott, in an article she wrote recently about another aspect of nuclear—which I think most people are very afraid of, and they have reasonable reason to be afraid. Senator Chapman suggested that this is all fearmongering. However, I think that there are real risks associated with living in proximity to a nuclear power reactor. Dr Caldicott says:

... nuclear reactors routinely emit large amounts of radioactive materials, including the fat-soluble noble gases xenon, krypton and argon. Deemed 'inert' by the nuclear industry, they are readily inhaled by populations near reactors and absorbed into the bloodstream where they concentrate in the fat pads of the abdomen and upper thighs, exposing ovaries and testicles to mutagenic gamma radiation (like X-rays).

Tritium, radioactive hydrogen, is also regularly discharged from reactors. Combining with oxygen, it forms tritiated water, which passes readily through skin, lungs and gut. Contrary to industry propaganda, tritium is a dangerous carcinogenic element producing cancers, congenital malformations and genetic deformities in low doses in animals, and by extrapolation in humans.

But, as she points out:

Above all, nuclear waste is the industry's Achilles heel. The US has no viable solution for
radioactive waste storage. A total of 60,000 tonnes are temporarily stored in so-called swimming pools beside nuclear reactors, awaiting final disposal. Yucca Mountain in Nevada, transected by 32 earthquake faults, has been identified as the final geological repository. Made of permeable pumice, it is unsuitable as a radioactive geological waste receptacle and recent fraudulent projections of the mountain’s ability to retard leakage by the United States Geological Survey have rendered this project to be almost untenable.

Already, radioactive elements in many nuclear-powered countries are leaking into underground water systems, rivers, and oceans, progressively concentrating at each level of the food chain. Strontium 90, which causes bone cancer and leukaemia, and cesium 137, which induces rare muscle and brain cancers, are radioactive for 600 years. Food and human breast milk will become increasingly radioactive near numerous waste sites. Cancers will inevitably increase in frequency in exposed populations, as will genetic diseases such as cystic fibrosis in their descendants.

Each typical 1000-megawatt reactor makes 200 kilograms of plutonium a year. Less than one-millionth of a gram is carcinogenic. Handled like iron by the body, it causes liver, lung and bone cancer and leukaemia. Crossing the placenta to induce congenital deformities, it has a predilection for the testicle, where inevitably it will cause genetic abnormalities. With a radiological life of 240,000 years, released in the ecosphere it will affect biological systems forever.

The government can pooh-pooh that kind of advice, but it is my understanding that this is pretty accurate. I doubt very much that we will see any studies being done on the risk to people who live near nuclear reactors. Until we see serious studies being done—not studies done by the industry—we will not know what risks people in this country will be exposed to.

It is critical that we have a lot of debate on this issue. It seems that the government imagines that nuclear power is just going to slip in somehow and that we will all be convinced that this is the only answer to greenhouse, but it is not. There are many problems associated with nuclear power, not least the one which is about delayed action: the fact that it will be many, many years before we will have an alternative to coal in the form of nuclear power. In the meantime, well-known technologies have been tried and are clean, and that is the path we should be heading down.

Senator SIEWERT (Western Australia) (4.58 pm)—The Greens opposition to nuclear power stations is firmly on the record. We will be supporting this motion. However, with the greatest respect to the Labor Party, I am mystified as to how they can take a strong position against nuclear power whilst gearing up to open up uranium mining. I would like someone to explain to me how nuclear power can be too expensive and too unsafe for Australia, but cheap and safe enough for Indonesia, China and India. I hope the ALP do not opt to open up their uranium mining policy. Unfortunately, I believe that, if they do, it will affect the credibility of their stance on issues such as nuclear waste and nuclear power stations.

The government have at least had a consistent position on all these things. They are keen to embrace all things nuclear. The Prime Minister has clearly hitched his political fortunes to this unpredictable industry. The fact is that, despite all the hype about this nuclear renaissance, this is a failed industry. It has never lived up to its promises and its sudden re-emergence as a political issue in Australia signals a total failure of imagination on behalf of the government.

The Prime Minister’s campaign to resurrect the 1950s dream of nuclear power stations should have been pronounced dead in the water of the Switkowski review. This hand-picked, pro-nuclear panel used a highly optimistic set of assumptions favouring nu-
clear energy and still concluded that public subsidies or carbon taxes would be needed to make the nuclear industry competitive—that is, before realistic estimates of decommissioning, comprehensive insurance, research and development, waste transport, mine rehabilitation and waste are factored in. Of course, the same carbon taxes that potentially could help nuclear industries and energies are very helpful for renewable energies and would help the renewable energy industry take off, as they have in other parts of the world. However, unlike nuclear power stations, they could be installed virtually overnight and they will not leave a legacy of hazardous waste lying around for millions of years all over Australia.

Senator Scullion—Lying around?

Senator SIEWERT—Or buried in a waste pit. The government refuse to create a level playing field for renewable energy in this country, which is one of the reasons we are having this ridiculous debate yet again on nuclear power. In the past decade we have seen an appalling flight of renewable energy investment and research overseas. Research centres and CRCs have been defunded or redirected and private investors have been leaving in droves in despair. Perhaps this is what the government wanted because then they thought they could raise the argument that nuclear energy is the only energy option available for Australia, having smothered and got rid of all the promising alternatives.

On economics alone this technology fails the most basic test. It is still the most expensive method of boiling water ever devised by humankind. In the United States, subsidies are estimated to have accumulated over the 50-year period from 1948 to 1998 to about $US74 billion. Forbes magazine put it this way in 1985:

The failure of the US nuclear power program ranks as the largest managerial disaster in business history.

If this is the disaster the Australian government are sleepwalking towards, they have not learnt anything in 20 years. A former commissioner of the Nuclear Regulatory Commission told the New York Times in 2005:

The abiding lesson that Three Mile Island taught Wall Street was that a group of NRC-licensed reactor operators, as good as any others, could turn a $2 billion asset into a $1 billion cleanup job in about 90 minutes.

The Howard government seem to have missed hearing about this abiding lesson. Senator Chapman just provided us with a reminder of why. The government claim they just want a debate about nuclear energy, but anyone in this so-called debate who challenges the government’s uncritical acceptance of the industry’s credentials is labelled ‘hysterical’, ‘emotional’ or ‘out of date’. That way the government avoid hearing anything that might serve as a warning of what this technology can do to communities. There is a reason why people do not want these things in their backyards or in Australia. It has very little to do with being hysterical, emotional or irrational. There are well-founded fears, confirmed over the last five decades, about whether nuclear fission is the most appropriate way to boil water.

Perhaps the government has uncovered secret evidence that the nuclear industry has eliminated the risk of catastrophic accidents and has worked out how to prevent routine releases of radioactive chemicals from these plants. If this is the case, the Prime Minister has nothing to fear and neither does the community. He should tell us where his 25 nuclear power stations are going to go.

It is a significant irony that the greatest proponents of nuclear power are the same people who have been telling us for the last
10 years that climate change is a myth. Yesterday those very same people were gathered together in Parliament House, the very same climate change sceptics, telling people that the answer to climate change is nuclear power.

Regrettably, nuclear power will do nothing to help us decarbonise the economy, and they know it. Every stage of the nuclear fuel chain is powered by fossil fuels. Uranium mining is highly energy intensive, and will become much more so as the high-grade uranium deposits are exhausted and the mines get larger and larger.

Let us be absolutely clear what this whole nuclear debate is about. I firmly believe it is about expanding the uranium mining industry to give it a thin coating of environmental respectability. If you can cloak it with being the climate change saviour, maybe people will swallow the bitter pill of uranium mining. We are not going to wear it and we are not being fooled.

If anyone ever manages to build a nuclear power station in this country it is going to be well after this government is a distant memory. It will be long after we have missed the deadline for taking firm action to deal with climate change. We need to be taking action now to address climate change, not in 10 or 20 years time when a power station could eventually be built. In the meantime, we could have been building and operating renewable energies. What a wonderful way to direct people’s attention away from the other serious issues that are affecting our country, and the issues around uranium mining.

BHP Billiton is considering quadrupling the size of the Olympic Dam uranium mine—the largest electricity user in South Australia and the largest single industrial user of groundwater in the Southern Hemisphere. It will be by far the largest uranium mine in the world, and the largest open-cut excavation on earth.

Rio Tinto are planning to extend the life of the Ranger mine in Kakadu. While they have the Jabiluka uranium mine on hold, it remains one of the world’s richest high-grade deposits, and I do not think for a moment that they intend to hand it back to the traditional owners. At the same time, Uranium One is busy advancing plans for the honey-moon acid in-situ leach mine, which is little more than a liquid nuclear waste dump in South Australia. And communities across the Northern Territory are fighting a national radioactive waste dump which is being forced onto the Territory against all conventions of scientific rigour or procedural fairness.

I would like the Prime Minister to tell this country in whose backyard the nuclear power stations are going to be located. I would like him to tell the people of the Northern Territory why the nation’s nuclear waste is being dumped in their backyard. I would like both major parties to explain how they plan to safeguard what happens to Australian uranium once it leaves our shores.

Nuclear power is not a genuine response to climate change. It is too slow and too expensive. If you provided a level playing field, renewable energies would leapfrog nuclear energy. And it is far too dangerous, as Hugh White reminded us in the *Sydney Morning Herald* today. This debate is a furphy disguised to promote the interests of uranium mining, to distract the community from some of the other decisions that need to be made to address climate change, and to hide the fact that there has been insufficient research and resources directed to renewable energies in this country.

As Senator Milne reminded this place this morning, solar thermal energies have the capacity to deliver the same baseload power
as a coal fired power station. They could economically achieve the comparison within seven years. Within seven years we could have an ecologically sound source of energy that meets the same capacity as a baseload power station.

Renewable energies are a reality and could be made commercially viable if the same level of interest and money was invested in them as is now being invested in the nuclear energy debate, which will lead us nowhere and leave us with waste for hundreds of thousands of years. Nuclear is too expensive and will not even deliver the goods. What nonsense to even be pursuing it.

What nonsense to be labelling people as emotional and irrational because we are actually pointing out the facts. We are the people who have been pointing out the dangers around climate change for a very long time. Unfortunately, we have turned out to be correct. Now the people who have been in denial over climate change have all of a sudden turned green and want to use nuclear energy to address climate change when the science shows that it cannot deliver what we need on time. Climate change is being used as an excuse.

I reckon someone should do a PhD on the PR job that the nuclear industry has carried out on how to get nukes back on the agenda—‘Let’s use climate change!’ It is one of the biggest PR con jobs I have seen in a very long time and I reckon there will be not one but many PhDs written on that very con job; and unfortunately this government is falling for it. I do not think Australians are falling for it; I do not think Australians want a nuclear energy industry in this country. They certainly do not want nuclear power stations in their backyards, so we will be supporting this motion.

Senator CARR (Victoria) (5.10 pm)—Nuclear power is an important matter, which Senator Wong has raised in the chamber today. Carbon emissions and global warming create worldwide problems and must be acted on now. There is no more urgent matter for this country to address than climate change. I do not think I am making a revolutionary statement; it is a proposition that is now greeted with increasing enthusiasm across the industrial world. There are still a few sceptics in the government who have recently read some opinion polls and found it necessary to change their rhetoric, but they have made a political career out of this sort of climate scepticism. Even Prime Minister Howard and his government have to acknowledge the seriousness of the current situation.

Day after day we are told that there are quick fixes and that new arrangements can be made without much thought or consideration of the implications—that somehow or other a wave of the magic wand can solve the problems that we are now confronted with. The truth is that it is not possible to get quick fixes. It is not possible to come up with a quick and dirty response to the problems of climate change, despite the political urgency that the government has now discovered and despite the fact that the Prime Minister, being an extremely clever politician, feels that it is possible to seek some sort of political solution to his problems with the establishment of inquiries or by making claims that nuclear power is the answer to all our problems.

Climate change is not a matter that we can afford to take lightly and we cannot allow it to become a casualty of the Prime Minister’s self-interested politicking. The opposition simply will not allow that to happen. We are of the view that we need to examine the facts carefully. We need to analyse the government’s nuclear plans carefully and ensure that they are brought to the attention of the public.
The increasing use of nuclear power is, at the very least, a decade away according to the most enthusiastic protagonists within the government. Anyone who knows anything about this subject knows what a completely ridiculous proposition that is. The minister for finance is a self-proclaimed expert on the question. Yes, I am referring to Senator Minchin. He has made it very clear to us that he has a view of his expertise on these questions. He has made it very clear that nuclear power will not be viable in this country for at least 100 years. Yet we are being told by the minister for industry that a click of the fingers can produce nuclear power inside 10 years. That just cannot be done. Even the government sponsored report confirms that the 25 reactors that are recommended will not be up and running, by Switkowski’s estimation, until 2050. According to the most extraordinary estimations, it would take 10 to 15 years. This, as I say, is the most generous and optimistic estimate.

We know that the government’s Chief Scientist, Dr Peacock, himself a supporter of nuclear power, has said that the report presented by the Switkowski committee was unrealistic. The report, he said:

... is unrealistic in believing that a reactor could be established in as little as ten years.

He goes on to suggest to us that Mr Switkowski’s report ignored expert advice from international experts; ignored community advice; and was totally unrealistic about the nature of nuclear physics, the regulatory environment that is required and the sheer, extraordinary costs that are involved with such a proposition.

We can contrast this position being taken by the Australian government in the face of the political pressure it is now under with what is occurring in the United Kingdom. The Labour government commissioned review by Sir Nicholas Stern made it very clear that delaying action would inflict massive costs on the economy and that the world had only 10 years to act on these questions. That was his assessment. The CSIRO and the Stern review both support the urgency of the task. They argue that there must be a 60 per cent reduction in emissions by 2050 if we are to avoid permanent damage to the earth.

Building 25 nuclear power reactors is not the solution, nor would it be possible in the economics of the industry as we currently understand them. Posturing about such an expensive and toxic industry is not the way to go, and it is certainly not the way to go in the claims that are being made about it being possible within 10 years. The Switkowski report makes it clear that, even with 25 nuclear reactors across the nation and with the various existing programs, such as the Low Emissions Technology Demonstration Fund, greenhouse emissions would nonetheless still soar from 558 megatons in 2000 to 718 megatons in 2050. That is a 29 per cent increase. That is not a solution.

If global greenhouse pollution rose by 29 per cent by 2050 the world would probably experience a rise in global temperatures of four degrees Celsius. The CSIRO has warned that such a rise in global temperatures would seriously damage Australia’s environment and economy. It would have a serious impact on the Great Barrier Reef; it would cut water flows to cities and the Murray-Darling Basin by 48 per cent; it would increase bushfire danger across Australia; and it would move the dengue fever transmission zone down to Brisbane and possibly as far south as Sydney. Climate change is not just about people having their beachside holidays affected; the whole issue here is about preventing the serious threat to our survival on this planet.

The Economist has labelled nuclear economics as ‘dodgy’ and has pointed out that there has been a whole series of costs associ-
ated with the reactors. It is not just the cost of establishing the reactors but also the cost of shutting them down. In any assessment on these questions, you have to build on the cost of decommissioning. The British Nuclear Decommissioning Authority has found that shutting down their 20 nuclear sites is going to cost $161 billion.

We have seen the considerable costs associated with the decommissioning of our tiny research reactor at Lucas Heights. So the sort of proposition that we have been talking about here in terms of the sheer scale of what is being proposed has to be seen in its full economic context. The last reactors that were built in the United Kingdom, the United States and Canada cost between $7 billion and $14 billion, even after 40 years of experience in building nuclear reactors in these countries. So there is a very substantial cost of construction. The Switkowski review does not include these recent overseas experiences and predicts the construction costs would be somewhere in the range of $2 billion to $3 billion for an Australian nuclear reactor, despite the fact that we do not have the necessary nuclear skill set to achieve such a scale of building program in this country.

There have been serious criticisms raised about the costs associated with Mr Switkowski’s report. It is quite an extraordinary situation for the government to claim that this is the solution to our problems. I have spoken directly to two nuclear physicists who were involved in the last effort to produce a nuclear reactor in Australia—the doomed proposal down at Jervis Bay. They have told me that the project was stopped because the cost of generating electricity could not possibly be justified because it was higher by up to a factor of 10 in terms of the difference between the cost of electricity generated through traditional means and through the nuclear proposal. In economic terms it just does not make sense. This is particularly important in a country where we have coal reserves in such extraordinary abundance. It just does not make sense to undermine those arrangements.

Even in countries where the opportunities for energy generation are somewhat more limited—for instance, China, where they are proposing a massive expansion in their nuclear program—the fact remains that, despite the proposals to build up to 40 new reactors, the baseload contribution of those reactors to the Chinese electricity grid is not particularly significant. For the next century we are likely to see in China a heavy reliance on coal. Just the other night their top nuclear scientist in an interview broadcast on the ABC pointed out that the proposals that are being advanced in China are totally unsuitable to countries such as Australia and that, had they the options that Australia has, it is not altogether certain that they would pursue the policies that are being pursued.

So it is extraordinary that we are being told that this nuclear fantasy is the quick fix to our global warming problems. It is the quick fix allegedly to our energy requirements. It is the quick fix to the notion that this Prime Minister is faced with in the political struggles that he is currently engaged in. That is really what it is about. It is about coming up with a quick and dirty solution to a political problem. It is not about the long-term investment in the future of the country.

So there is the cost of building a nuclear reactor. There is the mere fact that the regulatory regime would not allow it to be constructed—if it were to be done properly—within a period of probably less than 15 years. This is in spite of the fact that the amounts of money that are being spent on alternative energy generation technologies and research and development are so limited and despite the fact that we have substantial reserves of coal. You would have thought
that a government would be thinking about alternative strategies than those it is proposing.

I say that especially in the circumstances where we have not been able to deal with the waste question. In this country we have been struggling with the problem of the development of a low-level nuclear waste facility. We have been struggling with that problem now in this country for well over a decade. That is a low-level waste dump to deal with the remains of the nuclear industry, as limited as it is, in this country now. We are talking about gloves, soil, watch dials and various other pieces of equipment that are being used. We have an inventory of nuclear waste in this country of a low-level nature, which essentially is made up of soil. A substantial part of that is soil from the old CSIRO site in Fishermens Bend in Victoria, which was moved from Victoria over to South Australia, and now is accumulated in South Australia with various other tools and other pieces of equipment from Lucas Heights.

This low-level material has created such a political problem in this country that it has defied the work of our best administrative minds, our best political minds, I might suggest, for probably up to 15 years. Yet we are told that we can now handle high-level—not intermediate-level—nuclear waste and we can produce the wherewithal to deal with that waste in a period when we have not even dealt with low-level waste over a 15-year cycle. I ask the question: how are we going to be able to build these power stations when we cannot even build a waste dump? It strikes me that highlights just how ludicrous the proposition has been in terms of the government’s discussions on these issues.

Then we are told that some of the government’s favourite sons—Mr Ron Walker, the former national treasurer of the Liberal Party, the bagman out of Victoria for the Liberal Party—

Senator Johnston—The bagman?

Senator CARR—Is he not the bagman any more? I just wanted to know whether or not he was still the bagman in Victoria but if he is not I bow to your superior knowledge. Coming out of Western Australia, I have no doubt you would appreciate what it is all about.

Senator Johnston—Brian Burke.

Senator CARR—As I understand it, Noel Crichton-Browne is one of your great patrons, is he not? I would ask a simple question: why was it that the Prime Minister—

The ACTING DEPUTY PRESIDENT (Senator Ferguson)—Senator Carr, perhaps you could ignore the interjections and address your remarks through the chair.

Senator CARR—I will, Mr Acting Deputy President, because they are disorderly, disruptive and of course unhelpful in the circumstances. Despite the close friendship with Noel Crichton-Browne that the senator has developed over many years, I can understand how sensitive he is to these issues. Senator Johnston is a well-known power-broker in Western Australia. He has developed these friendships over many years. I understand how these things happen.

Senator Marshall—I think ‘friendship’ might be a bit harsh.

Senator CARR—Friendship?

Senator Marshall interjecting—

Senator CARR—I am sorry; I never wish to be harsh with Senator Johnston.

Senator Marshall interjecting—

Senator CARR—I am reminded that it is pertinent.

Senator Marshall interjecting—

Senator Scullion—He’s obviously run out of material.
Senator CARR—I have not run out of material. There is a very rich stream there, I can assure you.

The ACTING DEPUTY PRESIDENT—Senator Carr, I suggest that you ignore the interjections and the help that you are getting from your colleague and return to the subject.

Senator CARR—My concern is the fact that Mr Walker had clearly private discussions with the Prime Minister about the development of nuclear power and the establishment of a new company to prosecute that case. Those conversations are no longer quite as private as they once were. I am very concerned that the establishment of a new entity to prosecute the case for nuclear power on a commercial basis occurred just a very short time, some days, before the Prime Minister established Mr Switkowski’s inquiry. Just five days after Mr Howard’s discussion with his friends from the Australian Nuclear Energy company, the government announced the nuclear futures inquiry.

I am concerned that the government has brought forward an inquiry which has been so heavily criticised by people as senior and as knowledgeable as Senator Minchin himself. He has drawn to our attention the fact that the proposals brought forward in that inquiry were unrealistic, badly costed and out of touch with the harsh realities of this industry. I am very concerned that the government is so divided on this issue because it would appear that Mr Macfarlane does not share Senator Minchin’s concerns about the fact that it would take so long for these things to get off the ground and is rushing headlong into this dangerous field, which could have such profound consequences for Australia. I am particularly concerned that the government has been so poor in dealing with the questions of research and development, in particular with regard to the coal industry and the importance of research and development in the industry to ensure that we are able to export a high level of expertise in the treatment of coal so that we are able to burn it more efficiently and reduce its greenhouse gas impact.

We would have thought that, given the resources in the coal industry that are available to this country, the government would pay much more attention to the science required to ensure that new technologies are brought on stream for new power stations to be developed in a timely manner in order to ensure that this country’s energy resources are best used and that our supply of clean and efficient electricity is brought forward in a cost-effective manner. I would have thought the provision of such technologies would be an enormous benefit to the world in terms of our capacity to help other countries develop new forms of power generation through the use of coal.

Instead we have a half-baked proposal from the Prime Minister, a political stratagem to deal with a political problem arising from the fact that this government has been negligent on the issue of climate change. It has been such a strong advocate for the climate change sceptic argument—until very recently when the opinion poll data came in that showed Australians no longer take the view that this is a matter that can be treated with complacency. Instead of developing a long-term view about investment in the country’s future this government sought to opt for a short-term political fix. (Time expired)

Senator JOHNSTON (Western Australia) (5.31 pm)—It has been an 11-year hibernation for the federal opposition. They want to talk about clean coal; where is the policy? They want to talk about greenhouse gas; where is the policy? They have been doing nothing. And when you have done nothing
there is only one thing you can do when you are as desperate as this opposition are to get into power: run a scare campaign. How do you run a scare campaign? What is the best ingredient when you have been caught without policy on an issue that has developed in the community? You start to talk about who is going to have a nuclear reactor in their backyard: ‘There is no policy, but let’s run a scare campaign so that we’re at least looking busy. We’ve done nothing but we can look busy. We can take the easy road.’

Senator Scullion—That’s right, smoke and mirrors.

Senator Johnston—‘We can use smoke and mirrors. We can fudge it, we can duck and weave and we can pretend we know what we are talking about.’ But, at the end of the day, whether you have done any hard yards or developed any policy catches up with you. It caught up with the opposition on the GST. The sky was going to fall with the GST; the world would be absolutely destroyed by the GST. But look at the GST now: oh dear, it’s working beautifully! Work Choices was going to mean massive job cuts. We were told that everybody would be without a job when Work Choices came about. The federal opposition says, ‘We haven’t done any policy on industrial relations, but let’s run a scare campaign on Work Choices.’ It is untrue. Work Choices is working beautifully: 200,000 new jobs since March and the lowest recorded unemployment figures since data has been kept.

When there is an issue in the community and you have not done the hard yards the opposition says: ‘What we’ll do is run a scare campaign, particularly when our party is so divided on issues like uranium mining, particularly when if we are going to clutch power in the coming federal election we have to do it with Green preferences. So we’ve got to run a smoke-and-mirrors argument about nuclear reactors in backyards so that nobody really asks the question about what Labor’s policy is 10 or 20 years into the future with respect to energy generation.’ The opposition says: ‘We don’t want to ask that question because all we want to talk about is whether you are going to get a nuclear reactor in your backyard. Because that is what the Greens are saying, and we want to say what they’re saying so that we’ll get their preferences and no-one will really know what is going on and we can fudge it and we can take power because we can slide through under the door.’

I want to tell you what Dr Flannery said, Mr Acting Deputy President Ferguson. In launching his book We are the Weather Makers: The Story of Global Warming Dr Flannery said that Australia needs to have the debate on nuclear energy because of its role as a large uranium exporter. Let us not forget that the Chief Minister of the Northern Territory and the Premier of South Australia are keen to open up more uranium mines, and Dr Flannery, the climate change champion, is saying that it is the debate we have to have. But the Labor Party contribution to the debate is: where is the nuclear reactor going to go? In whose backyard? Adjacent to whose back wall? What a fantastic contribution to the national interest—a scare campaign! After 11 years in hibernation they suddenly stir and bring forward a magnificent scare campaign.

Who can forget the words and the approach of Labor’s illustrious former Prime Minister of eight or nine years, Bob Hawke, when at the same launch he told the University of Oxford Alumni dinner that we could revolutionise Australia’s economy by taking the world’s nuclear waste. He said Australia had ‘the geologically safest places in the world for the storage of nuclear waste’. This is the Labor man of the century, the Labor man who led them to government for the
longest time ever. That is what he is saying. He has a policy; even retired as he is he has a policy. He still has much more going for him than the current opposition ever has.

The point is that the Howard government stands for an informed public discussion on nuclear energy, so that all of the facts can be known and so that there can be a removal of the emotive, nonsensical, political chicanery type arguments that are being run by the federal opposition. I have told you why they oppose having this argument. It is because of what will happen when Mr Albanese and Mr Garrett get to the national congress. Mr Garrett is a man of fluid principle, no hard and fast principle—things change. I say that when I look at his attitude to US bases. I just know that he will be on both sides of the street with respect to uranium mining. Let’s have a look at what we are offering the Australian community: we are offering an informed debate, driven by facts not by emotion, hysteria and cheap, come-out-of-hibernation scare campaign politics.

Speculation on where nuclear reactors would be located—and this is the big contribution of the federal opposition—is so premature as to be laughable, simply designed to stampede public opinion away from the debate that we think and Dr Flannery thinks we should have. Given there is no decision to add nuclear power to Australia’s energy mix, it is a classic case of the old Labor scare campaign. For a start, Commonwealth and state legislation prohibits the establishment of nuclear power stations in Australia. There is nobody who would consider investing in nuclear power until there was solid bipartisan consensus in support of nuclear power. I say that again for the benefit of senators opposite: there is no-one who would invest in nuclear power stations until there is solid bipartisan support for nuclear power in Australia.

The prospect of nuclear energy is a discussion that any responsible, sensible parliamentary member has to have in addressing the future energy needs of the country in the context of its environment. It is responsible to have the discussion, not to jump up to the microphone and ask: ‘Where’s the nuclear reactor going to go? Whose backyard is going to get it?’ What a wonderful contribution! It is an insult to this parliament and it is an insult to the role of the opposition.

There have been three recent reports on the use of nuclear in Australia’s future energy mix. The government’s energy policy, as we on this side all know, has remained in line with the 2004 energy white paper. We are discussing this issue, looking at those reports and working through the facts to engage the community as to the viable options into the future. We have Mr Switkowski’s report which was handed down on 29 December of last year. Mr Switkowski chaired the Prime Minister’s task force. We also have the uranium industry framework report, which was released on 13 November 2006. This report included 20 recommendations to address impediments to the capitalisation and opportunities to develop Australia’s uranium industry. The UIF report fed into the development of the review of the Prime Minister’s task force, and some of the review’s findings, particularly those with respect to current skill shortages, are similar to the recommendations in the UIF report. The third report is from the House of Representatives Standing Committee on Industry and Resources. The committee’s inquiry centred on a case study into the strategic importance of Australia’s uranium resources. The terms of reference for the case study, initiated in March 2005, asked the committee to inquire into the strategic importance of Australia’s uranium reserves.

I want to deal with those three reports in a moment, but let us just pause to look at the
context in which we are talking here. There are over 400 nuclear reactors around the world. The opposition is running around and saying, ‘Whose backyard is going to get one?’ I have to tell you that there are an awful lot of backyards in the world that have one, and they are in some pretty interesting places.

For those of you who do not know, Argentina has six. Austria has one. Bangladesh has one. Brazil has one. Colombia has one. The Democratic Republic of the Congo has a reactor. Cuba did have one, but it is no longer in operation. The Czech Republic has two. Egypt has two. Estonia has one. France has 59. Greece has one. Hungary has three. India has seven, by my count. Indonesia, our nearest neighbour, has three. Israel has two. Italy has two. Jamaica has a SLOWPOKE-2 reactor in Kingston. Japan has 17 reactors. Kazakhstan has three. Latvia has one. Libya has one. Lithuania has one. Malaysia has one. Mexico has one. Morocco has one. The Netherlands have two. Norway has two. The Philippines has one. Peru has two. Portugal has one. Poland has two. Puerto Rico has two. Serbia has two. Slovenia has one. Spain has one. South Africa has one. South Korea has three. Syria has one. Uruguay has one. Venezuela has one and, lo and behold, Vietnam has one.

Isn’t it amazing that, with 440 nuclear reactors already out there, the opposition is running around and saying, ‘Who’s going to have one in their backyard?’ Well, a hell of a lot of people do have them in their backyards and there is not one, single problem with them. But that does not detract from having a good scare campaign. When you have been asleep for 11 years and you suddenly come to, you would think: ‘Crikey! We’ve got a new leader and the polls are looking on the up. We’d better do something to make it look as though we are awake and have some policy.’ Of course all of us on this side know that the opposition has done nothing for 11 years and the public will find out about it.

The House of Representatives committee focused on the global demand for Australia’s uranium resources. I want to talk about uranium resources because this issue is crucial. The Labor Party want us to break away from their crazy three-mines policy, where you have some uranium that is evil and some uranium that is okay. It is interesting to try to work out which is evil and which is okay, but the Labor Party have been doing amazing things.

The Labor Party, in wanting to expand uranium mining, as the government does, has to come to terms with the fact that we are in the game of nuclear energy, because we are providing the resources for the 440 power stations and reactors that I have just adverted to. We are doing it because we are the biggest source of uranium in the world—we have more reserves. The members of the House of Representatives committee considered another six issues, including consultation and approval processes with traditional owners, health risks to workers and the public from exposure to radiation, and the adequacy of regulation of uranium mining by the Commonwealth. Many of the issues the inquiry examined were also independently addressed in the report of the uranium industry framework and the Prime Minister’s task force.
The committee was highly critical of existing state government restrictions on uranium exploration and mining, which it described as being—and this was a committee comprised of government and non-government members—‘illogical, inconsistent and anti-competitive’. The committee concluded that increased production from Australia’s uranium industry could make a substantial contribution to meeting global demand for energy while reducing greenhouse gas emissions. Let’s remember the context of what we are discussing—that it would contribute to meeting global energy demands while reducing greenhouse gas emissions—and the opposition’s contribution to that, which is: ‘We don’t want to talk about it. We’ve been asleep for 11 years and we’re not going to talk about it, because we are divided and it is not in our political best interests.’

The report of the Uranium Mining, Processing and Nuclear Energy Review Taskforce, the UMPNER report—that is, Mr Switkowski’s report—was released by the Prime Minister on 29 December, as I have said. The key findings were that there is support for the expansion of Australia’s mining and export of uranium as identified through the task force consultations, that regulation of uranium mining should be rationalised and that a single national regulator should be established to cover radiation safety, nuclear safety, security safeguards and related impacts on the environment for all nuclear fuel cycle activities.

The report also finds that skills shortages, most notably radiation safety officers and geologists with uranium experience, and restrictive policies—that is, regulation, land access and transport—are the major constraints to the expansion of Australia’s uranium industry. The report suggests that Australia’s exports of uranium oxide of $573 million in 2005 could be transformed into a further $1.8 billion—more than tripled—after conversion enrichment and fuel fabrication, but notes there would be significant challenges in obtaining access to the relevant technology and funds for investment. The report suggests that there is an opportunity of taking our exports from about $500 million to about $1.8 billion. Of course, the Labor Party’s contribution to the debate is, ‘Let’s not talk about it.’

The final report of Mr Switkowski’s review provides a comprehensive analysis of the facts surrounding nuclear energy, finding it to be clean, safe and potentially able to make a significant contribution to lowering Australia’s greenhouse gas emissions. What could be more important to the national interest? It is clean, safe and with potential to make significant contributions to lowering Australia’s greenhouse gas emissions—it does not get more important. It is what we want to hear. But the really important question is: ‘Where is the reactor going to go? Is it your backyard or my backyard?’ That is the opposition’s contribution to this. It is an absolute disgrace.

The review anticipates that a reactor could be operating in 2016 or, more likely, 2020. That is in perfect circumstances where the price of electricity is high and where there are problems justifying the per kilowatt hour price, which, as I will explain in a moment, is much higher than the current price of coal or gas. Mr Switkowski’s review received over 230 public submissions from a wide range of organisations and individuals.

Australia has an abundance of low-cost coal and gas—fuels producing 90 per cent of our electricity and 34 per cent of our greenhouse gases. That is the problem. We are saying, ‘Let’s look at a solution’ and the opposition’s contribution is to say, ‘No!’ We have the lowest electricity costs in the OECD. Obviously that is of substantial eco-
nomic benefit to us and we must be careful to protect it. When we look at these issues we must do so in a responsible way.

I see that I am running out of time, so I will finish by saying that, when the government suggests we have a debate, it is no answer to worry about your political hide, to worry about how it is going to look when you are divided on uranium mining or to avoid the hard questions when you really need to show some leadership and responsibility. You need to take on the hard issues and endeavour to come up with the best answer for Australia’s future energy needs in the national interest.

Senator McEWEN (South Australia) (5.50 pm)—I am pleased to speak on this very important motion moved by Senator Wong because it provides an opportunity to speak about Australia’s future energy needs, particularly in the context of climate change, and an opportunity to point out once again the ineptitude and inaction of this tired government, which has failed to plan for Australia’s future environmental wellbeing.

This tired government is the responsibility of a Prime Minister who used to be on the top of his game but now, as we have seen over the last few days, has shown he has lost it by foolishly attempting to use the nuclear debate to wedge the opposition, and in so doing has, yet again, shown us his lack of conviction to really address climate change in Australia and has also managed to reveal spectacularly the divisions within his own party about nuclear power in Australia.

Having been found out as failures when it comes to addressing climate change and the potentially devastating effect on our nation, the government and its Prime Minister are flailing around trying to cover up a hopeless performance. The $10 billion, hastily cobbled together water package was a prime example of a government in panic, a government out of control. Without even cabinet consideration, let alone an economic impact statement, and with just the most cursory financial oversight, as we found out at Senate estimates last week, the Prime Minister chucked some money at a problem and hoped it would buy him back the voters he knows are deserting the government. And, yesterday, when the Labor Party queried this questionable and irresponsible behaviour, the Minister for Finance and Administration, Senator Minchin, accused us of ‘nitpicking’. I do not think the people of Australia consider it nitpicking to ask questions about expenditure of $10 billion of taxpayers’ money.

We had another example of the government’s quick-fix environment strategy with the light bulb replacement scheme launched with much fanfare by the Minister for the Environment and Water Resources. I am not knocking energy efficient light bulbs. Labor supports any measures, big or small, that are good for our environment and our future. However, some questions clearly need to be asked about the practical implementation of the light bulb scheme. My office and other senators’ offices have had lots of enquiries about the practicalities of that proposal. It is further verification of the government making its environment policy on the run in response to bad press and bad polls.

If we had any doubt about the mess the government is in, we had verification of the mess this morning when the government completely stuffed up its response to a motion which simply asked the Senate to endorse existing legislation relating to the prohibition of nuclear power—legislation that, apparently from this morning’s debate, some government senators were not sure about, even though nuclear power has been on the agenda all week, even though they have been in government for 11 years and even though Senator Abetz made mention of it in question time yesterday. I guess that shows how much
attention other senators pay to the utterances of Senator Abetz! You have to ask: are they really unaware of what is in the current legislation or was it wishful thinking this morning? Perhaps they were hoping that the legislation really did not exist because it is a barrier to the establishment of nuclear power facilities in this country. It is a barrier to the ambitions of the consortium, Australian Nuclear Energy Pty Ltd, that has been encouraged and supported by the Prime Minister, who is gung-ho for nuclear energy.

Yesterday Senator Abetz reminded us about the legislative prohibition on nuclear power and said that we should not get too excited about nuclear power because:

... under Australian legislation as it stands at the moment we will not be having nuclear power stations.

You have to worry about whether there is any genuine commitment to that legislation given the ‘at the moment’ comment by Senator Abetz. Of course, we know that the Prime Minister has been encouraging his mates who want to make money out of nuclear power, despite the fact that legislation exists that prevents it.

You would not want to rely on that legislation because, as we already know, this government abuses its majority in the Senate, time and again, by steamrolling legislation through that the majority of the people of Australia neither want nor have asked for. Work Choices was all about rewarding the big end of town for supporting the government, and do not for a moment think that the government would not use its majority again to reward Ron Walker and his mates. It will be interesting indeed to see what the government’s response to the Switkowski report will be, particularly in regard to the amendment of the existing legislation.

The government are at sixes and sevens over nuclear power as evidenced by the debacle in the chamber this morning, and you can see it whenever you ask one of those government senators if they want a nuclear reactor in their state. Senator Wong’s motion asks the government to publish details of any plans, including any possible locations for nuclear reactors and high-level nuclear waste dumps in Australia. I await that response from the government with great interest. While I am waiting, I am going to use the opportunity to once again ask those opposite exactly where in Australia they are going to put a nuclear power station. Yesterday, I raised the matter in the context of Port Augusta—a very nice, seaside city at the top of the environmentally sensitive Spencer Gulf in my state. Today, I ask: will it be in the seat of Mayo, maybe at Victor Harbor? Nuclear power stations need a lot of water, I understand, and there is plenty of water there in Mr Downer’s seat. Maybe it could be in the seat of Kingston. There is some land there by the sea, at the old oil refinery at Port Stanvac. Maybe it could in the seat of Makin or in the seat of Wakefield—though there could be a few issues finding enough water in that area of my state. I doubt whether the Little Para reservoir would be up to it, but I suppose you could always put the waste dump there to take the nuclear waste from the nuclear power station.

As we know, government members and senators are happy to talk up nuclear power, but they are not happy to have nuclear power stations or nuclear dumps in their own electorates. Ask them that question and watch them weave and duck. You have to ask why the Prime Minister is encouraging nuclear power when all the research, even the government’s own Switkowski report, says that nuclear energy is not economically viable in Australia. We also know nuclear power is not a climate change solution for Australia. It will not deliver what the nation needs to ameliorate climate change. Even if all the
problems associated with nuclear power in Australia somehow disappear, it would still be another decade before any nuclear generated electricity could be delivered to the grid, and it would be 2050 before the 25 to 30 plants that the Switkowski report says would be required to supply one-third of Australia’s energy needs would be in operation.

Let’s be absolutely clear about the problems associated with nuclear power in Australia, because they are enormous problems—and the government senators like to try and sweep this under the carpet. The problems include: the initial cost of $2 billion to $3 billion per plant; disposal of waste; decommissioning of plants; planning and construction of linkages with existing energy infrastructure to carry the power; the fact that it will divert massive investment away from renewable sources of energy like wind, solar, geothermal, biofuels and hydro; security risks; the fact that the states currently control electricity generation and distribution; the fact that the majority of Australians do not want nuclear power plants; and the fact—and we even hear this from government senators—that the cost of electricity would rise by up to 50 per cent for domestic and commercial users. Even if you could sort out all those problems, it would still be too late for Australia’s environment because the lead time to bring the plants into commission is too long. It would take another decade, during which time attention and resources would be diverted from reducing greenhouse gas emissions and encouraging efficient energy use and renewable sources of energy. We have already had a decade of neglect and denial of climate change from this government and we cannot afford another decade. We cannot in fact afford another year.

Sometime this year, probably, the people of Australia will have a chance to consider which party will lead this nation into an environmentally sound and sustainable future. Whether the Prime Minister is still on his crusade for nuclear power when the election comes around will be determined by the polls and what he perceives his chances of hanging onto office are, because he has been there so long he does not want to let go. He did not want to hand over to Mr Costello and now the Liberal Party is paying the price with a worn-out, tired and directionless leader. Unfortunately, the Australian people are stuck with the same leader and are paying the price too. I commend Senator Wong’s motion to the Senate.

Debate interrupted.

DOCUMENTS

The ACTING DEPUTY PRESIDENT (Senator Forshaw)—Order! It being 6 pm, the Senate will proceed to the consideration of government documents.

Murray-Darling Basin Commission

Debate resumed from 8 February, on motion by Senator Ian Macdonald:

That the Senate take note of the document.

Senator BARTLETT (Queensland) (6.00 pm)—I rise to speak to the Murray-Darling Basin Commission—Report for 2005-06. We have heard a lot in this place and in the wider community about the future of water management for the Murray-Darling Basin. Of course, we have had some contributions from the Murray-Darling Basin Commission people themselves on the Prime Minister’s proposal. One of the concerns amongst the many that the Democrats have about what is being proposed at the moment for the Murray-Darling Basin is that some of the people with expertise in the field—whether that expertise is in management, water policy, the environment or farming—have not been properly involved so far in the development of the Prime Minister’s plan.
I should emphasise—as I try to do each time, to make sure that I am not misrepresented—that the Democrats have been calling for the Prime Minister to do something along the lines of what he announced at the end of January he would do, which was to ensure clear, overarching national management of the Murray-Darling Basin Commission. Whatever criticisms you would make of the federal government in this area, quite clearly the state governments have failed in their duties, by and large, to manage water resources in the basin properly. Clearly it is at a stage where something extra needs to be done. But that something needs to be done does not mean that doing anything is okay; we need to make sure, now more than ever, that what is done is correct and will actually work—not least because there is a large amount of money being put forward, or at least promised, in this area.

With such a major step as the referral of at least some powers from some of the states to the federal government being proposed, if that step fails then it really will make it difficult for the future. That is why the Democrats have called a number of times for a Senate inquiry into this whole proposal. That would get more of the detail out into the public arena so that it would not just be a backroom deal between the federal government and various state governments looking at their short-term political agendas. Even the Murray-Darling Basin Commission people themselves need to be much more in the loop with regard to what is being proposed. As an example of that, you only need to look at the difference between the Murray-Darling Basin Commission’s understanding of how things were going to be progressing in the National Water Initiative and the like at the time that this report was put together and the Murray-Darling Basin amendment legislation, on which we had a report tabled yesterday. Then we had the Prime Minister’s statement at the end of January, which took another direction again. Now, as I said before, we need a new direction, so there is potential there. But it has to be the right direction, not just any direction. There were some quite good statements in the Prime Minister’s announcement at the end of January. He clearly indicated, amongst other things, that we needed to look at, as a last resort, the need to buy back water allocations. We all know overallocation is one of the significant problems. Yet in the communique released on the agreement between the Prime Minister and some of the premiers some weeks later, a lot more equivocation had crept in. That may be as much the influence of the premiers as of the Prime Minister; I do not know. Then earlier this week in question time in the House of Representatives the leader of the National Party made a statement that the last resort would be buying back water from people who wanted to sell it. Well, we still need to recognise that there may well be a time when we have to buy back water from people who do not want to sell it because that is the problem with overallocation. And just putting forward another big package with another lot of big promises and a lot of extra money is no good if we are not going to take the hard decisions at the end. That would risk not solving the problem, and we cannot afford that any longer.

Senator IAN MACDONALD (Queensland) (6.05 pm)—I also rise to speak to the Murray-Darling Basin Commission—Report for 2005-06 and to my motion of 8 February to take note of the document. The report sets out the work the commission has done over the period 2005-06. The commission has done a good job over many years—since Federation, I think. It has been constrained many times because each of the relevant states and the Commonwealth has always had an interest in this, and anything that was
done had to be done in conjunction with all of the states. Trying to get all of the states to agree when they had very differing interests has always been a great difficulty. I attended a number of Murray-Darling Basin ministerial meetings when I was the relevant minister and they always struck me as a group of people who were more interested in their own outcomes than in the outcomes of the nation and in the outcomes for the Murray-Darling Basin itself.

Because of that, I am delighted with the Prime Minister’s initiative to try and get the Commonwealth to have some form of control over the whole of the Murray-Darling Basin system. I have not been closely enough involved in that and have not followed it closely enough to understand exactly what this means in practice and how it is going to be implemented. If the states do not agree to allow the Commonwealth to do what is right for Australia—and, as I understand it, one of the states is still being a bit reticent—then I hope that a referendum might be held to constitutionally provide that, where rivers cross state boundaries, they become the responsibility of the national government rather than of individual state governments. If all the states agree to the Prime Minister’s proposal, that will not be necessary and we will have a national government making decisions that are in the national interest.

I can well understand why New South Wales were so keen to come on board, because New South Wales particularly had grossly overallocated water in that state from the Murray-Darling Basin system for many years. They were almost criminal in the way they allocated water without any real care for where the water was going to come from when it had been allocated. That is fine in wet times but, when it does not rain, when there is no water flowing, what do you do? Quite clearly, the New South Wales government would have been left with a huge bill to buy back water that they had overallocated. I always thought, in many of the meetings I attended, that it was a bit rich of New South Wales—having given out all that water, having been paid for it, in many instances, and having got a lot of political kudos from allocating water licences to landowners—to turn around and say, ‘We’ve done the wrong thing in the past but we want everyone else to pay for it.’ Under the Prime Minister’s proposal, as I understand it, the Commonwealth taxpayer will end up buying back water as a result of New South Wales’s folly over many years. As I say, for that reason I can understand why Mr Iemma was the first one out of the blocks to say, ‘Great idea!’

I hope that by the Commonwealth taking ‘control’ of the Murray they will have a much closer interest in what happens in that very special part of Australia. If it turns out that, for domestic political reasons, the Victorian government decides not to come along with this proposal, then I hope that the Commonwealth government will seriously consider some sort of referendum to constitutionally allow the government to do what I think should have been done at the time of Federation. As I understand it, in a lot of the discussions that were held leading up to Federation there was consideration of whether the Murray-Darling Basin system should be a national responsibility. As it turned out, it was not made one, but perhaps, 100 years on, it is time to look at that. (Time expired)

Question agreed to.

**Fisheries Research and Development Corporation**

Debate resumed from 8 February, on motion by Senator Ian Macdonald:

That the Senate take note of the document.

**Senator IAN MACDONALD** (Queensland) (6.11 pm)—I want to briefly take note of the Fisheries Research and Development
Corporation report for 2005-06. In doing so, I pay particular tribute to the Executive Director of the FRDC, Dr Patrick Hone, who brings a wealth of experience and very extensive knowledge to the FRDC. He has been closely involved in all sectors of the fisheries industry, and over the past decade he has played a key role in the planning, management and funding of fisheries related research and development in Australia. He has a PhD in the development of aquaculture feed for abalone and has been involved in the development of several significant aquaculture industry developments, including southern bluefin tuna, Pacific oyster, abalone and mussel aquaculture.

As well as paying tribute to the work that Dr Hone and his staff do, I also recognise the board of that organisation, who—without going through them individually—between them provide a vast expanse of experience in the fishing industry and in science and research. That organisation over many years has been very significant in the development of Australia’s fisheries industry. It is an organisation which, through funds which are provided more or less equally by the government and industry, has been at the forefront of innovative programs to help the fishing industry and to help those who help the fishing industry in many forms.

The FRDC has an enviable record of progress and contribution towards the industry. I know that the FRDC has been over many years very closely involved in research on the southern bluefin tuna. Many in this chamber called for the southern bluefin tuna to be absolutely protected. I do not think that is necessary, and the scientists and researchers who follow these things more technically than I do agree with that proposition. The southern bluefin tuna supports a very significant part of the Australian industry, one that has very substantial exports to Japan. The city of Port Lincoln in South Australia is built upon the success of the southern bluefin tuna industry.

That industry has embarked upon, although with some division amongst those involved, research and commercial activities to try to close the life cycle of the southern bluefin tuna. A company, Clean Seas Tuna, in which I should indicate I have a very small number of shares, is operated principally by the Stehr family in Port Lincoln. That company is trying to breed southern bluefin tuna in captivity. If this were to occur, it would be a revolutionary event which would change the face of fishing for that species in the world. Southern bluefin tuna is one of Australia’s biggest seafood exports, going mainly to Japan, but there is controversy about its sustainability. Currently it breeds near Indonesia, comes around the bottom coast of Australia and goes out into the Pacific and, as it is swimming past South Australia, it is captured and taken in and then fed, fattened and sold at great profit for Australia. Were the research able to close the life cycle, that would be, as I have said, a very significant event. Part of the industry in Port Lincoln is looking at that. We need to keep an eye on that, and certainly the FRDC has been very much involved in the research undertaken into the southern bluefin tuna.

Question agreed to.

Commonwealth Grants Commission
Debate resumed from 27 February, on motion by Senator Ian Macdonald:

That the Senate take note of the document.

Senator MARSHALL (Victoria) (6.16 pm)—I rise to speak on the Commonwealth Grant Commission’s Report on state revenue sharing relativities: 2007 update. This is an important aspect particularly when we talk about education, which is one of the major areas of revenue sharing between the states and the Commonwealth. Where that money ultimately gets spent is derived primarily
from the policy parameters of the various levels of government. In the case of the federal government, those policy parameters are derived from the attitudes of those in government. While listening to the debate yesterday on the Australian Technical Colleges (Flexibility in Achieving Australia’s Skills Needs) Amendment Bill (No. 2) 2006, I was rather distressed and angry to hear some of the attitudes expressed by Senator Barnett. Senator Barnett said in his speech, and I will quote from the *Hansard*:

> For too long in Australia, a technical or trade education has been considered a second-class option to a university degree. This is exactly what happened under the Labor government before the Howard government came in about 11 years ago. Parents considered themselves failures if their children did not leave high school to go on to a ... university ...

> These comments show an extreme case of arrogance and intellectual snobbery on the senator’s behalf. His comments are an insult to parents and an insult to every person who did not go to a university. As someone who also did not go to university but was a very proud person engaged in a trade as an electrician, I know that my parents did not feel like failures. They would have felt like failures only if I had felt like a failure. I can assure the Senate that I certainly did not. I was very proud to engage in a trade, to be responsible for building our cities, our homes and our infrastructure, and to be part of the manufacturing base of this country. It was a terrible insult not only to me but to every single parent whose child did not go to university and to every individual that did not go to university. Let me say Senator Barnett’s words again. He said:

> Parents considered themselves failures if their children did not leave high school to go on to a ... university ...

> He then tried to throw that back as if to somehow—and this is so typical of this government’s opportunistic rhetoric—blame the Labor government for that attitude. But of course Senator Barnett is wrong: that attitude never existed; it has certainly never existed in the Labor Party. It is not the view of the Labor Party, and we actually recognise the valuable contribution that all workers make to this country regardless of whether or not they attended a university, whether or not they embarked on a trade or whether or not they left school at 16 and work in a factory or do any other sort of work. We value all that work; it is important for its contribution to our society.

> I suggest no parents have considered themselves failures if their children did not go to university. I suggest that this is probably the attitude of Senator Barnett himself. It is that two-bob, elitist, intellectual snobbery that we get from the other side that has this view that if you did not go to a university you were in fact somehow a failure and therefore your parents must have been failures too. I find those comments absolutely objectionable. It is a view that could only have come from someone who must have had it pretty easy all their life. I am clearly sick of the elitist, pompous, superior attitude of Senator Barnett in respect of education. The failure here is not by parents and not by workers who have not attended a university; the only failure here is Senator Barnett, who has failed all hardworking Australians with these egotistical comments.

**Senator IAN MACDONALD** (Queensland) (6.21 pm)—Whilst I have made some comments on this Commonwealth Grants Commission report in the past, the previous speaker did not speak about this report at all but spoke about a colleague’s address on a bill before the Senate. I did not listen intently to what was said by Senator Bartlett—

**Senator Sterle**—Barnett! It’s the wrong speaker you’ve got.
Senator IAN MACDONALD—sorry, it was Senator Barnett—but I did hear elements of his speech, and I think his speech has been grossly, viciously and very unfairly represented by the previous speaker. In fact, Senator Barnett was making the point that the trades were a very honourable occupation to embark upon. In Sydney, we used to talk about the latte set, the latte socialists, who would attend university, sit around in cafes and then run along to Labor Party meetings. The attitude that you had to go to university to be any good in society grew up in the Hawke-Keating years. Senator Barnett was saying there was a perception in Labor ranks in those days that, unless you went to uni and drank lattes down in one of the trendy cafes in Sydney or Melbourne, you were not worth looking at. Senator Barnett was quite rightly saying that the trades are a very honourable calling.

That is something I have said over many years in various other forums. I have encouraged young people to think seriously about the trades rather than simply going to university because everyone else went to university and it was the socially acceptable thing to do. Many people went to university who were not really interested in it and not well equipped for it. I think Senator Barnett made that point. That reached its peak in the Hawke-Keating years in the latte society, which so many in the Labor Party were a part of.

Like the Prime Minister, I did not go to a wealthy private school—I know that a lot of Labor Party people did—and there are many others on this side who did not. My parents did not have the money to send me to university, so I worked as an articled clerk during the day and studied externally through the University of Queensland at night to achieve my solicitor qualification. Many of my extended family are proudly in the trades—and very successfully and rewardingly so. My wife’s nephew was not terribly successful at school, but he is a good boilermaker. He is barely 40 and he earns more than twice what I earn in this place. Of course, in the great economy that the Howard government has given us—with the mining boom that has been supported by the Howard government and its export policies—those in the trades are earning enormous money.

I was recently in Gladstone talking to the boss of a construction organisation. He is a very successful businessman in Gladstone and he has built up a business in which he employs 200 people. I said to him, ‘You must be finding it difficult to get tradesmen to work on the extension of the Gladstone port that you have embarked upon.’ He said, ‘Yes, it is, but we have to pay the market rate.’ I said, ‘What is the market rate?’ He said, ‘A carpenter earns $150,000 a year and the boilermaker who works night shift overseeing the work earns in excess of $200,000 a year.’ I think that is probably more than the Prime Minister earns. And good luck to them! Those of us on this side—(Time expired)

Senator STERLE (Western Australia) (6.26 pm)—Like Senator Marshall, I took offence at some of the statements that were made yesterday. But I want to speak on the Commonwealth Grants Commission’s Report on state revenue sharing relativities: 2007 update. The importance of this report is that it talks about the sharing out of GST revenues to the states. One determinant of the calculation of that distribution is the commission’s assessment of how much the states and territories are spending on education, including vocational education and training. I listened intently to Senator Barnett’s contribution yesterday, as I was in the chamber at the time. I was quite shocked when he made that statement, which Senator Marshall has quoted from Hansard. I have a copy of that in front of me. For those who
may have missed Senator Marshall’s contribution, Senator Barnett made the disparaging comment:

Parents considered themselves failures if their children did not leave high school to go on to a university degree.

I am on the record as having proudly stated a number of times in this chamber that I did not go to university. It was not because I did not want to face the challenge of studying and going through tertiary education; it was because I did not want to go to university. There are many thousands of Australian children whom we do not expect to go to university. They do not have to go to university, because they have the desire to chase skills in different areas. The part of Senator Barnett’s comment that really annoyed me was that parents were seen as failures. My parents certainly do not see themselves as failures. They proudly put two of their children through university. In fact, one of their children got two university degrees. The oldest one did not go to university but chased the life of a truck driver. I had better qualify one statement that I made. Actually, I have been to university; I forgot. I seek leave to continue my remarks.

Leave granted; debate adjourned.

Consideration

The following orders of the day relating to government documents were considered:


COMMITTEES

Membership

The Acting Deputy President (Senator Forshaw)—The President has received letters from party leaders seeking variations to the membership of committees.

Senator Colbeck (Tasmania—Parliamentary Secretary to the Minister for Finance and Administration) (6.29 pm)—by leave—I move:

That senators be discharged from and appointed to committees as follows:

Employment, Workplace Relations and Education—Standing Committee—

Appointed—

Substitute member: Senator Crossin to replace Senator George Campbell for the committee’s inquiry into the current level of academic standards of school education

Participating member: Senator George Campbell

Rural and Regional Affairs and Transport—Standing Committee—

Appointed—

Substitute members: Senators Trood, Ian Macdonald, Joyce, Hogg and Moore to replace Senators McGauran, Ferris, Nash, Sterling and McEwen, respectively, for the committee’s inquiry into options for additional water supplies for South East Queensland

Participating members: Senators Ferris, McEwen, McGauran, Nash and Sterle.

Question agreed to.
AUSTRALIAN CITIZENSHIP BILL 2006
Returned from the House of Representatives

Message received from the House of Representatives agreeing to the amendments made by the Senate to the bill.

COMMITTEES

Finance and Public Administration Committee

Report

Debate resumed from 27 February, on motion by Senator Mason:

That the Senate take note of the report.

Senator MURRAY (Western Australia) (6.30 pm)—With regard to item No. 3 on page 8 of the Notice Paper, there is an amendment of the motion to take note of the second report of the Finance and Public Administration Committee on the operation of the Senate order on departmental and agency contracts. That amendment is agreed by all parties; it is a procedural amendment. However, until such time as the document is considered and has been taken note of, of course the document will stay on the Notice Paper and therefore the amendment cannot come into play. So it is important from a technical perspective to separate the two out. I seek leave therefore to move a motion now in relation to that report on the Senate order on agency contracts so that that motion can be dealt with and the report can remain on the Notice Paper.

Leave granted.

Senator MURRAY—I move:

That recommendations 11 and 13 of the second report of the Finance and Public Administration Committee on the operation of the Senate order for the production of lists of departmental and agency contracts be adopted.

Senator Wong—Senator Murray, I am not sure in my capacity here that I have been advised of our position on this motion. I accept your indication that that is the case.

Senator MURRAY—Perhaps I could explain briefly. The matter was cleared with the chair and deputy chair of the committee, and with the whip. Unfortunately, the whips have changed, so the same whip is not in place.

Senator Wong—Sorry, could you repeat that?

Senator MURRAY—The motion was agreed by the chair and deputy chair of the committee, initiated by the government, and the whip on your side was advised, but of course the whip has changed so the message has not been passed on. It is a procedural, technical amendment.

Question agreed to.

Senator MURRAY—I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Intelligence and Security Committee

Report

Debate resumed from 26 February, on motion by Senator Patterson:

That the Senate take note of the report.

Senator BARTLETT (Queensland) (6.33 pm)—This report by the Joint Committee on Intelligence and Security, which covers agencies like ASIO and DSD and the like, was tabled earlier this week. It is a review of the relisting of four different organisations as terrorist organisations under Australian law.

I should emphasise at the start, as I usually do when speaking to reports from this committee, that it does not have any crossbench members on it. By law it is a statutory committee and the law states the make-up of the committee which does not allow the inclusion of any crossbench MPs, which I think is unfortunate. However, as I have also regularly said, I think the committee does quite a good job. It is chaired by Mr David
Jull and has among its members Senator Ray, Senator Faulkner and Senator Ferguson—very experienced people. Senator Nash is also a member. Broadly speaking, within the constraints of what they can do, they do a good job.

Every time the Attorney-General wishes to list or relist an organisation as a terrorist organisation for the purposes of the Criminal Code, that requires this committee to review it. I have to say that the committee’s reports are giving me growing concern. It is no secret that the Democrats were uncomfortable with some aspects of the so-called antiterror laws that passed through this place that enabled terrorist organisations to be proscribed, or organisations to be proscribed as terrorist ones. It is quite a significant law and it does mean that people who may have contact with some of those organisations for potentially quite innocent purposes could end up in extremely serious trouble and with very restricted opportunities to defend themselves under the law. So it is quite a serious act to list organisations.

The committee has in its last few reports continually voiced what I would see as quite significant disquiet with the inadequacy of the process that is involved and the inadequacy of their ability to properly do the job of reviewing this. I would particularly draw attention to the fact that the committee as a whole does not recommend that the regulations relisting these organisations as terrorist organisations be disallowed. That is of course part of another of the problems with the constraints on debate in this area with the new political correctness we get from the Howard government these days: even voicing concern about the listing of a terrorist organisation is likely to get you labelled as a friend of terrorists and those sorts of things, rather than simply being seen as someone who is voicing concerns about the adequacy of the law, its effectiveness and whether or not it actually ensures that proper safeguards are in place.

I draw attention to the other recommendation in the report, which is ‘that the committee renews its request that the Attorney-General and ASIO incorporate the criteria ASIO has provided for determining which organisations should be listed in future statements of reason’. This is a repeated request from this committee that the Attorney-General and ASIO ensure that, in providing their statements of reasons to the committee about why an organisation should be listed or relisted, they incorporate in that statement of reasons the criteria ASIO uses for determining whether or not that organisation is a terrorist organisation. It would seem to be a pretty straightforward thing to do, yet it is repeatedly not done and it has not been done again with regard to these organisations.

The committee furthermore requests that the Attorney-General and ASIO provide the committee with a set of criteria outlining under what circumstances an organisation will not be relisted. We also have the problem that once an organisation is listed it is actually extremely difficult for them to become delisted. The listing has to come up for renewal every few years and obviously they can be not relisted then. But, again, it would seem quite simple to ask what criteria are used in that circumstance, particularly because of some of the specifics of the organisations here.

This is a unanimous report, I would emphasise again, and one from very experienced government MPs on both sides of the chamber. The committee report, for example, states that it is worth noting that during the private hearing the committee discussed the process of discrimination between choosing those organisations which are selected for proscription and those which are not. Some committee members noted that they continue
to be unconvinced as to the robustness of the process. That is a pretty worrying sign, as far as I am concerned, for what is a very important area of law that is not terribly accountable or transparent. It was noted that while some organisations which seem to be now concentrating their activities locally—that is, locally in their area overseas—and seem to have no links to Australians or Australian interests are proscribed, but others which do have membership in and links to Australia have not been proscribed.

The committee has advised the Attorney-General’s Department that it would be preferable from the committee’s perspective to see arguments about the activities of the organisation in the period since the last listing. What we had was ASIO coming forward with material that justified the listing the first time around, but nothing new. There was no new material about why we should be continuing to list this organisation as a terrorist organisation, particularly when there was no evidence that they are even active at all. In the case of one of the organisations, evidence was provided quite specifically suggesting that the organisation was basically no longer operational, yet they have still been relisted.

To give another example, the committee reiterated its previous concerns, the concerns that it first expressed back in March 2005, about a lack of adequate community consultation with regard to the listings. One press release from the minister saying what he was doing does not constitute community consultation. People in the community can be directly affected, quite seriously affected, by listings or relistings of organisations.

Again, the report notes that the committee has never resolved to its satisfaction through continuing discussion with ASIO how the criteria for listing might logically be applied—a fairly fundamental issue, I would have thought. In previous reports, in order to make greater sense of the decision-making process, the committee asked the government to address the criteria in future statements of reasons—something the government has continually not done. The committee received evidence that at least one of the organisations has become much less active in the last two years, to the point where the Australian Strategic Policy Institute—a very well respected analytical institute—has stated that the group can be considered to be essentially defunct. Why are we relisting an organisation that seems to be essentially defunct?

This was touched upon a bit further in chapter 2 of the report, and this is where it does get almost into Monty Python territory. At a private hearing relating to these relistings—as mentioned in paragraph 2.6—the committee specifically sought information about the activities of the group since the last relisting. In response to that request, ASIO told the committee that where there is a lack of available new evidence regarding any organisation this does not necessarily mean that they are not still active or dangerous. According to ASIO, a lack of ‘evident activity’ may mean that the organisation is preparing for a future act of terrorism. So under this sort of criteria the fact that they are not doing something is being taken as a potential indication that they might be going to do something. Surely we have got a more robust criterion than that for trying to assess whether or not an organisation should be listed and proscribed as a terrorist organisation under these very serious and major powers. It certainly is true that the fact that an organisation may not be active for a certain period of time—or visibly active—does not necessarily mean that they are not still dangerous. But surely we should have to rely on some sort of evidence, some sort of ongoing material, some sort of clear application of the criteria, beyond just saying that the fact that
we cannot see them doing anything might just mean that they are planning to do something. We must be able to do better than that.

These are very serious powers. When the Senate did agree to pass laws to give these powers to the Attorney-General to allow organisations to be listed, with a whole range of extra and more draconian powers that kicked in along with it, it was on the understanding that this committee could properly scrutinise the exercise of those powers and, particularly, properly scrutinise the reasons why particular organisations would be listed. This is at least the third report from this committee that I think could reasonably be said to be voicing quite strong disquiet about the inadequacies of the process and of the information that has been provided to the committee. Most of the work this committee does is in secret, for starters. I think it sends a very strong signal that this process is less than ideal. (Time expired)

Question agreed to.

Australian Crime Commission Committee Report

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

That the Senate take note of the report.

Senator POLLEY (Tasmania) (6.44 pm)—I rise to speak on the report of the Australian Crime Commission Committee inquiry into amphetamines and other serious drugs. This is a growing issue that carries with it the most serious implications. Recently, we have heard many reports about the increasing social cost of the use of methamphetamines. I am sure that I will not be alone in saying that, while I was aware of the ecstasy problem prior to taking part in this inquiry, the sheer number of other illicit drugs that come under the umbrella of amphetamines amazed me. Frankly, their growing popularity is of huge concern.

Users of these evil substances can easily become addicted to them. Victims can display symptoms of violent paranoia and seemingly superhuman strength and they can experience delusional attacks which manifest in horrible situations. People suffering in the grip of these drugs can present a serious hazard to those around them. In the most tragic cases, addicts can become locked in, suffering a permanently deluded state.

Too often, meth addicts become homeless. The effect of such outcomes on families is devastating and beyond description, but not impossible to imagine. Our police are not trained or equipped to deal with these unfortunate people. Our hospital emergency staff are certainly not equipped to deal with violent people in the grip of a full-blown psychosis. Padded isolation rooms and restraints are perhaps thought to be of another time. These drugs, if not dealt with properly, may require their reinstatement.

Throughout the course of the committee’s inquiry, I was appalled to hear of the statistics on the use of amphetamines. Victoria Police Deputy Commissioner Simon Overland said in one of the hearings:

Our estimation, our intelligence, is that there are somewhere in the vicinity of 100,000 tablets of ecstasy being consumed per weekend across Australia ...

That is 100,000 pills popped each weekend. If that is not a wake-up call, then I do not know what is. This is a huge problem and we must all work together to find ways of combating this ever-increasing destructive behaviour.

The Department of Health and Ageing added these alarming statistics. One in eight people aged 20 to 29 had used ecstasy in the last 12 months. The 20 to 29 age group also had the highest proportion and number of persons ever using ecstasy compared with other age groups. In 2004 there were ap-
approximately 100,000 more recent ecstasy users than in 2001, just three years earlier. These statistics confirm that the surge in the use of amphetamines and other synthetic drugs has spiked in recent years and continues to increase.

I am aware that saying ‘AOSD drugs’ is akin to saying ‘ATM machines’ and ask for members’ indulgence in this. Of major concern to the committee and, as a result, the focus of this inquiry is the trend towards the consumption and production of AOSD-class drugs. Also, the role of organised criminal involvement in the availability and supply of these drugs is a serious consideration.

An issue that the committee found to be counterproductive in tackling the problem was the different terminologies used in describing this particular class of drugs. In light of this, let me take a moment to clarify some terminology. The term ‘amphetamines and other synthetic drugs’, AOSD, was derived from the Australian Crime Commission’s special intelligence report in 2003. While a number of submissions to the inquiry also included the descriptor ATS, or amphetamine type stimulants, AOSD appears to be the descriptor most commonly used internationally for these synthetic drugs.

To improve efficiency, the committee recommended that government departments and agencies standardise the terms used to describe amphetamines and other synthetic drugs, particularly for research and statistical purposes. Of course, it is very difficult for an inquiry such as ours to have direct contact with those most directly affected by these drugs—the users. The committee is particularly grateful to radio station Triple J for allowing the chair, Senator Ian Macdonald, to appear on its current affairs program Hack to discuss the inquiry.

The range of contributors to the radio program appeared to confirm the Alcohol and Other Drugs Council of Australia submission to the inquiry, which said:

AOSD users cut across all sectors of society and come from a variety of backgrounds. Users may range from well-educated professionals who, for example, use ecstasy and methamphetamine at dance parties, through to marginalised injecting drug users who inject methamphetamine and/or cocaine.

This evidence was primary for the committee’s findings that, contrary to the myth that users of AOSD type drugs are people at the edge of society, these drugs are becoming very much a mainstream issue and users come from all walks of life. However, it is the wide availability of AOSD that points to their high usage. While the majority of AOSD are imported, there have been many highly publicised seizures in recent times of precursor chemicals or clandestine laboratories—strong evidence that domestic production is on the increase. It appears that major technological breakthroughs, such as portable microlabs, are being exploited by organised crime groups in the manufacture of these drugs.

The committee has thus recommended that the ACC develop a nationally coordinated response to new and emerging communication technologies as used by organised crime networks to undertake serious criminal activities. Particularly worrying is that the evidence received by the inquiry pointed to AOSD becoming the drugs of choice for many young people. This is due in part to their increasing availability. International organised crime groups are moving away from the heroin market to AOSD, partly because AOSD are easier to produce and market than heroin.

To ensure that the committee is kept informed of the current trends, the committee recommended that provisions of the Law and Justice Legislation Amendment (Serious Drug Offences and Other Measures) Act
2005 be reviewed not later than December 2007 and, further, that the act be amended to provide for regular reviews of the effectiveness of the provisions in two-year intervals after the initial review.

Recent attempts at supply reduction of AOSD have been focused on restricting drug makers’ access to precursor chemicals. These precursors include such substances as pseudoephedrine, most commonly found in cold and flu medication. Other strategies to combat the rise of AOSD in Australia include demand reduction and harm minimisation. Many of the users who contributed to the Triple J submission commented that the use of so-called ‘scare campaigns’ was somewhat effective but more work was needed to educate young people about the industry and the people behind the production of these insidious drugs.

The committee recommended that public education and demand reduction campaigns for illicit drugs be factual and informative. The committee also recommended that such campaigns seek input from young people and take account of genuine user experiences of AOSD. While the committee found that the efforts of law enforcement agencies in reducing supply of AOSD need to be maintained and continued, more needs to be done to work towards balancing the current national approach to the broader problem of illicit drugs.

Supply reduction, harm minimisation and demand reduction need to be balanced and considered. These approaches are perhaps just as important as law enforcement and criminal prosecution when it comes to the growing problem of these drugs in our communities. Education is a primary part of this, especially in relation to harm minimisation. Our responsibility first and foremost as legislators is to ensure that young people are equipped with the tools and adequate knowledge with which to make responsible choices regarding the use of illicit substances.

I would like to place on record my appreciation to the witnesses who came before us. I cannot emphasise strongly enough the grave concerns not only of those who participated in the hearings. It is widely acknowledged within the community that this is an area that all members of the community, including our government and those in this chamber, have a responsibility to redress.

Senator BARTLETT (Queensland) (6.53 pm)—I appreciate that senators want to speak to other things, so I will try to be brief. I often talk in this chamber with concern about the slowness of government responses to committee reports. I was a member of the Joint Standing Committee on the Australian Crime Commission for only the very last period of this inquiry but I was able to review some submissions and certainly considered the draft report, and so I am happy to be part of what is the unanimous report of a cross-party committee.

As I said, I am often concerned about how slow the government is in responding to reports. I suppose in one sense I should therefore be pleased that the Assistant Minister for Health and Ageing, Mr Pyne, who has already dismissed this report, responded so quickly. It was almost in record time. I think that within about an hour of the report coming down he had already dismissed key recommendations. Whilst I would like things to be a bit quicker, maybe we could get it to be somewhere between one hour and one year. Maybe if the government took a couple of months after reading a report before they dismissed it that would be a little bit more acceptable, particularly on an issue as important as this and after the committee had done a lot of work. As I said, I joined the committee only relatively recently, so I do not put
myself in that category, but I know that the committee members as a whole did a lot of work.

Obviously a lot of people from the community contributed to this. They came from across the community—from the law enforcement agencies, from the health sector, from the people are developing our policies, from drug users and those who are touched by the harm that drugs can cause. All of those people participated, and the committee thought long and hard about how to put this report together and worked together to get a unanimous, balanced and certainly not radical report. If it was left to individual members across the spectrum to put their views, I am sure they would have had much stronger emphases on particular areas. But for the assistant minister, Mr Pyne, to totally dismiss key recommendations from the report straightaway is an absolute tragedy and a real contempt not just for the Senate but for the people in the community who are trying to get a better solution on this.

The report had a range of balanced and reasonable recommendations about ways that we can be more effective. This is an area that costs a lot of money. As the minister himself said, we spend $1.3 billion. If we are spending $1.3 billion, don’t we want to look at how we can be a bit more effective at spending that money rather than just using it as a way of dressing up the minister as though he is some sort of little assistant general in a tin-pot war? This sort of reproach is just so irresponsible when you get a considered report and people are prepared to put all their prejudices and preconceptions to one side and look at the evidence. The evidence was quite clear. It found that some people are missing out on getting the treatment they need. The assistant health minister should be listening to this. He should be looking for ways to improve the health outcomes for people who need treatment. Some of them are missing out on treatment because of the fear they have of the criminal sanctions that might apply.

The committee gave the unanimous recommendation that the National Drug Strategy would be more effective if more resources and focus were put on harm reduction. That does not mean ‘Legalise everything and tell the police to lay off.’ It means ‘Change your priorities and emphasis because if you put some more in this area we reckon it could have a better effect; we reckon it could help people.’ What is so terrible about that? We had Assistant Minister Pyne straight away saying:

... now is not the time to be showing weakness in the face of the war on drugs ... Now is not the time to be wavering in the war on drugs by embracing harm minimisation over a tough-on-drugs approach.

Please! How pathetic can you get? That might have been a nice two-second radio grab, but we are talking about people’s lives here. We are talking about how to make taxpayers’ money more effective. Why give such jingoistic responses to what was quite a moderate recommendation about changing the emphasis a little bit, and why immediately wave the flag of being tough in the war on drugs?

It is bad enough that the Prime Minister is completely ignoring reality with the war in Iraq and continuing down the same path, completely blind to whether or not things are getting worse, deciding to tough it out and stay the course. When you are a policy maker or politician, you have to continue to assess the evidence. If the evidence shows that what you are doing is not working then, even though you might think you are being tough and determined to stay the course in your so-called war, frankly, you are just being an idiot if you are ignoring the evidence purely for the sake of maintaining a rhetori-
cal purity or whatever you think might score you the best political points in the short term.

Frankly, I do not think the public across the spectrum are on the whole particularly interested in that rhetoric. They are not interested in the ‘legalise it’ versus the ‘tough on drugs, zero tolerance, heavy-handed law enforcement’ debate. For most people, this is not about using the drugs issue as a way to reinforce their own morality, political ideology or vote-winning strategies; they just want to see policies that will work. This was an inquiry that listened to the people who are involved. I imagine most of us here are not partakers of amphetamines or other synthetic drugs and most of us have probably never been, I suspect.

A government senator interjecting—

Senator BARTLETT—Quite possibly. So how about we listen to some of the people who are involved, who want to look at what strategies might work to encourage them and to convince them they would be a lot better off—and the community would be a lot better off—if they did not consume so many of those drugs and, when they do, to do so in a safer way. How about we just look at the evidence? I am very disappointed. I hope that, once the minister has got past his chance to have the quick radio response, he sits down and reads the evidence. I hope he talks to some of his own colleagues on that committee—Senator Macdonald or some of his House of Representatives colleagues, some of whom have experience in the police service in this area. He should talk to them away from the TV cameras and the headlines, and perhaps he could look at what might work and take a more reasonable response.

Question agreed to.

CORPORATIONS AMENDMENT (TAKEOVERS) BILL 2007

Report of Corporations and Financial Services Committee

Senator CHAPMAN (South Australia) (7.00 pm)—When the debate was on earlier in the week, no-one sought leave to continue their remarks and so I seek leave to move a motion in relation to the report.

Leave granted.

Senator CHAPMAN—I move:

That the Senate take note of the report.

The Parliamentary Joint Committee on Corporations and Financial Services conducted an inquiry on the Corporations Amendment (Takeovers) Bill and tabled this out of session last week. The bill was introduced into the parliament on 14 February 2007. The purpose of the bill is to clarify the powers of the Takeovers Panel, which has been called into question by two recent Federal Court decisions: the Glencore cases. The Glencore decisions involved a takeover bid of Austral Coal by Centennial Coal in early 2005. During the takeover bid, Glencore used a novel financial instrument called a cash settled equity swap, a form of equity derivative, to effectively hide from the market a potential future interest in the takeover target’s shares.

Importantly, the Takeovers Panel has the support of the market. The bill is designed to clarify the jurisdiction of the Takeovers Panel, which has been called into question by two recent Federal Court decisions: the Glencore cases. The Glencore decisions involved a takeover bid of Austral Coal by Centennial Coal in early 2005. During the takeover bid, Glencore used a novel financial instrument called a cash settled equity swap, a form of equity derivative, to effectively hide from the market a potential future interest in the takeover target’s shares.

The legitimacy of this transaction was ultimately challenged in the Federal Court,
which found that as Glencore did not have an interest in the shares it did not amount to a substantial interest as required under the Corporations Act. This decision has the potential to limit the ability of the Takeovers Panel to make decisions in relation to these evolving financial instruments in the future. The bill seeks to remedy this situation.

Our committee received nine submissions from a range of legal professionals, regulatory bodies and associations of the corporate and financial services sectors. The committee also held a public hearing in Canberra on 1 December 2006. Concerns were expressed to the committee regarding the breadth and effectiveness of the proposed definition of a ‘substantial interest’. Reaching a suitable definition is inherently problematic due to the difficulties involved in regulating a rapidly evolving aspect of the financial services market: equity derivatives.

The committee was of the view that the panel should have the flexibility to respond to changing circumstances and the development of new instruments in the financial services sector, particularly in the rapidly evolving area of equity derivatives. The committee is pleased that the government has provided clarification in the explanatory memorandum and has also provided for regulations to provide further certainty in this area. As a result, the committee considers that the changes that have been made should satisfy the concerns raised by witnesses. The committee will certainly maintain a close interest in developments in this area.

Another aspect of the bill is the broadening of the effect test, which would essentially provide the Takeovers Panel with new jurisdictional powers. In this regard the committee supports the Law Council’s proposed amendment, which would more closely link the panel’s powers to the policy objectives contained in chapter 6 of the Corporations Act. This would provide greater certainty to the panel and its stakeholders. The committee recommends that the Law Council’s more specific formulation be adopted in the bill by way of an amendment.

Finally, the committee considered the broader policy question of the disclosure of equity derivatives during a corporate takeover. The committee concluded that this is an area where further work is required and recommended that, as a high priority, the government develop a robust framework for the disclosure of equity derivatives relating to corporate takeovers. Subject to these recommendations, the committee recommends that the Senate pass the bill. These were the main elements of our report, and I commend the report to the Senate.

Question agreed to.

Australian Crime Commission Committee Report

Senator IAN MACDONALD (Queensland) (7.05 pm)—I seek leave to first of all go back to the discussion on the committee’s report on the Australian Crime Commission and then to incorporate my speech, which I prepared to deliver when I spoke to the initial report. Unfortunately, through bad timing on my behalf, I did not really get to the end of it. I tried to edit it on my feet, which is always dangerous. So, just for the record, I want to incorporate the total speech.

Leave granted.

The incorporated speech read as follows—

At the outset of tabling this report, I want to congratulate the Howard Government and indeed the Parliament, (as I understand Drugs Policy is relatively bipartisan), on the work the Australian Government has done to stop the importation and use of illicit drugs, particularly amphetamines and other synthetic drugs. The Tough on Drugs Policy is a strategy which has been vigorously pursued
and it demonstrates not only the Government’s but the community’s aversion to illicit drugs. I want to particularly place on record the great work that the Australian Customs Service, the Australian Federal Police, and the Australian Crime Commission do in protecting Australians from the scourge of illicit drugs. I would ask that the Minister for Justice and Customs pass onto these agencies my congratulations and I’m confident in doing this I speak on behalf of all members of the Committee.

As well, recognition should be made of the work the State & Territory Police Forces do (at many times in difficult circumstances because of the stupidity of state boundaries and different laws in different states — but more about that in the report). Across the board we were considerably assisted by the evidence, experience and plans of the State Law Enforcement Agencies and I thank them for their contribution, not only to the report, but to the part they play in helping to protect Australians from organised crime and illicit drugs.

So many other Commonwealth and State Government Agencies do mighty work in trying to address the problem arising from drug consumption in Australia and as well I thank them for what they do and for the assistance they gave to the Committee.

But whilst Governments do everything in their power to reduce supply and demand, it is a very sad but unfortunately true fact that we are losing the fight against the consumption of illicit drugs.

Australia has the highest consumption per head of population in the world of ecstasy — 3.4% according to the United Nations Office of Drugs and Crime.

Just last weekend — and indeed every weekend — according to evidence given to us by the Victorian Police, some 100,000 pills of synthetic drugs are consumed by Australians.

AOSD users cut across all sectors of society and come from a variety of backgrounds. Users may range from well-educated professionals who, for example, use ecstasy and methamphetamine at dance parties, through to marginalised injecting drug users who inject methamphetamine and/or cocaine.

In many cases illicit drug consumption leads to downstream impacts that destroy lives and personal relationships and become a huge burden on the health systems of the nation. Mental disease and disorders, long term and sustained illnesses and even death are results of the taking of amphetamines and other synthetic drugs.

The rise in methamphetamine use – particularly regular use of its purer forms, base and ice – has been linked with an increase in mental illness in users. Common problems include increased aggression, agitation, depression and symptoms of psychosis.

The FFDLR submission quoted work by McKetin et al. that estimates ‘the prevalence of psychosis among regular methamphetamine users was 11 times higher than that seen in the general population’.

While the majority of AOSD in Australia is imported, recent seizures of precursor chemicals and detentions of clandestine laboratories (clam labs) show that domestic manufacture of AOSD is increasing in Australia.

Detections of clandestine laboratories by law enforcement agencies have increased significantly, rising from 58 in 1996-97 to 381 in 2004-05.

The Committee heard evidence of significant organised crime involvement in the importation, domestic manufacture and distribution of AOSD, particularly methamphetamine and MDMA, in Australia. Production of AOSD appears to be presently concentrated in NSW, Victoria and Queensland.

The Manufacture and distribution of AOSD by organised criminal groups and opportunistic producers were business ventures motivated by significant financial gains.

The Committee acknowledges that tension exists around the harm-reduction and demand-reduction potential of pill testing programs. There are concerns that such schemes equate to condoning drug taking, could expose pill-testing authorities or practitioners to civil or criminal liability, and could endanger users of such services.

While the Committee acknowledges that pill-testing proponents are well-intentioned, a majority of the Committee considers that such pro-
grams have yet to overcome these legitimate and serious concerns:

As I mentioned the Committee had differing views about the benefits of harm minimisation, and accordingly the Report contains no delibera-
tive recommendation in relation to harm minimi-
sation apart from: **Recommendation 7** in which

4.71 The Committee recommends that the Victo-
rian feasibility study for an illicit tablet
monitoring and information service be moni-
tored and, as appropriate, the outcomes inde-
pendently evaluated by the appropriate
Commonwealth Government Agency.

**Recommendation 6** The Committee recommends

4.50 that, in the execution of the National Drug
Strategy, harm-reduction strategies and pro-
grams receive more attention and resources.

The Committee believes it is critical that adequate
funds be made available to research the long-term
effects of these drugs and to provide adequate
treatment and assistance for mental and physical
health problems that arise from AOSD use. The
Committee also considers that such funding
should also be available for support for the fami-
lies of users.

An enormous amount of work is being done by
Government Agencies and I know that the Minis-
ter for Justice and Customs will continue to do all
that is humanly possible to prevent illicit drug
consumption by Australians.

Strategies to address precursor drugs not only in
Australia but overseas are innovative and very
useful. Any number of private agencies including
the Pharmacy Guild and the Real Estate Institute
of Western Australia have programs in place that
do substantially contribute to the detection and
reduction of supply of amphetamines and other
synthetic drugs.

**Recommendation 12** The Committee recom-

6.35 that the Commonwealth Government, in
collaboration with state and territory gov-
ernments and pharmacists, continue to im-
plement Project STOP nationally.

The effectiveness of drug education programs is
dependent on how information is presented. The
Department of Health and Ageing, in a supple-
mentary submission, argued that its national drug
prevention campaigns and messages to young
people are based upon a thorough, evidence-
based social marketing approach, which includes
extensive research conducted with young people
themselves.

However, the Committee notes that some of the
evidence given to this inquiry questions the effec-
tiveness of some campaigns to modify the behav-
ior of current drug users. The current NDC aims
to highlight the negative and terrifying effects of
AOSD use, and it is reported that the Common-
wealth Government intends to use a scare cam-
paign in future advertising on AOSD use. As part
of the second phase of the NDC, this campaign is
likely to be based upon the AIDS Grim Reaper
advertisements of the mid-1800s.

Some submitters were critical of the role the me-
dia played, accusing the media of scaremongering
and thereby undermining the goal of responsible
and effective drug education.

Concerns were also raised over the media’s use of
the term ‘party drug’ and the name ‘ecstasy’ for
MDMA. The use of such terms reinforces particu-
lar positive social expectations or impressions and
thereby undermines, to a degree, the efforts of
health, education and law enforcement sectors.

**Recommendation 5** The Committee recommends

4.22 that public education and demand-reduction
campaigns for illicit drugs be factual, infor-
mative and appropriately targeted. The
Committee also recommends that such cam-
paigns seek input from young people, and
take account of user experiences of am-
phetamines and other synthetic drugs
(AOSD).

After hearing all the evidence, it is my belief, that
young people at the coalface are not closely
enough involved in strategies to address the im-
pacts and consequences of illicit drug taking.

I want to place on record my appreciation to those
young people who did, directly and indirectly and
often anonymously provide information to the
Committee. I particularly want to thank the then
Triple J Drive time producer and announcer Steve
Cannane for the help he gave in arranging a three-
quarter hour Triple J talkback session on drugs
which I and the Committee found very useful in

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CHAMBER
trying to understand views of consumers and young people.

A further recommendation related to the need for the ACC to be well funded to discharge its responsibilities.

**Recommendation 4** The Committee recommends
2.88 that the Australian Crime Commission continue to be funded commensurate with the anticipated increase in organised criminal activity in relation to amphetamines and other synthetic drugs (AOSD).

A number of recommendation dealt with the difficulty in Australia for law enforcement and other agencies dealing with 9 different legislative and governments jurisdictions.

**Recommendation 9** The Committee recommends
5.86 that the state and territories consider adopting drug offence regimes based on the Law and Justice Legislation Amendment (Serious Drug and Other Offences) Act 2005 with the aim, as far as is practically possible, of establishing greater national consistency in the offences and penalties that apply to crimes related to amphetamines and other synthetic drugs (AOSD).

**Recommendation 10** The Committee recommends
5.99 that the Commonwealth Government undertake regular reviews of the effectiveness and interaction of Commonwealth and state drug legislation.

**Recommendation 11** The Committee recommends
5.100 that the Commonwealth Government continue to work with the state and territory governments to encourage national consistency of offences relating to amphetamines and other synthetic drugs (AOSD) and precursor chemicals.

The Committee also made certain recommendations in relation to coordination of state and federal information sharing.

**Recommendation 17** The Committee recommends
6.92 that the Australian Crime Commission work with the state and territory law enforcement agencies to increase their participation in data provision to the Australian Crime Commission’s databases.

**Recommendation 18** The Committee recommends
6.93 that the Australian Crime Commission work to include the data provided by the state and territory law enforcement agencies to further develop the illicit Drug Data Report.

The internet and new technologies are being used by some criminals as the preferred method of communication. The Committee is concerned that organised criminal groups are exploiting new technologies and that, at the present time, law enforcement agencies do not have the capacity to address these weaknesses.

**Recommendation 2** The Committee recommends
2.60 that the Australian Crime Commission develop a nationally coordinated response to new and emerging communications technologies used by organised criminal networks to undertake serious criminal activities.

I would urge the Government and particularly the Attorney General’s Department, Health Agencies, Law Enforcement and Border Protection Agencies to consider and adopt the recommendations made in the Report.

I thank the Australian Crime Commission and its Executive Director, Mr Milroy for the assistance they gave to the Committee during its inquiry and I want to particularly place on record the indebtedness of the Committee and indeed all Australians to the work done by the Committee Secretariat in particular our Research Advisors Anne O’Connell and Ivan Powell and Committee Secretary, Dr Jacquie Dewar and Admin Officer Jill Manning.

The compilation of this Report and the investigations that went into it do involve Committee Members and the Secretariat in a lot of travel and a lot of work and I acknowledge that Members of the Committee have made an outstanding effort in attending hearings and contribution to the final Report —many of them have other electoral and parliamentary commitments which they were able to juggle to contribute to the outcome. I want to
particularly place on record my thanks to my colleagues on the Committee and in particular to the Deputy Chairman, the Hon Duncan Kerr SC MP and the members Senators Ferris, Polly and Ludwig and Ms Gash and two policemen Kim Richardson and Jason Wood and Chris Hayes who was involved with the Police Federation of Australia and New Zealand.

Legal and Constitutional Affairs Committee
Report

Debate resumed from 7 December, on motion by Senator Payne:

That the Senate take note of the report.

Senator BARTLETT (Queensland) (7.07 pm)—I again want to speak briefly to the committee’s report *Unfinished business: Indigenous stolen wages*. Because it is such an important report, I want to take every opportunity I can to draw attention to it and reaffirm my determination to continue pressuring and pressing for further action in this area. For people who want greater background into the history of what is generally summarised as the stolen wages issue—concerning lawfully entitled payments that were not paid to many of Australia’s Indigenous people over decades throughout many parts of Australia—I would recommend that they read this report and also look at the most recent issue of the *National Indigenous Times*, which has quite good, in-depth detail of this very appalling part of our nation’s history.

Whilst it obviously involved Indigenous Australians in large numbers, in many respects it is not something that can be seen as just an Indigenous issue. In many respects it is simply a legal issue. Australians who perform work are entitled to be paid for it. That payment was taken by the government, allegedly for safe keeping, and was either never repaid or not fully repaid. It is a pretty straightforward situation that I think most people can comprehend, whatever they might think about all the other debates around various policy areas of Indigenous affairs. If somebody works for pay, they are entitled to it. If they do not get paid and the government takes it for safe keeping and does not give it back, they are entitled to get it. If they have passed away, then their children are entitled to get it. There have been some moves, particularly in New South Wales and, to a lesser extent, Queensland to remedy that situation, but there is still a lot more to be done.

The report had only six recommendations, including a recommendation that the Commonwealth government and state governments facilitate unhindered access to their archives for Indigenous people and their representatives for the purposes of researching the Indigenous stolen wages issue further, as a matter of urgency. It is urgent because many of the people who are seeking justice in this area are quite elderly. Indeed, one person who gave evidence to the Brisbane hearing of the committee late last year passed away by the time the committee had reported. So it is an urgent issue.

The committee also recommended that the Ministerial Council on Aboriginal and Torres Strait Islander Affairs agree on joint funding arrangements for an education and awareness campaign in Indigenous communities in relation to stolen wages issues and preliminary legal research on Indigenous stolen wages matters. The committee also recommended that the Commonwealth government provide funding in the next budget to the Australian Institute of Aboriginal and Torres Strait Islander Studies to conduct a national oral history and archival project in relation to Indigenous stolen wages so that more of this material is not lost. One of the wider benefits of this inquiry, not just of the report, is the transcripts of evidence and the many submissions that were provided. They provide valuable material for future research and for
some of these stories and histories to be preserved and not lost.

The committee had a specific recommendation with regard to the Western Australian government because it clearly identified prima facie evidence that there are similar issues there as had been identified in Queensland and New South Wales that need urgent action. Basically, it just had not been acknowledged. For all the criticism I have had and will continue to have about the inadequacy of the Queensland government’s response to date, at least they have acknowledged it and made some response. I am cautiously heartened by the initial actions of the current minister responsible for Indigenous affairs in Queensland, Mr Warren Pitt, with some of the discussions he is having with the Stolen Wages Working Group about how to progress this area further with regard to some unallocated moneys. That is still in the early stages, but I think it is worth acknowledging that there is some movement and indication of goodwill.

Regarding the Western Australian government, I imagine that Senator Webber, who is a member of the committee as well, will keenly continue to apply pressure to urgently consult with Indigenous people in relation to the stolen wages issue and to establish a compensation scheme in relation to the withholding of payment, underpayment and non-payment of Indigenous wages and welfare entitlements, perhaps using the New South Wales scheme as a model. The committee also recommended that the Commonwealth government conduct preliminary research into its archival material in relation to the stolen wages issue as it applies to Western Australia.

A further recommendation was that the Commonwealth government have urgent consultations and conduct preliminary research in relation to the Northern Territory in particular, the ACT and also the state governments of South Australia, Tasmania and Victoria. If that reveals that similar practices operated with regard to the withholding of payment, underpayment or nonpayment of wages, they should also act urgently. I repeat: it is not just a matter of state governments needing to act on this; there is clearly a requirement and a clear recommendation for the federal government to act on this. I would have to say that the level of engagement by the relevant federal department for the inquiry was derisory and did not give me a great deal of confidence that this issue is being taken seriously. It is a serious issue.

Senator Brandis, who was also a member of the committee and is in the chamber at the moment, gave quite an eloquent speech when this report was tabled and did some good questioning at the committee hearing in Brisbane. Of course, he is no longer a member of the committee because he has had the good fortune—at least I presume it is good fortune—of being appointed to the ministry. I would like to think that that position gives him greater opportunity to further pressure his colleagues. He is not quite in the cabinet yet, so he is probably not in the budget discussions, but I am sure he has opportunities in his party room or elsewhere to pressure his own colleagues in the Commonwealth government to do what is really quite a small initial action. It is not going to cost bucketloads of money; it really is a matter of giving it priority, having a look and dedicating or enabling people to look at those records to see what material is in the archives, rather than just saying: ‘We don’t know. There could be stuff. Not really sure. There might have been a report. Don’t really know. Don’t know where it is,’ which was, frankly, about the level of evidence we got from the relevant Commonwealth department.
There was also a recommendation encouraging the Queensland government to revise its offer. As I said before, I will certainly keep the pressure up on the Queensland government, and I am sure that some of the Labor colleagues—including Senator Moore, who was on this inquiry as well—will also do so. As I said, there are some positive early signs.

It is certainly not a matter of blaming all the current governments for what has happened in the past, but it is a matter of making it clear, as this inquiry was able to demonstrate, that there is a gross injustice here. It is not just a minor, unfortunate thing from the past that we cannot do anything about but express regret for; it is a gross injustice. And there is clearly not only an opportunity but also an obligation to do what is possible to remedy it. It can never be fully remedied; I accept that. You can never undo all the mistakes and injustices of the past. But you cannot use that as an excuse for inaction.

This was a unanimous report of all parties and it was a very clear report. They are simple, clear recommendations and I would urge the relevant state governments and the Commonwealth government to act on them. I would also urge all senators, as representatives for their states, to do what is necessary to bring this to the attention of their relevant state governments and pressure them to act where necessary. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

COMMITTEES
Community Affairs Committee
Report: Government Response
Debate resumed from 27 February, on motion by Senator Ferris:
That the Senate take note of the document.

Senator WEBBER (Western Australia) (7.15 pm)—I will make some brief remarks about Breaking the silence: a national voice for gynaecological cancers, as unfortunately time did not permit me to comment when the government’s response to this committee report was tabled earlier in the week.

I firstly want to congratulate the government for responding to this committee report. There has been some discussion here of late about when governments respond to committee reports. I am one of the newer, although by no means the newest, members of this place and in my experience this has been a remarkably rapid and very timely response. Those of us who were involved in this inquiry know that the main reason for that was the tenacity of Senator Ferris. As members of the committee said at the time the report was tabled: that Senator Ferris was prepared to share such a difficult and painful personal journey, and expose it in the public domain in order to try to achieve some public policy changes and outcomes for other women, is something that cannot be commented on too often or too highly. I am sure it has been an incredibly painful journey for her and that it continues to pose challenges.

It is only through Senator Ferris and others coming forward that the rest of the community can have a debate about the need to break the silence on the treatment of these terrible cancers. They affect many women in Australia and they are the silent killer for many women. We need to have the discussion, the education and the research, and we do need to expand treatment. That is what the committee sought to do when it handed down its unanimous report and I must say the government in its initial comments has gone a long way towards helping us achieve that. I note that it has agreed to the committee’s recommendation of $1 million in seed capital for a centre to coordinate research, education and treatment relating to gynaecological cancers and that it will go to Cancer Australia.
I think it is important to note, however, that the government is placing a lot of faith in Cancer Australia and a lot of pressure on what is a very new body. It is important for all of us here to maintain our focus and maintain our interest in how that body is operating to ensure that it gets the support it needs to do all the things that the government has said—not just in responding to the ‘Peter Cook report’, for want of a better title, but also in responding to this report. The bar is very high for them. There are very high expectations. They have some brilliant people working with them, but they are going to need our constant vigilance and constant support.

It is also important that we note in this place the important role that not just Senator Ferris but other people such as Senator Conroy’s partner have chosen to play after overcoming a very confronting personal illness and using it to raise the awareness of other women and other decision makers in this community. It is a very painful and very personal experience. To be prepared to share that with anyone in Australia who will listen and to be so committed to ensuring other women do not suffer similar pain is something that cannot be spoken of too highly. It is important that we acknowledge their significant contribution and that we maintain our vigilance over Cancer Australia. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Consideration

The following order of the day relating to committee reports was considered:


AUDITOR-GENERAL’S REPORTS

Report No. 20 of 2006-07

The ACTING DEPUTY PRESIDENT (Senator Watson)—In accordance with the provisions of the Auditor-General Act 1997, I present the following report of the Auditor-General: Report No. 20 of 2006-07—Performance audit: Purchase, chartering and modification of the new fleet oiler: Department of Defence; Defence Materiel Organisation.

Senator HOGG (Queensland) (7.21 pm)—I move:

That the Senate take note of the document.

Having been a long-term spectator on the Senate Standing Committee on Foreign Affairs, Defence and Trade, it is very pleasing indeed to speak on this Audit Office report, because the Audit Office gives a very positive report, in fact a glowing report, of Defence’s first charter and then purchase and modification of an existing vessel, which was known as the Delos and has become the HMAS Sirius, our new fleet oiler.

That is good, indeed, because the DMO have struggled for sometime, as have Defence—DMO being part of Defence—with a large number of acquisition projects, many of which have not gone the right way. They have either been delayed or have had major cost overruns. But this project not only came in on time but also came in on budget. That was very pleasing indeed. It is good to see the report speak so highly of the processes undertaken by the Defence Materiel Organisation and Defence in the transition of this regular merchant ship into an Australian naval vessel.

I want to quote from part of the Defence response to the ANAO report because it really encapsulates the changes that are taking place within DMO. The executive summary states:
Project SEA1654 Phase 2A (HMAS WESTRALIA Replacement) has provided Defence with an unprecedented opportunity to demonstrate the successful application of Kinnaird Review principles. The DMO has applied innovative techniques to the solution of a complex problem and met, or exceeded, all capability, safety, budget and schedule requirements.

Innovation in this Project has included the use of commercial standards (classification society rules) where appropriate ...

It states further:

The Project has also been an excellent example of achieving results in partnership with industry.

I think that that really attests to the change that is taking place within the DMO. I think it is a very welcome change, as a spectator of matters that happen in Defence.

Having read that report, I now have to express some concern at an answer to a question during question time this afternoon about the Remora, which sank off Rottnest Island off the Western Australian coast three months ago and has remained on the sea floor for that period of time. This was reported, as far as I know, in the Courier Mail on 13 December 2006, and would have been in other syndicated publications as well. It referred to the loss of the only rescue vessel for our submarine fleet at that time. In the three months that have elapsed, that rescue vessel has not been replaced. I believe that vessel must have been integral to the full operational capacity of our submarine fleet. The minister’s response was concerning; though, to give him credit, he did come back at the end of question time and added to his response. In question time, he stated:

I understand that Navy is working on this and it is a work in progress.

To me, that statement is of major concern. Contrast the glowing report, and rightfully so, that Defence and the DMO received on the new fleet oiler with the minister’s response on the Remora question that ‘it is a work in progress’, and one has to express grave concerns. It is clear from the press article of 13 December in the Courier Mail that the six Collins class submarines are still operational or have an operational capacity that has not been withdrawn as a result of the loss of this emergency vessel. In their statement to the press on that occasion, Defence said that there were other options for rescues to be undertaken in different circumstances other than the use of the emergency vessel upon which they had solely relied. Whilst that might be the case, it is not convincing. One can only come to the conclusion that our submarines, whilst operational, must have a limited operational capacity. Of course, three months have elapsed since this event happened. It must be of concern to those involved in the limited operations, both the submarine crews and their families onshore, that if an incident were to happen then, even with the best time frame, one would expect a prolonged period of time from when the incident occurred until a rescue might be effected. Of course, time is of the utmost importance when dealing with vessels such as submarines that may have experienced an incident below the sea.

What contingency plans do Defence have in place? How long will it be before the Remora is retrieved? Whilst we are told it is a work in progress, that is unsatisfactory. If there is an incident, how long will it take for a rescue vessel to be on-site to cope with any difficulties that may be faced by the crew in such a circumstance? I think that this really contrasts with the fine report that Defence received on the new fleet oiler. Defence are to be commended for that, but there needs to be instant action on this matter. I commend the report to the Senate. I seek leave to continue my remarks later.

Leave granted; debate adjourned.
Consideration

The following orders of the day relating to reports of the Auditor-General were consid-
ered:


Order of the day no. 2 relating to reports of the Auditor-General were called on but no motion was moved.

ADJOURNMENT

The ACTING DEPUTY PRESIDENT (Senator Watson)—Order! It being 7.30 pm, I propose the question:

That the Senate do now adjourn.

Small Business

Senator JOYCE (Queensland) (7.30 pm)—It is good to touch base again with something I touched on in my maiden speech and to continue to pursue that issue. So I rise to speak on behalf of small businesses and consumers, who are being stymied by the market power of the big players in the retail market, and of the inherent unfairness that small business has to deal with by reason of only one thing: the ever-growing dominance of big business, especially big oil companies, big retailers and big retail space conglomerates.

One of the fundamental freedoms in a free society is the ability to go into business, to be your own boss, to have the closest possible connection between your exertions and your reward and to be independent of the threat that your opinions could affect your promotion, which is always part of working for someone else. The stronger the small business sector, the more vibrant, diverse and resilient the economy. The stronger the small business sector, the higher the potential freedom for all. The economy must have new seedbeds of entrepreneurship provided by small business or it will stagnate with the status quo. Centralisation of the economy brings centralisation of opinion, opportunity and wealth. The great inhibitors of small business are government overregulation and mismanagement, a militant industrial relations environment and the aggressive actions of participants with excessive market share.

It is this final issue of excessive market share which I wish to address in this speech, as it appears to be ignored in the political debate. If you are a big business with excessive market share, you are able to sustain a campaign that puts your smaller competitors at risk by reason of your control of the supply lines of vital inputs such as rent, produce or labour. Big business imposes concessions which the market must recoup from smaller competitors through their lower returns. When businesses, by their size alone, are an implicit threat to competitors then the market is imperfect, and evidence of this is emphatic.

All markets have regulation, whether it is occupational health and safety standards, zoning or tax laws. Inherently, these laws favour one player over another. Typically, it is the bigger player who gets favoured. A workplace health and safety officer in a workforce of two is impossible to pay for; in a workforce of 1,000 it is unnoticeable to the bottom line. Because a truly free market is an anomaly and does not exist, there should be no issue about having regulations to ensure small businesses get a fair go when it is obvious that they are being discriminated against. The United States leads the way on this and has strong trade practices laws that include the Sherman act, the Clayton act and the Robinson-Patman act. The current proposed sale of Coles and its likely purchase in part by Woolworths would exacerbate the
excessive market powers that Woolworths currently has, and this should not be allowed to occur.

Let us look at some practical examples of what is happening and why the Trade Practices Act needs urgent strengthening to provide better checks and balances on market power. Take, for instance, the meat price comparison survey conducted on 16 December 2006 in south-west Sydney by the Southern Sydney Retailers Association. Their research dispels the myth that bigger is cheaper and just being cheaper is enough to survive if your competition is massive.

Coles and Woolworths’ prices on a selection of meats were, on average, an astronomical 29 per cent higher than those of the independent retailers at Lansvale. I will give a couple of examples to give muscle to the argument. Blade steak was selling at $7.99 per kilogram whereas at Woolworths consumers were being charged $12.99 per kilogram. The independent was selling the family favourite, beef stir-fry, at $12.99, while Woolworths had it at $18.99. Playing devil’s advocate, one might say that the independent was a boutique, high-quality butcher. Well, let’s look at the onion and the granny smith apple. The local independent at Casula sold the brown onion at $2.99 a kilogram, while Woolworths was selling it at $3.67 a kilogram—47 per cent more. The granny smith apple sold for 50 per cent more.

These are clear examples of why overcentralisation of the retail market is exploitation of competition. Ultimately, it leads to exploitation of what is left after small business goes—the consumer. Since 1990, food prices in the ‘big two’ dominated supermarket sector have risen more than 70 per cent. In the UK, where there are more players in the retail grocery sector, prices at the supermarket rose just over 30 per cent in the same period. The true scandal of this situation is that in the last 10 to 15 years in all other developed countries food price inflation at the supermarket has been less than general inflation. In Australia, supermarket food prices have risen around 18 per cent more than inflation. In contrast, in the UK, food price rises are well under inflation.

Let us take another essential grocery item: milk. Since 1991, the farm gate price of milk in Australia has moved in line with all other major international milk producers. Our farmers are obviously efficient. So why have our retail prices increased by 90 per cent since 1990? In comparison, Canada’s retail milk prices have risen just 51 per cent and the UK’s 60 per cent.

Another common beverage that finds its way into shopping trolleys is Coca Cola—despite what you may think of it. The American Chamber of Commerce Researchers Association cost of living index survey in Oklahoma in the US found that, for the first quarter of 2005, the average price for a two-litre bottle of Coke in supermarkets in downtown Ardmore was US$94c. That equates to $1.30 in Australian terms, including GST. The Southern Sydney Retailers Association compared Coke prices in Australia to those in Canada, where it found that the supermarket chain Shoppers Drug Mart were selling a two-litre bottle of Coke for $Can0.88. This equates to $A1.15 including GST. Woolworths occasionally reduces the price of Coke as a ‘special’. A supermarket price here of $2.96 for a two litre bottle of Coke is not special—it is extortionate. And they can get away with it because they have no competition. Something is wrong.

No wonder private equity firms think Coles is a good buy. They must think they have stumbled across a real gem. We need laws strong enough to encourage competition against the large players and to protect small business. The ‘big two’ retailers further in-
crease their profits through the sweetheart deals on their rents that they enjoy in large shopping complexes—another overcentralised market—handicapping their smaller competitors. You will see from the graph I have here, Mr President, the difference between the rent of the majors and of their competitors.

Here are some examples of these sweet rental deals. At Westfield Liverpool, Coles pays just $245 per square metre per year while Bush’s Meats in the same complex pays a whopping $1,338 per square metre. This is not an isolated example. At Westfield Parramatta, Woolworths pays $218 per square metre versus $1,529 per square metre paid by Prime Quality Meats. At Castle Towers, in Sydney’s north-west, Coles pays $187 per square metre while Farm Fresh meats pays $1,932. How can other meat retailers bring competitive pressure to bear when they are paying up to 10 times more rent per square metre?

Today retail rents for small retailers are an unbelievable 125 per cent higher in Australian shopping malls than they are in US malls. In 51 major regional shopping centres throughout Europe, the average rent for small retailers is $454 per square metre when converted to Australian dollars. This compares extremely unfavourably with the average of $1,167 charged to small retailers by Westfield in Australia—a massive 157 per cent difference.

Let us turn to Chinese-made clothing and footwear. Australians pay between 33 per cent and 115 per cent more for popular sports shoe brands such as Arvee, Kallin, Ascendor, Nike and Adidas. Australians wanting to buy Calvin Klein underwear will pay 58 per cent more at Myer in Toowoomba than at Macy’s in New York. Maybe this says a lot for Myer in Toowoomba—I will have to go there; I expect to see gold door handles. I think it has a lot to do with lack of competition. If they do have competition, they tie their supply lines up.

While Australian tariff protection has been reduced, supposedly to lower prices, we have found in many cases the opposite has occurred. Since 1990, clothing and footwear prices in Australia have jumped 10 per cent while in the UK they have fallen 15 per cent and in the US they have dropped 12 per cent. They have done this without the tariff reductions we have seen in Australia. Surely our smaller domestic market does not account for price anomalies as drastic as these? Maybe this can be accounted for by the tyranny of distance. Not so. Shipping costs from China are lower to Australia than they are to the US.

I could give many more examples, but this is a snapshot of how corrupted our retail market has become and how inadequate the Trade Practices Act is to deal with the market power of the big players. My fears are further exacerbated by the private equity takeover of Qantas by a consortium that includes Macquarie Bank. Australia’s inadequate trade practices laws mean there is nothing to stop the Macquarie owned Sydney airport from offering price discrimination to Qantas at the expense of other players.

The sort of unethical and anticompetitive behaviour identified through the hard work of the Southern Sydney Retailers Association needs to be addressed. I am sure the evidence they have unearthed applies across Australia. Australians are being exploited by the bigger players in the food and retail sector. I am renewing the calls that I and others in the National Party have been making for a strengthening of section 46 and section 51AC—(Time expired)

**Asbestos Related Diseases**

**Senator McEWEN** (South Australia) (7.39 pm)—Almost coincident with the first
The payment of $184 million by James Hardie to the new $4 billion asbestos injuries compensation fund came the announcement by the Australian Securities and Investments Commission that it had launched civil proceedings against not only the company of James Hardie but also nine of the company’s 2001 directors and executives. This is a timely reminder that the sorry saga of James Hardie is far from over.

The civil action may be a prelude to further criminal charges which are currently being considered. It will be a bitter blow to those that have endured this corporate catastrophe and persisted in their seven-year campaign for fair and accessible compensation should James Hardie face only civil or minor charges for the misery and early deaths of so many Australians. It is for corporate behaviour such as this that trade unions continue to call for the introduction of industrial manslaughter laws.

Representatives of asbestos victims organisations have commented on the directors’ resignations which immediately followed ASIC’s announcement, but one could only wish that James Hardie dealt with their long-suffering former employees and other victims with the same generosity of spirit and the same speed with which they have approved compensation packages for those who have fallen on their own swords ahead of the commission inquiry.

Insensitivity and double standards are what we have come to expect of this company, which in 2001 stealthily restructured and moved to the Netherlands, leaving behind its asbestos victims and liabilities. This action has aptly been described as perpetrating Australia’s greatest corporate hit-and-run and is deserving of the same contempt as those who commit such shameful behaviour in a motor vehicle accident.

It is estimated that more than 3,000 products still in use today contain asbestos. Many companies in the past did not disclose or even monitor if or how much asbestos was in their products. As a result many Australian workers, their families and consumers generally have been unaware of exposure to what has been called the ‘silent killer’. Those victims who were first exposed over 40 years ago in the mining and manufacturing industries are now being joined by those who used the product downstream in building and construction. Emerging but unknown numbers now present themselves from contact sources such as homes, schools and commercial workplaces. In turn will be those exposed through contaminated landfill and earlier uncontrolled dumping. Up to 60,000 Australians may expect to be diagnosed with asbestos related diseases by 2020, with 15,000 of them to develop deadly mesothelioma. Sadly, the highest percentage of those is likely to be in the state that I represent, South Australia, which now has the highest per capita rate of asbestos related diseases in the world.

South Australia was home to two major James Hardie plants which manufactured compressed or bonded products using both chrysotile and crocidolite, the most virulent forms of asbestos. Much of the product used in the over ½ million Australian fibro homes, along with walling, roofing, fencing and pipe products, was manufactured at the plants at Birkenhead and Elizabeth, which together employed some 450 workers. Subsidiary companies such as Wunderlich, Bells, Bradford and CSR collectively employed many further hundreds of workers, supplying asbestos products into a range of industries, notably shipbuilding and the high-rise building industry.

Asbestos material was pressure-sprayed onto steelwork at the early stages of construction, with overspray carried not only throughout the site but, by the elements, be-
Beyond the confines of the building. Workers spoke of the 'snowstorms' which saw the deadly material descending into surrounding streets. Many of those workers were long-term employees who at the time of the outlawing of the product had been in the industry for some 20 years.

The Whyalla BHP shipyard at its peak employed 1,500 workers, producing some 45 vessels between 1941 and 1978. It was among the workers of this relatively small community that the high incidence of asbestos related diseases alerted unions to the emerging magnitude of the problem. The metalworkers union was joined in early detection and screening campaigns by the then Federated Miscellaneous Workers Union, the building and construction unions and the Australian Workers Union, which between them represented the bulk of workers in both the manufacture and commercial use of the product.

Early campaigns drew much employer opposition to the union action, which was waged at varying levels ranging from the highly visible death’s-head posters, which would appear on buildings overnight to warn both construction and office workers of the incidence of asbestos, to factory education campaigns sensitive to the views of many workers concerned for their jobs. The South Australian Trades and Labour Council unified activities during the early 1980s and appointed a liaison officer to coordinate the campaigns of trade unions and others, such as the Doctors Reform Society, which was active in highlighting the alarming increase in asbestos related diseases and death. The council also established one of the first asbestos registers in Australia.

Distressingly, the 1990s saw an increase in disease rates and the need to establish support networks for the victims of asbestos and their families, friends and dependants. From informal groupings many have become prominent support organisations which tirelessly provide advocacy and counselling services while pursuing legislative reform for compensation and for material and workplace regulation. Two such organisations are the Asbestos Diseases Society of South Australia and the Asbestos Victims Association of South Australia, both of which have had success in important legislative reforms and have been acknowledged for their efforts for workers and the community generally. SA Unions now hosts the Asbestos Coalition, comprising people who are committed to continued campaigning and advocacy in the area of asbestos and asbestos related diseases in my state.

Nationally, Mr Bernie Banton has been the public face of asbestos victims for some years, particularly through the James Hardie victims fund campaign. I take this opportunity to acknowledge his remarkable efforts and achievements. I would also like to acknowledge two South Australians who have continued to play high-profile roles in the two previously mentioned South Australian organisations.

Jack Watkins is the President of the Asbestos Diseases Society of South Australia. Jack worked in the construction industry before becoming a union organiser and advocate for occupational health and safety and workers’ rights, in pursuit of which he achieved an almost legendary reputation for direct action. In 1982 Jack was appointed to, and remains a member of, the State Government Asbestos Advisory Committee and was appointed Asbestos Liaison Officer for the Trades and Labour Council. With unions, local government and residents, Jack fought both state and federal governments for the remediation of the Islington Railway Works shops site and its conversion into a public park. Due to these efforts, this site was finally cleared of asbestos and toxic wastes,
landscaped and turned into the Jack Watkins Memorial Park. It stands as a tribute to workers who have died from an asbestos related disease. In 2001 Jack Watkins was awarded the Centenary Medal for services to workplace health, particularly in the area of asbestos investigation and education.

Terry Miller was a founding committee member of the Asbestos Victims Association of South Australia and is now its president. Terry worked at the James Hardie pipe factory at Elizabeth, on the outskirts of Adelaide, for some 20 years manufacturing fibrolite pipes with a mixture of asbestos and cement. Tragically, nine years ago Terry lost his wife to a lung related illness, often the fate of many women who contract diseases from the dust on their husband’s clothes. Five years ago Terry himself was diagnosed with asbestosis, scarring of the lung tissue, as a result of his contact with asbestos fibres and he now faces a shortened life. Terry and his association were instrumental in promoting major reform through the Dust Diseases Bill 2005, which was passed by the South Australian parliament, and the establishment of a memorial in Salisbury to those who have died of asbestos related illnesses. In January this year Terry Miller was awarded the Medal of the Order of Australia, which recognised his work and service to the community through his association.

The compassion and efforts of Jack and Terry stand in stark contrast to the behaviour of those within the James Hardie company and others who for so long exhibited the worst possible corporate and human behaviour. For decades these people first hid and then, with wanton disregard for the truth about their lethal product, deliberately avoided any social and ethical considerations and set about maximising their profits over the health and welfare of asbestos diseases victims. The federal government, through ASIC, must pursue James Hardie and ensure that appropriate punishment for the company’s scandalous behaviour is delivered to those responsible for it.

**Mr Billy Thorpe**

Senator BARTLETT (Queensland) (7.49 pm)—I would like to speak tonight to pay tribute to and recognise a truly iconic and widely admired and loved figure in the Australian music scene, Billy Thorpe, who died tragically and very unexpectedly just a couple of days ago. I saw, amongst the many descriptions and the talk of him on various websites around the place since that event, a description of him—I presume by a younger person—that was fairly dismissive of his influence. It made me think that perhaps the younger generation, which maybe just still includes me, might not fully appreciate quite how large and influential a figure Billy Thorpe was, and indeed continued to be right up until his death, in the Australian music scene. He was and will remain an icon. He was also a trailblazer.

Speaking as someone of a slightly later generation who has a great interest in music, particularly Australian music, it is fair to say that I was not fully aware of just how significant a role he played in the early years of Australian rock and live popular music. I believe it is important that some recognition of the enormous contribution that he made be recorded in the Senate. I think it is also important that in this, as in many areas, people be more aware of the efforts of those who went before and made such a difference in enabling others to later do such magnificent things.

While Billy Thorpe had enormous chart success and an enormous public following in his younger years, his whole career right through to his death is a reminder that it is not just by being top of the charts that you have influence in the field of music and amongst your peers. Sometimes that very
thin veneer of fleeting adulation that constitutes chart success can end up meaning very little by way of influence or significance over time. Certainly that did not apply to Billy Thorpe. He was born in 1946, nearly 61 years ago. He moved to Brisbane, my hometown, in the early 1950s. As he said on his website, whilst he took his first breath on 29 March 1946 in Manchester, England, life really began when he heard on the radio, when he was three or four years old, the song *Under The Bridges Of Paris (Sous Les Ponts De Paris)*.

As he said on his website:

> Somehow that syrupy, sentimental French love song... got inside my 4 year old head and I was hooked. From that moment I couldn't get enough of music. Any music.

It is hard to link that particular song to the image of Billy Thorpe as a long-haired rocker and perhaps the first person who really celebrated making people's ears bleed because of the loudness of his live gigs, but it also gives an insight into why he was able to cover so many different genres of music so well over his whole career, including sometimes his own syrupy ballads such as *Over the Rainbow*, which were successful. He played his first gig at the age of 10 and within six months he was performing regularly on television and around Brisbane. He said on his website:

> I was discovered in the classic Hollywood sense while playing guitar and singing in the store room behind one of my parents local stores on Fegan Drive in Moorooka which was then a sleepy little Brisbane suburb at the end of the line. The Beaudesert road tramline that is.

A woman came into the shop looking for directions and she just happened to be a booking agent and the wife of the host of a new television show on Brisbane's Channel 9. Billy got an audition and off he went. Not much later he did his first gig, as a 10-year-old, in a church hall in Moorooka—which he described as being on the fringes of Brisbane. I suppose Moorooka was on the fringes in 1956, but these days it is almost inner suburbia. He spent six or seven years honing his craft in Brisbane before moving to Sydney, including headlining with his band the Planets at the legendary Cloudland venue, which, disgracefully, has since been demolished. He played with a whole range of visiting international acts. He supported people like Jerry Lee Lewis and Little Richard. He attended Moorooka State School and Salisbury State High School during the day and 'rock-and-roll high school' at night.

It is incredible to think of a 12-year-old boy headlining at Cloudland or fronting a support band before a Jerry Lee Lewis or Little Richard performance. It was incredible then and it would be incredible now. He performed on popular TV shows like the Jimmy Hannan Show. He moved to Sydney in 1963 and hooked up with a surf band called the Aztecs. Within eight months, he and his band had the No. 1 record in the country and were performing to 60,000 people at the Myer Music Bowl in Melbourne. His version of the song *Poison Ivy* was another No. 1 hit. It knocked the Beatles off the top of the Australian charts when they were touring the country in March 1964. He appeared on Johnny O'Keefe's legendary TV show, with the Bee Gees among others. Within a couple of years a new version of the Aztecs was born and a new song went to No. 1. In 1966, at the age of just 20, Billy had his own TV show. He had further hit singles throughout the period. He had an incredible record of 11 top-10 singles and five No. 1 singles in just over two years. He had a single in the top 10 on average every six weeks. It is unthinkable by today's standards, and obviously it was not done by many others at that time, either.

As I said at the start, topping the charts is not the only measure of success, influence or talent. As was detailed in an article written by Alan Howe in a number of the News Ltd
publications, Billy Thorpe’s zestful live performances reshaped the live music scene and indeed the licensing laws. He was a trailblazer for pub rock and the many great Australian bands that followed that path. He was a key figure behind another legendary event—the Sunbury musical festival on the Australia Day weekend of 1972—35 years ago. He headlined a program that was completely made up of Australian bands. Senator Watson, that is before even you were in the Senate. That is really going back a while! It is extraordinary to think of it now, 35 years later—a weekend-long outdoor rock festival entirely made up of Australian bands.

Billy Thorpe moved to the USA and also had success there, which we all know is not easy for Australian bands. He worked with many great musicians there, including Mick Fleetwood from Fleetwood Mac. He was also involved in other areas of music there. He wrote music for television themes. Indeed, I think I recall reading that he had written one of the football introductory themes not too long ago. He returned to Australia in the last decade and continued to be active. He was part of the very successful Ultimate Rock Symphony concerts, where he was involved with some legendary international performers—I know I am using the word ‘legendary’ a lot; but it is apt—and he was also involved in the Long Way to the Top concerts, another immensely successful celebration of an enormous number of highly talented Australian artists and musicians.

He loved the Australian music industry and he really wanted artists looked after. That is another reason why he was so respected, so admired and so influential. He loved not just his own music; he was enthusiastic about other people’s music and worked with many other people. He would try to help and support anybody involved in the Australian music scene. He had recently joined the board of Support Act Ltd, a body which provides relief and assistance to members of the Australian music industry who are in need or suffering hardship or distress. As I said, topping the charts can be great while it lasts, but things can sometimes get a bit tough for some down the track. He had held numerous benefits for Australian artists who had fallen on hard times, including recently Lobby Lloyd, and I understand that he was in the process of preparing another major benefit for Support Act Ltd at the time of his death.

Billy Thorpe was performing and recording right till the end. He leaves an enormous legacy, not just with his recordings but in so many other ways. He truly was a trailblazer, an icon and a legend—and he will remain so. I think it is appropriate that his contribution be fully recognised. I express my sympathies to his wife of many years, Lynne, and their daughters, Rusty and Lauren.

Water

Senator WATSON (Tasmania) (7.59 pm)—The national plan for water security announced by the Prime Minister in January and focusing on the Murray-Darling Basin is indeed a bold initiative. It will not only provide a foundation upon which future water policy can be constructed but also be a semaphore, as it were, for policy makers to know what is coming down the river. Australia really needs to prepare for the future, to protect our water and our land resources for future generations. Unfortunately, in the past there has been a monumental stuff-up on water management by the states. The states have neglected infrastructure and have allocated water entitlements. Something had to be done by way of a coordinated national approach.

The drought of recent times has been a testing one, but it has provided the opportunity for the Prime Minister to grasp the net-
tle. He does not underestimate the challenges that lie ahead. So far the states of Queensland, New South Wales and South Australia have agreed to the initiative, with Victoria still holding out. Premier Bracks is playing some gamesmanship on the basis that perhaps the state of Victoria has been a little bit more responsible in its water management than some of the other states have been. But, in the end, it will be in Victoria’s interests to join in. The problem we face today, as I said earlier, is because of the massive allocations of water rights, especially by the New South Wales government. Unused allocations have often been reallocated without cancellation or compensation. As for Queensland, further north—cowboy country—Rafferty’s rules seem to have been the order of the day for just too long.

The impact of the Prime Minister’s water initiative will have somewhat similar long-term outcomes to those of the Snowy River and Ord River schemes of the past. Generally, Australians welcome this initiative. The timing is critical, given the severity of the drought of the past 12 months. But farmers, especially older farmers, know that Australia has experienced such weather phenomena in the past. Our history is peppered with droughts. They have been part of the Australian farming scene since white settlement. In fact, a few scientists go further and provide evidence of drought conditions perhaps 200 years before 1788.

The delivery of the program will be tricky. There must be some sort of process for buying out unused entitlements and there must be some sort of evaluation of the future use of this precious resource. Some people have suggested that some towns may suffer if the rejigging is too great or severe. But I remind the Senate that the concept of country towns dying is already being faced across Australia as farms consolidate and managed investment schemes spread, squeezing out small family operations.

The key to the plan’s success will be the structure of the new management coordinating authority. Not only will the structure be important but, more particularly, the quality of the water experts who are going to be directing the operations will be important. The announcement that only water experts will be responsible for leading this challenging work is indeed welcome.

On the other hand, the government must, I believe, look wider than the Murray-Darling challenge and provide policies that deal with the broader issues of land management in Australia, of which the Murray-Darling Basin is but a part. Indeed, there is a lot of literature about the Murray-Darling and like problems. There is the excellent National Land and Water Resources Audit 1997-2002, which was established under the Natural Heritage Trust act. That audit was established “to provide a baseline for the purposes of carrying out assessments of the effectiveness of land and water degradation policies and programs” and to “improve Australian government, state and regional decision making on natural resource management”. The reports of the audit have been compiled under seven themes: water resources, dryland salinity, vegetation, rangelands, agricultural productivity, capacity and opportunities for natural resource managers to implement change, and Australian catchment river and estuary assessment.

I will look at some of those sorts of issues to highlight the challenges before us. The uses to which water resources are put in agricultural areas provide a wide range of different returns and in some cases water costs are a major factor in the overall resource cost of production. The relative production efficiency of water used in food production makes interesting reading. For example, in
the late 1990s and early 2000s, in terms of dollar value of crops per megalitre of water consumed in production, by far the best returns were obtained from vegetable and fruit crops, closely followed at that time by tobacco. Those crops that utilised their water with far lower returns in the value of production included pasture, sugarcane, rice and peanuts. The middle ground was held by cotton, tree nuts and grapes. In terms of overall water use, the dairy industry used 40 per cent of the total water used. The next biggest user was cotton, with 15 per cent of the total, and then rice, with 11 per cent. The most efficient users, vegetables and fruit crops, utilised only 4.4 per cent and 2.6 per cent respectively of the total water used. In dollar figures, the value returned from a megalitre of water used varied from a high of $1,800 for vegetables to a low of only $189 for rice. The important point was that there was great variety in terms of returns that are provided to various crops.

I would like to draw the Senate’s attention to a recent book, published in 2006. While I have some disagreement with some of its issues and conclusions, it is nevertheless thought provoking in this environment. I draw the Senate’s attention to High and Dry: How a Free Trade in Water Will Cripple Australian Agriculture. In so doing, I remind the listeners that this book was produced before the announcement of the water initiative. Because water is a mixed good with different characteristics in different markets, at the end of the day I believe that only governments can decide primary water allocations and prices amongst these markets.

The final value of product to the economy also depends on the extent and value of downstream processing, not merely that at the farm gate. Also, what is a high-value product today can quickly become a low-value product, as is currently happening in the wine grape industry. Further, excessive emphasis on high-value farm gate prices conflicts with other economic and social objectives, like providing the Australian people with low-cost food and helping Australian farmers achieve a competitive advantage over their heavily subsidised foreign competitors. Sometimes governments really must recognise that it is better to shift agriculture to the available water than shift water to agriculture. At the end of the day I think the farmers will always agree that they are often in the best position to judge water use from low-value to high-value crops because they have a lot of experience.

To my mind, old theories and old thinking, concepts imagined in a time when water fell from heaven—and it still does—and the world’s population was still in the millions, cannot provide the framework for managing the complexity of storing, allocating, buying, selling and using water to maximum advantage. There is more to this 21st century equation than divining that water is now a private good in a single market instead of an externality, as we did in the past. (Time expired)

Senate adjourned at 8.09 pm

DOCUMENTS

Tabling

The following documents were tabled by the Clerk:

[Legislative instruments are identified by a Federal Register of Legislative Instruments (FRLI) number]


Civil Aviation Act—

Civil Aviation Regulations—Instrument No. CASA EX05/07—Exemption – Eastern Australia Airlines operations into Lord Howe Island [F2007L00305]*.
Civil Aviation Safety Regulations—
   Airworthiness Directives—Part 106—
      AD/CF34/13—Uncontained Fan Disk Failure [F2007L00543]*.
      AD/SMA/2 Amdt 1—Engine Electronic Control Unit [F2007L00544]*.
   Instrument No. CASA EX06/07—Exemption – provision of ARFFS at Avalon Aerodrome [F2007L00306]*.


Corporations Act—ASIC Class Order [CO 07/43] [F2007L00507]*.

Migration Act—Statements under sections—
   48B.
   91L [4].
   91Q.
   195A [9].
   197AB [9].

Telecommunications Act—
   Telecommunications Numbering Plan Variation 2007 (No. 1) [F2007L00501]*.

* Explanatory statement tabled with legislative instrument.
QUESTIONS ON NOTICE

The following answers to questions were circulated:

World Bank
(Question No. 2817)

Senator Allison asked the Minister representing the Minister for Foreign Affairs, upon notice, on 21 November 2006:
With reference to a report on the Special Broadcasting Service, World News Australia in October 2006, on the World Bank lending Australia money for the first time in 30 years: Is this report correct; if so, what was the: (a) purpose of the loan; and (b) value of the loan.

Senator Coonan—The following answer has been provided by the Minister for Foreign Affairs to the honourable senator’s question:
Australia is not in receipt of any loans from the World Bank nor are there any loans outstanding.